The Fifth Estate

RADIO TELEVISION CABLE SATELLITE

Broadcasting Nov 23

57th Year 1987

My Partner the MSO

Operators take growing stake in cable programing

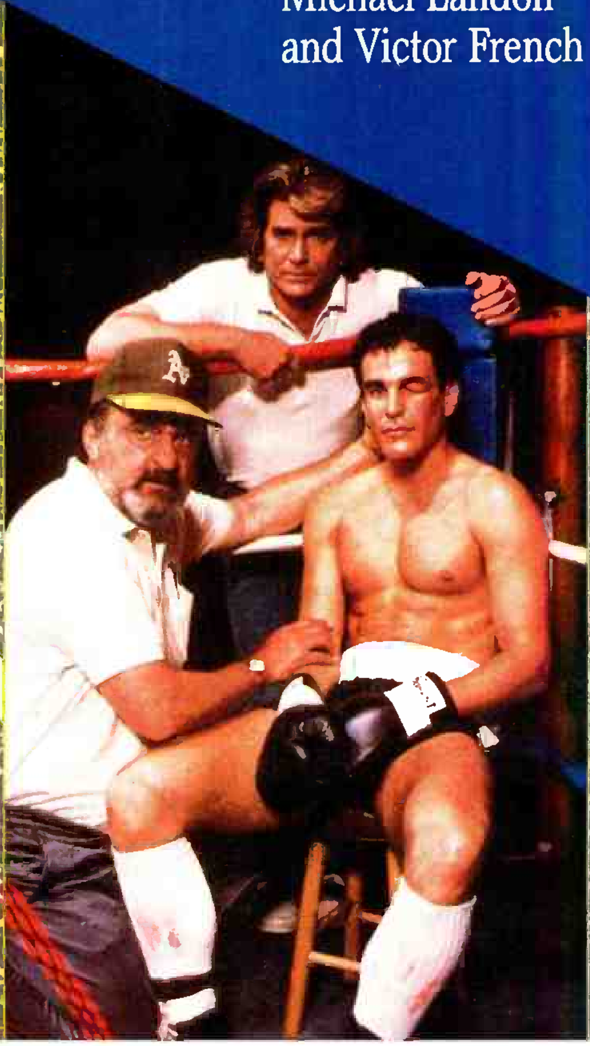
HDTV

Race for the roses

To Success!

Highway to HEAVEN

Starring
Michael Landon
and Victor French



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SEARCHING FOR RELIABLE REVENUE □ Corporation for Public Broadcasting Chairman Howard Gutin reiterates noncommercial broadcasting's need for "adequate, long-term source of funding." **PAGE 56**.

VIEW FROM THE TOP □ Sumner Redstone won battle for Viacom earlier this year. In this "At Large" interview with BROADCASTING, Redstone and executive he brought on board to run company, Frank Biondi, discuss business company is in and prospects for each of its diverse divisions. **PAGE 59.**

WIRELESS CABLE CONNECTION □ Microband Companies Inc. offers homes without cable in outer boroughs of New York and New Jersey suburbs six-channel wireless cable service. **PAGE 71**.

LEADING MAN □ CBS News Dallas correspondent, Harry Smith, is expected to be named male co-anchor of network's new morning news program, joining Kathleen Sullivan when program debuts Nov. 30. **PAGE 77**.

EYE ON THE FUTURE □ Ampex's M. Carlos Kennedy's steady watch on videotape technology trends help shape both Ampex and broadcasting industry. **PAGE 95.**

SCHEDULE SHUFFLE □ Following November sweeps, commercial broadcast networks revamp schedules. **PAGE 97.**

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Closed Circuit

No stereo standard

Fearing protracted litigation, FCC Commissioner Jim Quello told BROADCASTING last week he opposes National Telecommunications and Information Administration's proposal to protect pilot tone of C-Quam AM stereo system and give system boost in ongoing marketplace standards battle with Kahn Communications' single-sideband system. But, he said, he will state at Tuesday's (Nov. 24) open FCC meeting at which NTIA proposal comes to vote that he believes marketplace has already chosen C-Quam system as de facto standard.

Children's hour

In response to broadcasters' calls for clarification of broadcast indecency policy adopted by FCC last April, agency is expected to reinstate safe harbor hour after which broadcasters may air more explicit programing dealing with sexual or excretory activities or organs, according to sources. However, they said, safe harbor hour will be moved back pre-April's 10 p.m. to either 11 p.m. or midnight. Action is expected this week.

Greased pole

Television Bureau of Advertising board has lowered projections for 1987 national TV spot advertising. Originally forecast at 5%-7% growth rate, figures have been revised downward to 3%-5%, dropping total 1987 national TV spot dollars by some $130 million to $6.835 billion. TVB had found some softness in third-quarter time sales, with national spot up only 2.9% and local up 4.6%, for total of 3.7%

Fiber future

Association of Independent Television Stations refrained from filing comments on cable-telephone company crossownership proceeding at FCC (BROADCASTING, Nov. 9) but will have something to say in second round of comments. INTV, citing announcement by National Telecommunications and Information Administration to conduct wide-ranging study of cable television service, will call for broader inquiry into future of video delivery to home. Association is likely to recommend that FCC take hard look at development of fiber optic delivery system. INTV board, after hearing more about fiber optic cable build during October meeting (it met with Tom Gillett, project manager for GTE's fiber optic cable system in Cerritos, Calif.) began to re-evaluate its position on issue, and association held off on entering debate during initial filing.

Let us wait

Organizers of National Interfaith Cable Coalition have postponed press conference scheduled for this week in Washington, at which launch of ecumenical cable channel was to have been discussed. NICC officials were meeting last Friday in New York in an effort to continue to iron out details of plan, and organization said recent meetings with cable officials in Denver and Palm Springs, Calif., were very positive. Channel is expected to be launched next year.

After Paro

Association of Maximum Service Telecasters is moving toward decision by end of year on successor to AMST President Tom Paro, who has announced retirement. Among top candidates: Margita White, former FCC commissioner who now represents Television Operators Caucus; John Sturm, Washington lobbyist for CBS, and Mary Jo Manning, former chief counsel of Senate Communications Subcommittee, now with law firm of Wilkes Artis Hedrick & Lane.

Markey with eggs

National Association of Broadcasters President Eddie Fritts is hosting political fund raiser for House Telecommunications Subcommittee Chairman Ed Markey (D-Mass.) on Dec. 3. Fritts has invited small gathering of broadcasters to attend breakfast at NAB headquarters.

Intelsat challenge

U.S. is expected to seek postponement of planned domestic services pricing issue when Intelsat Board of Governors convenes for quarterly meeting on Dec. 10. Pan American Satellite Corp. has been urging government to seek postponement to allow time for evaluation of comments on Intelsat proposals that PAS, in economic study filed with FCC last week, says would result in prices far below cost. PAS says result would be higher rates for monopoly services used by American rate payers (see page 82). State Department official said PAS request is not only reason deferral would be sought. He said U.S. was to have further talks with Intelsat Director General Dean Burch on matter, but that those talks have not yet been held.

National plan

America's Most Wanted, half-hour series designed to aid in capture of criminals, premiering on Fox Television stations in January, may ultimately be aimed for national exposure through syndication or network. Although development of series on Fox stations has led to attempts at national exposure in past, as in case of Fox's *A Current Affair,* now in syndication, Fox would not confirm any such aspirations for *America's Most Wanted.* Test run of series on Fox stations allows company to feel out audience reception in 25% of country. *America's Most Wanted* will have Michael Linder as executive producer and John Walsh as host. Walsh was creator of made-for-television movie, *Adam,* based on slaying of his 6-year-old son.

Peace Movement

Striving for better relations with cable, Television Operators Caucus invited National Cable Television Association President Jim Mooney to lunch at meeting it convened in New York. Group operators asked Mooney for suggestions on how two groups can improve cooperation. According to sources, NCTA chief pointed out that ability to work together on issues such as must carry are hampered by factions within industry, particularly when Association of Independent Television Stations President Preston Padden calls for re-regulation of cable industry and competition from telcos.

7 ft.

6 ft.

5 ft.

4 ft.

3 ft.

2 ft.

Guess who we caught watching Cagney & Lacey.

34% of our audience

Cagney & Lacey is not for women only. More than a third of our viewers are men 18+. What's more, over four years, our ratings and share have stayed solid from first-run to repeat. That means a loyal audience of men and women can't wait to watch in syndication.

Put Cagney & Lacey in your lineup.

To settle for anything less is a crime.

Source: NTI 11/82-2/87

positively identified as men.

Cagney & Lacey

ORION
TELEVISION SYNDICATION

Where Things Stand

A weekly status report on major issues in the Fifth Estate

■ *Solid box denotes items that have changed since last issue.*

AM-FM allocations. FCC has authorized nighttime operation for 21 of 41 daytime-only AM stations on 1540 khz, foreign clear channel. Frequency's nighttime operation priority has belonged to Bahamas. However, since the negotiation of new international agreements, limited nighttime use of 14 Class I-A foreign clear channels will be allowed. Announcement of 21 stations affected will be delayed until early December when grace period for possible objections from Bahamas expires.

In response to FCC inquiry, National Association of Broadcasters told FCC Aug. 31 not to permit FM stations to use directional antennas, claiming it would lead to "AM-ization" of FM band. However, several FM broadcasters commenting in proceeding took opposite position, contending directional antennas would benefit FM radio and public.

In July, NAB filed comments supporting FCC's proposal to allow most AM daytimers (1,600 of between 1,800 and 1,900) to provide nighttime service at or near lowest post-sunset power already granted those daytimers by FCC. However, NAB said FCC should authorize new nighttime service on interim basis until it completes comprehensive review of AM interference standards in separate proceeding launched last month. Others said FCC should defer any action until review is completed and new interference standards are adopted. FCC hopes to have final order shortly.

□

AM stereo. Motorola's C-Quam AM stereo system moved closer to establishing itself as de facto standard with Aug. 12 release by National Telecommunications and Information Administration of follow-up report to one released last February on AM stereo marketplace.

Multisystem radios receive signals generated by two incompatible systems battling to be de facto standard—C-Quam and Kahn Communications' single-sideband. Second report stated that while there is no inherent degradation of sound quality in multisystem compared to single-system radios, implementation of multisystem technology is not feasible because of lack of support among radio manufacturers and dominance of single-system, C-Quam standard in international marketplace. NTIA recommended to FCC that it protect C-Quam's pilot tone from possible interference. Commission's Mass Media Bureau has prepared statement on AM stereo pilot tone protection.

Kahn Communications has responded by petitioning NTIA "to finish its job" by undertaking direct comparison of two systems and publishing definitive study to determine which is superior. It has also submitted comments to FCC saying that pilot tone protection is "unnecessary" and that it "clearly contradicts the administration's and the FCC's avowed support of the free marketplace." Meanwhile, Motorola is claiming that standards battle is over and that new integrated circuits in radios to be released in 1988 will solidify C-Quam and stereo in general in AM marketplace.

□

■ **Antitrafficking.** Last month, Senate Commerce Committee adopted revenue-raising package aimed at reducing trafficking of broadcast licenses (BROADCASTING, Oct. 26). A 4% transfer fee would be imposed on broadcast licenses transferred within three years of last sale. Congressional interest in reinstating FCC's antitrafficking rule has been building, with legislation introduced earlier this year in House and Senate that would restore rules requiring broadcast stations to be owned three years before sale.

□

■ **Cable regulation.** Two federal court judges in northern district of California in decisions issued one week apart in September, ruled that cities' cable franchise provisions requiring cable operators to provide access channels and universal service and to build and maintain "state-of-the-art" cable systems are unconstitutional—violation of First Amendment rights of cable operators. In earlier decision, one of those judges, Eugene Lynch, held that Palo Alto, Calif., and two nearby communities must award franchise to Century Communications Inc., even though it did not go through franchise process. Courts' decisions run counter to decisions in other courts.

FCC has opened rulemaking to define more narrowly those television markets where the rates of cable systems cannot be regulated because the systems are subject to "effective competition" from cable systems. Rulemaking was launched in response to U.S. Court of Appeals in Washington, which endorsed FCC's basic finding that three broadcast signals constituted "effective competition," but which felt FCC's definition of which signals should be deemed "available" in market was too broad. Upshot of rulemaking is that fewer cable systems are likely to escape rate regulation.

On Capitol Hill, House Telecommunications Subcommittee has postponed indefinitely oversight hearing on status of cable industry three years after deregulation. It was scheduled for Oct. 29 but because of sudden developments on Wall Street, subcommittee needed to convene series of closed-member briefings on situation and cable hearing was bumped (BROADCASTING, Oct. 26). Subcommittee still intends to hold series of oversight hearings on cable.

Meanwhile, Representatives John Bryant (D-Tex.) and Al Swift (D-Wash.) have introduced legislation at behest of coalition of commercial and noncommercial broadcasters, National League of Cities and Motion Picture Association of America that would grant cities (as franchising authority) right to specify "in the franchise or by any other means, the channel or service tier on which the cable system must carry (1) any channel designated for public, educational or governmental uses and (2) the signals of any television broadcast station that the cable system is required to carry by federal law or regulation" (BROADCASTING, Sept. 14).

□

Children's television. In response to U.S. Court of Appeals in Washington and petitions from Action for Children's Television, FCC voted unanimously to launch broad inquiry into children's advertising. Among the questions to be addressed: Should FCC reimpose time limits on children's advertising similar to those dropped in 1984 and are children's programs based on toys no more than so-called "program-length" commercials and, if so, should they be somehow restricted.

U.S. Court of Appeals in Washington set stage for inquiry when it remanded to FCC 1984 elimination of time limits on children's advertising on ground that FCC had failed to justify deregulatory action with either facts or analysis.

Impetus behind FCC action also came from Capitol Hill. House Telecommunications Subcommittee Chairman Ed Markey (D-Mass.) and Representative Terry Bruce (D-Ill.) have introduced bill that would limit advertising during children's programs. Measure has support of four other subcommittee members. Representative John Bryant (D-Tex.), also on subcommittee, intends to offer children's TV bill similar to one by Senator Frank Lautenberg (D-N.J.). Lautenberg's measure would require each commercial television network to air seven hours per week of educational programing designed for children and would require FCC to hold inquiries into "program-length commercials" and programs featuring interactive toys.

□

■ **Compulsory license.** At Nov. 4 panel session in Washington, FCC Chairman Dennis Patrick reiterated misgivings about cable compulsory license. FCC is considering reimposing syndicated exclusivity rules on assumption that compulsory license is "flawed," he said.

Patrick's feelings toward license are not academic. FCC is now reviewing industry comments in inquiry that could lead to recommendation to Congress that compulsory license be abolished. In comments, first of which were filed last August, cable industry argued for preservation of license. National Association of Broadcasters softened its long-standing opposition to license, arguing that license should be left alone for time being. Most broadcasters, however, urged elimination or modification of rules to limit importation of distant signals. It was joined by Motion Picture Association of America.

NCTA views Association of Independent Television Stations' compulsory license comments (which called for limiting application of license to carriage of local signals only and abolishing license for distant signals altogether), as violation of must-carry agreement that broadcast and cable industries reached last year (INTV is signatory). INTV, nevertheless, denied it has "gone back on its word" and defended its ac-

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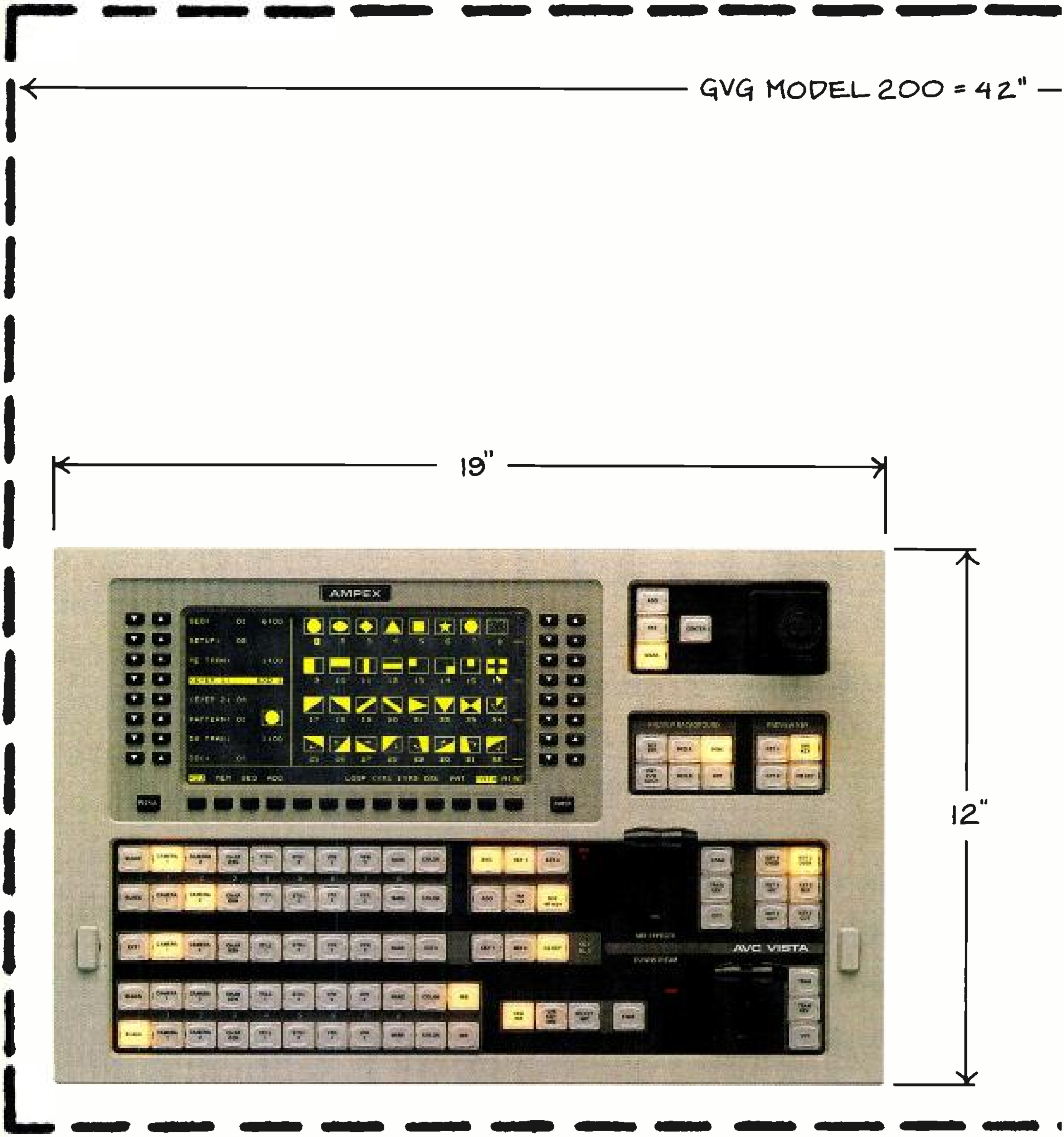

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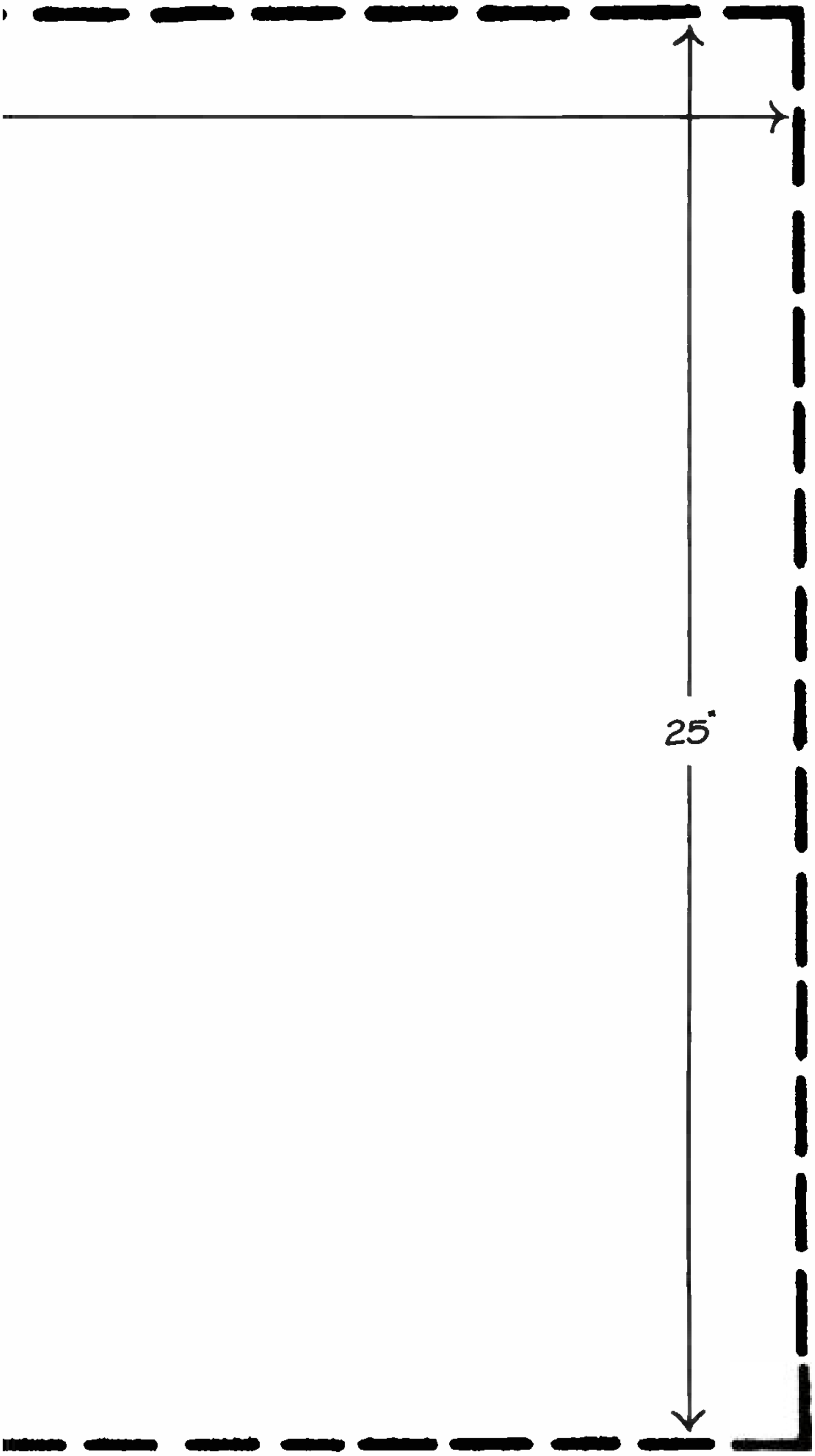

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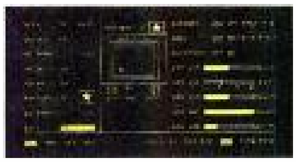

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Fairness doctrine update

Broadcasters are awaiting House action on the fairness doctrine this week as a catch-all spending bill (the continuing resolution) moves to the floor for a vote. The doctrine is expected to be attached to the resolution (a funding measure that keeps the government operating) because it is viewed as veto-proof. The House delayed a vote on the resolution two weeks ago (BROADCASTING, Nov. 9). In the Senate, Commerce Committee Chairman Ernest Hollings (D-S.C.) has offered a revenue-raising package (adopted by the committee 12-5) that, in addition to establishing a basic 2% FCC license transfer fee, would codify the fairness doctrine (BROADCASTING, Oct. 26) and add 1% to the transfer fee for any seller who had violated the doctrine. The National Association of Broadcasters has embarked on a major campaign to defeat the measure (BROADCASTING, Nov. 2).

The fairness doctrine was repealed by the FCC on Aug. 4. Earlier, President Reagan vetoed a bill codifying the fairness doctrine, and doctrine proponents lacked the votes to override.

Senators Bob Packwood (R-Ore.), Ted Stevens (R-Alaska) and William Proxmire (D-Wis.) have circulated a "Dear Colleague" letter supporting the repeal. In the House, Representative Tom Tauke (R-Iowa) and others sent a letter to counter earlier correspondence from House Energy and Commerce Committee Chairman John Dingell (D-Mich.), who is leading efforts in the House to enact the doctrine into law (BROADCASTING, Nov. 9). Dingell's letter raised the specter of the loss of the equal time law, saying repeal of the doctrine strikes at the heart of equal time, which requires broadcasters who give or sell air time to one political candidate to give or sell time to that candidate's opponents. The FCC has maintained that its decision does not affect equal time, which is embedded in Section 315 of the Communications Act.

Editor's note: Copies of BROADCASTING's "The Decline and Fall of the Fairness Doctrine," which comprises a full text of the decision, including footnotes, plus blow-by-blow coverage of the historic decision and industry reaction, are still available for $5 from the BROADCASTING Book Division, 1705 DeSales Street NW, Washington, D.C. 20036.

tions (BROADCASTING, Aug. 10).

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■ **Crossownership.** Nation's telephone comments filed comments at FCC two weeks ago calling on Congress and FCC to drop prohibitions barring them from entering cable television business in areas where they provide telephone service.

Prohibitions have been in place for nearly two decades. FCC's rules barring such crossownership were adopted in 1970 and Congress codified them in Cable Communications Policy Act of 1984. FCC current inquiry could lead to recommendation to Congress that rules be repealed.

In comments, telcos said cable had been slow in implementing new technology because of lack of competition and said telco crossownerhip would be of benefit to public in lower costs. Cable groups said telcos' history of "abuses" of cable owners and their ability to cross-subsidize their cable operations through phone revenue could destroy cable companies. Reply comments are due Dec. 2.

Even if Congress drops prohibitions, seven Bell operating companies would still be prevented from entertaining cable business by Judge Harold Greene's modified final judgement in consent decrees that led to breakup of AT&T and creation of seven companies. As part of first triennial reassessment of modified final judgment that resulted in breakup of AT&T, District Court Judge Harold Greene in September decided against lifting prohibitions against Bell operating companies' providing "information services," which include everything from electronic mail to videotex to cable television.

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Direct broadcast satellites. High-power DBS, which would use Ku-band spectrum set aside for it, has foundered in U.S. because of high start-up costs and programing dearth. But European governments are pushing ahead with launching of systems. First to give medium try on continent will be West Germany. French-controlled Arianespace has tentatively set Nov. 17 for launch of West Germany's four-channel TVSat 1. Country will use two channels for public television, will turn over other two to commercial operators.

Low power variety of satellite broadcasting resulting from scrambling of cable programing on C-band satellites has emerged from home satellite market. It got started in January 1986, when Home Box Office scrambled feeds of HBO and Cinemax and began selling subscriptions to owners of backyard earth stations (TVRO's), which now number more than 1.7 million. Number of TVRO homes subscribing to cable programing has grown as more cable programers have scrambled feeds and begun selling subscriptions directly or through cable operators and other third parties. HBO now wants other major cable programers to join it in stepping up from C-band to medium-power Ku-band satellites that can beam signals to much smaller dishes.

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Equal employment opportunity. FCC has amended its broadcast equal employment opportunity rules and reporting requirements. Every station's EEO program will be subject to review at renewal time regardless of employment profile, but FCC said review will focus more on EEO efforts than numbers. Stations with five or more employes are required to file detailed reports.

For cable, FCC has adopted rules implementing EEO aspects of Cable Communications Policy Act of 1984. Under broadcast license renewal legislation offered by Congressman Al Swift (D-Wash.), same EEO formula in Cable Act would apply to broadcasters.

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■ **Federal Trade Commission.** FTC is in midst of antitrust investigation of National Football League television rights contracts, having issued subpoenas to ABC, CBS, NBC, Fox Broadcasting and NFL. Under investigation is possible collusion among three broadcast networks in pressuring NFL to make rights deals with networks and ESPN, and to eschew bids of others, namely Fox Broadcasting and Home Box Office, during negotiation of three-year, $1.4-billion rights packages early this year. ESPN is principally owned by ABC. Fox is complaining most loudly. Fox President Jamie Kellner has said Fox made highest bid for Monday night package, but that NFL renewed contract with ABC.

In addition to Kellner, FTC has received testimony of several high-level network executives, including Capital Cities/ABC President Daniel Burke and NBC Sports President Arthur Watson. CBS President and CEO Laurence Tisch and CBS Sports President Neal Pilson have also reportedly testified.

In related development, league's contract with ESPN for package of Sunday-night games was subject of Senate hearing. Senators Arlen Specter (R-Pa.) and Howard Metzenbaum (D-Ohio) are expected to ask Justice Department to examine impact of NFL's antitrust exemption as it applies to cable and to look at ABC's ownership of ESPN and possible antitrust implications (BROADCASTING, Oct. 12).

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■ **High-definition television.** HDTV is becoming increasingly important issue. Next move will come when FCC's newly formed Advanced Television (ATV) Services Advisory Committee meets for first time tomorrow, Nov. 17. Makeup of upper tier of advisory committee, "blue ribbon" advisory panel, includes chief executives of three major networks, country's second largest MSO, and two former FCC chairmen. Second tier of committee comprises three subcommittees open to all interested parties. Committee was formed as part of July 16 FCC order that also launched inquiry into ATV. In connection with inquiry, the FCC has also decided to hold in abeyance any reallocation of UHF channels from broadcasting to mobile radio until advisory committee makes interim report next spring.

Executive committee of National Association of Broadcasters has approved formation of Broadcast Technology Center dedicated to HDTV research. Center will be under control of NAB Technologies Inc., for-profit subsidiary. NAB's HDTV Task Force approved expenditures of $200,000 through end of first quarter of 1988 for HDTV research projects and demonstrations. Funds will come from $700,000 earmarked for task force's work by NAB board last June.

Advanced Television Systems Committee's T3 group voted Sept. 30 to approve formal document outlining standard devised by working group of SMPTE on high-definition electronic production. Standard will next be voted upon by entire ATSC membership. Standard sets parameters for HDTV production at 1,125 lines, 60 hz field and 16:9 aspect ratio. SMPTE's full membership must also approve standard, after which it will be submitted to American National Standards Institute.

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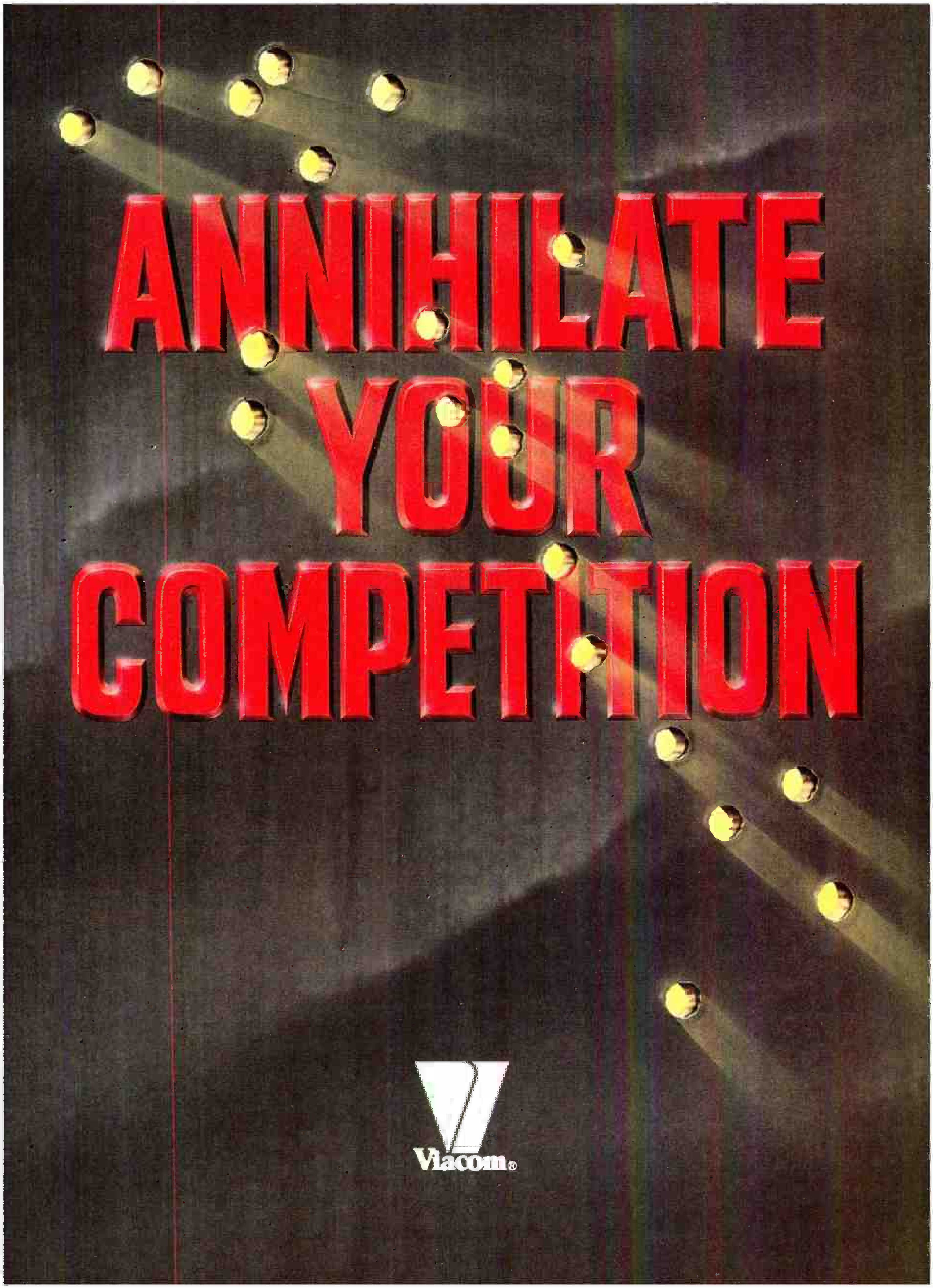
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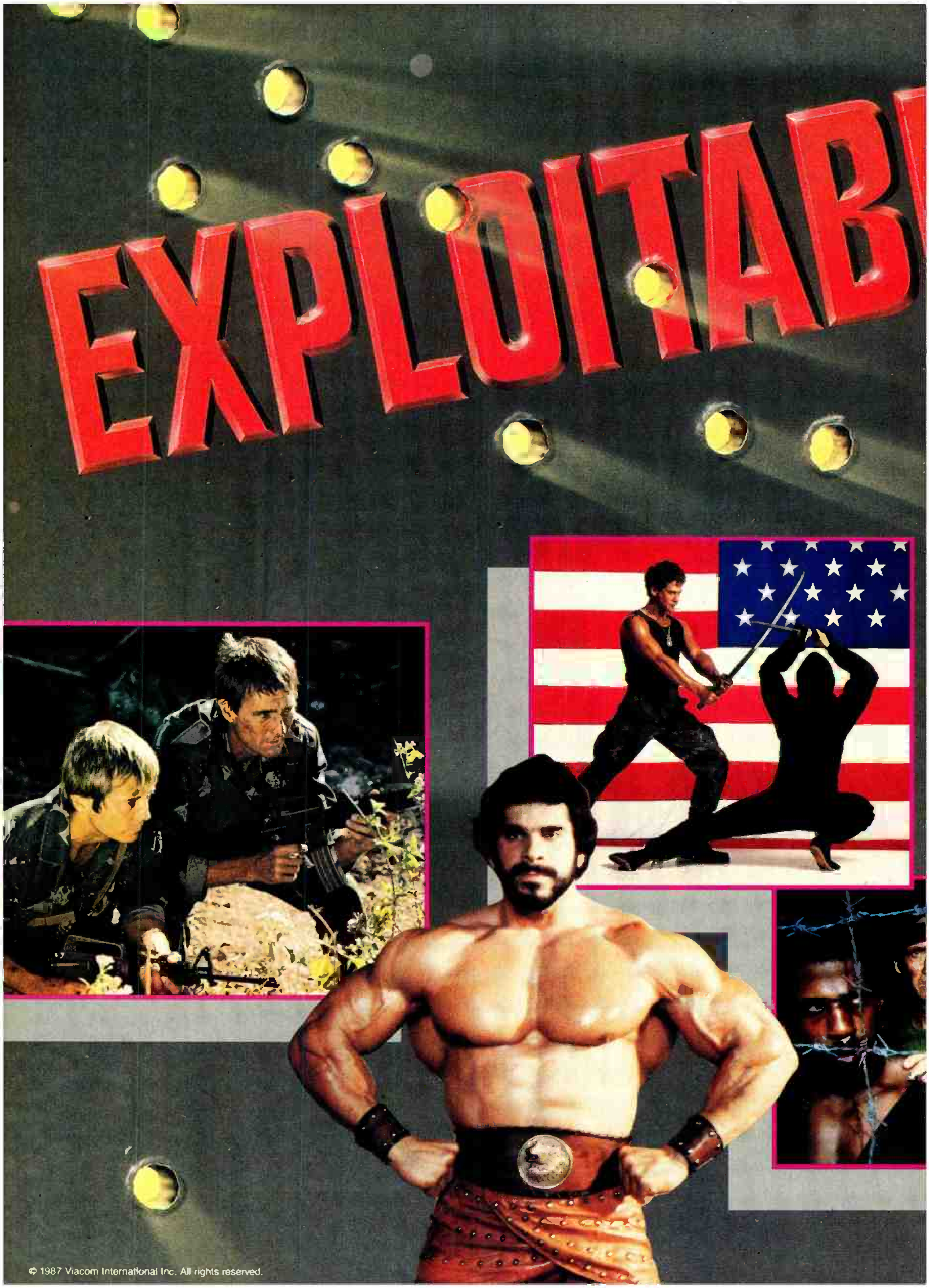
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Arm yourself with Exploitables 4. And be a hero in your market.

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International Telecommunications Satellite Organization. In dramatic end to investigation by U.S. attorney for District of Columbia, former Intelsat director general, Richard Colino, and business associates in July pleaded guilty in U.S. district court to criminal fraud and conspiracy charges growing out of $4.8 million said to have been siphoned from Intelsat during construction of addition to its headquarters building. Colino, along with Deputy Director General Jose L. Alegrett, was fired by board in December after outside lawyers and auditors submitted report indicating their possible involvement in financial irregularities. And in September, U.S. district court judge in Washington, saying total loss to Intelsat had been $5.4 million, sentenced Colino to six years in minimum security prison and ordered him to make restitution of $865,000. One associate was sentenced to three years and fined $100,000; other was sentenced to two years. Intelsat in May filed civil suit against Colino, claiming his activities resulted in damage to organization of up to $11.5 million (BROADCASTING, May 25). His attorneys filed response contending that court lacks jurisdiction over suit.

Intelsat's members, meeting in Extraordinary Assembly of Parties April 1-3, confirmed Board of Governors selection of Dean Burch as director general, succeeding Colino.

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International telecommunications satellite systems. President Reagan in November 1984 determined that separate U.S. systems providing international communications satellite service are in public interest, provided restrictions are imposed to protect economic health of International Telecommunications Satellite Organization. Thus far, eight systems have received conditional authorization from FCC, but proposal of only one, PanAmerican Satellite Corp., which has secured Peru as foreign partner, has been consulted with Intelsat. Assembly of Parties, acting on recommendation of board of governors, approved consultation at meeting in April.

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Land-mobile. To eliminate interference UHF television stations on channels 14 and 69 cause mobile radio users on adjacent channels, FCC has proposed minimum mileage spacings between new UHF television stations (or new television transmission sites) and existing land-mobile operations. And if a UHF station cannot meet spacing criteria, the FCC also proposed, station must work out deals in which it pays short-spaced mobile radio operators to accept a certain amount of interference or to use other nonadjacent channels.

In related inquiry, FCC has suggested making channels 14 and 69 available to mobile radio and other nonbroadcast users in areas where broadcasters cannot meet spacing requirement or work out deal with mobile radio operators.

In response to petition from National Association of Broadcasters and Association of Maximum Service Telecasters, FCC has said it will delay decision on reallocation of UHF channels in eight markets to mobile radio until completion of its study on advanced television systems and local broadcasting (see "High-definition television," above). Broadcasters and FCC believe UHF spectrum may be needed for broadcasting ATV systems.

□

License renewal reform. At FCC, broadcasters may get some relief from groups that file petitions to deny broadcast stations' renewal or sale applications and demand payoffs from affected stations to withdraw them. Under proposed rules, now subject of FCC rulemaking, groups filing such petitions would be limited to recovering only costs involved in preparing and prosecuting their filings. In comments filed Oct. 26., most agreed with FCC proposal. Notably absent from list of commenters was National Black Media Coalition, which asked for extension of reply comment deadline. It has filed an FOIA request with commission for evidence of shakedowns rules are meant to correct, absent which, it asserts, there is insufficient information upon which to comment.

Legislation to reform comparative renewal process is pending in House and Senate, but fate of proposed measures is unclear. Latest renewal measure was offered last month by Representative Al Swift (D-Wash.) who would eliminate comparative renewal in exchange for public service obligations (BROADCASTING, Oct. 19). NAB board rejected measure when it was in draft form and now says it wants radio-only comparative renewal measure, something that appears to have little, if any, appeal on Capitol Hill.

Hill leadership has indicated that no broadcast legislation (at least any measure industry wants) will move until outcome of fairness doctrine is determined.

□

■ **High-definition television.** HDTV is becoming increasingly important issue. Next move will come when FCC's newly formed Advanced Television (ATV) Services Advisory Committee meets for first time tomorrow, Nov. 17. Makeup of upper tier of advisory committee, "blue ribbon" advisory panel, includes chief executives of three major networks, country's second largest MSO, and two former FCC chairmen. Second tier of committee comprises three subcommittees open to all interested parties. Committee was formed as part of July 16 FCC order that also launched inquiry into ATV. In connection with inquiry, the FCC has also decided to hold in abeyance any reallocation of UHF channels from broadcasting to mobile radio until advisory committee makes interim report next spring.

Executive committee of National Association of Broadcasters has approved formation of Broadcast Technology Center dedicated to HDTV research. Center will be under control of NAB Technologies Inc., for-profit subsidiary. NAB's HDTV Task Force approved expenditures of $200,000 through end of first quarter of 1988 for HDTV research projects and demonstrations. Funds will come from $700,000 earmarked for task force's work by NAB board last June.

Advanced Television Systems Committee's T3 group voted Sept. 30 to approve formal document outlining standard devised by working group of SMPTE on high-definition electronic production. Standard will next be voted upon by entire ATSC membership. Standard sets parameters for HDTV production at 1,125 lines, 60 hz field and 16:9 aspect ratio. SMPTE's full membership must also approve standard, after which it will be submitted to American National Standards Institute.

□

■ **Mergers.** Special shareholder meeting for Adams-Russell is scheduled this Friday, Nov. 20, to vote on $470-million cable operation sale to Cablevision Systems. Cablevision will invest $40 million in buy, with bulk of financing for deal coming from General Electric Credit Corp. GE-owned Kidder, Peabody & Co. will also provide $125 million from private placement of senior subordinated notes.

□ Storer Television has closed on sale of first five TV stations to company 55%-held and managed by Gillett Corp. FCC approved $1.3-billion, six-station restructuring in October. Closing on sixth station in Milwaukee is expected after license renewal in early December.

□ Continental Cablevision has agreed to buy American Cablesystems for $481.7 million, or $46.50 per share. Combined systems would have over 2 million subscribers. U.S. Cable Corp., new group headed by ML Media principals, Martin Pompadur and Elton Rule, made $233 million offer for Essex Communications, Greenwich, Conn.-based MSO with 135,000 subscribers. ML earlier bought C4 Media, Vienna, Va.-based MSO of about 65,000 subs for $126 million.

□ Radio group broadcast Summit Communications is buying DKM Broadcasting for approximately $200 million, second-largest radio-only sale. DKM holds AM-FM combinations in eight cities.

□ Adams Communications has signed agreement to buy Forward Communications' five TV stations for $126.5 million from Wesray Capital Corp., which bought group in 1984 for $95 million.

Deals called off in wake of stock market decline so far include: proposed merger of cable system operators United Artists and United Cable, and $114-million TV station sale by United Broadcasting Corp. to ML Media Partners. Also in question is proposed sale of Storer Cable's 1.4 million-subscriber cable systems for $2.5 billion-$3 billion, particularly with evaporation of high-yield bond market, favored financing tool of Storer-parent Kohlberg Kravis Roberts & Co.

□

Must carry. Group of cable operators, including United Cable and Daniels & Associates, have asked U.S. Court of Appeals in Washington to find FCC's new must-carry rules unconstitutional—violation of cable operators' First Amendment rights—just as it did old rules in summer of 1985. New rules, which are less onerous for operators than were old ones, are product of compromise between cable and broadcasting industries. Not appealing rules was Turner Broadcasting System, whose First Amendment suit was one of two that led to court outlawing old must-carry rules two years ago. In light of limited scope and duration of new rules—they are set to expire after five years—TBS said it was "unnecessary" to pursue further judicial challenge. Oral arguments were held two weeks ago and although it was difficult to gauge where court will come down, some observers, based on questions raised by judges, felt there was strong likelihood rules might be remanded to FCC citing specific problems while not attacking overall rationale of rule (BROADCASTING, Oct. 26).

In House, Representative Edward Markey (D-Mass.) has introduced bill to repeal five-year sunset provision of rules that set guidelines for cable carriage of broadcast stations. Action on measure had been put on hold until Congress resolves fairness issue. Some observers say Congress is far less sympathetic to lending its support on must carry since abolition of fairness doctrine. Senate broadcast license renewal bill

360 Million Miles Travelled.

52,000 Hours of Continuous Transmission.

40+ Programmers Served to Date.

7,000+ C-Band Headend Antennas.

35,000,000+ Subscribers.

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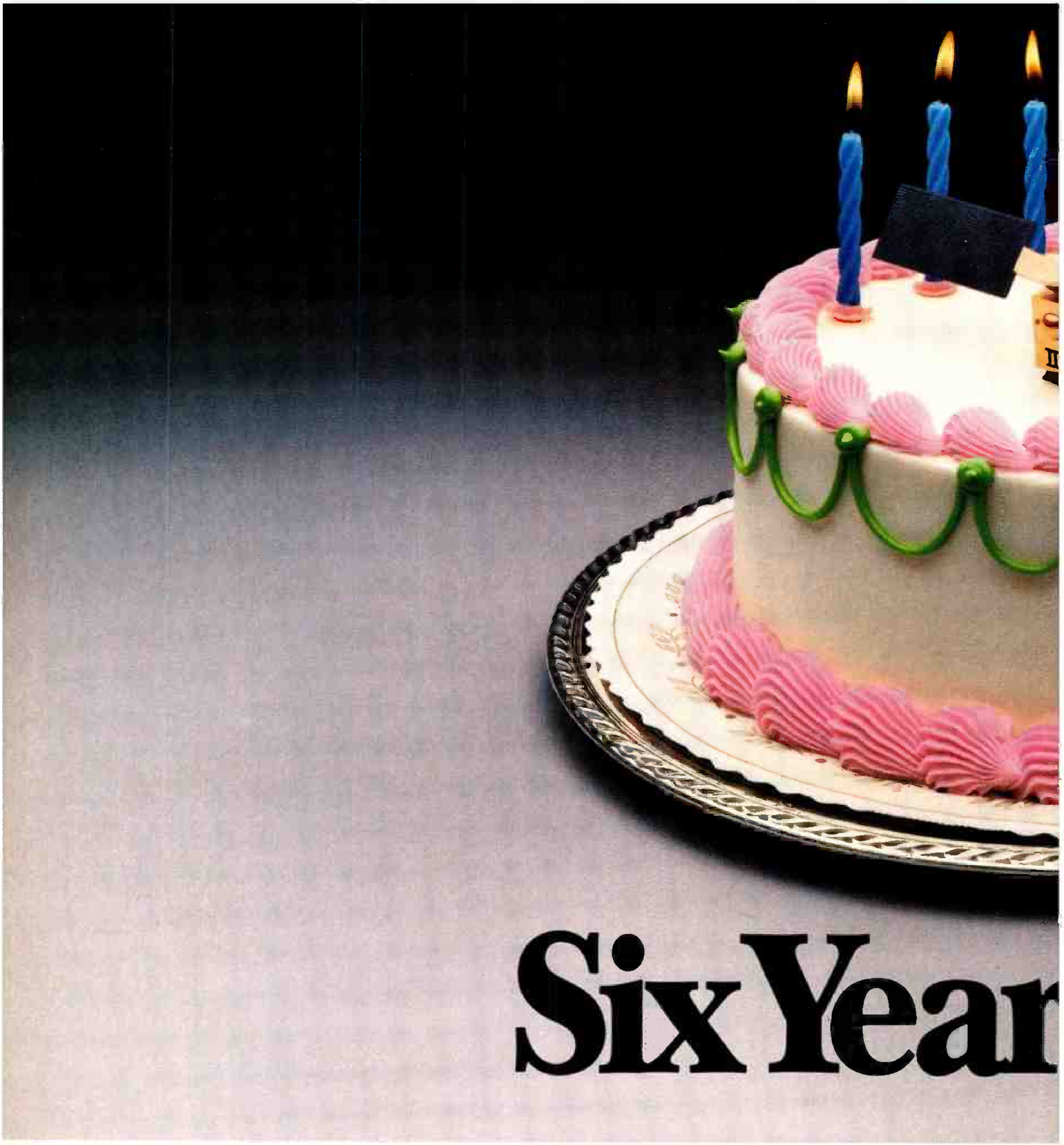


Satcom III-R was launched six years ago, and since then it has racked up some numbers worth celebrating.

The hours and the miles haven't affected III-R's signal strength. In fact, the bird is performing as well as ever. This year's test data prove it — transponders meet or exceed the original performance specifications.

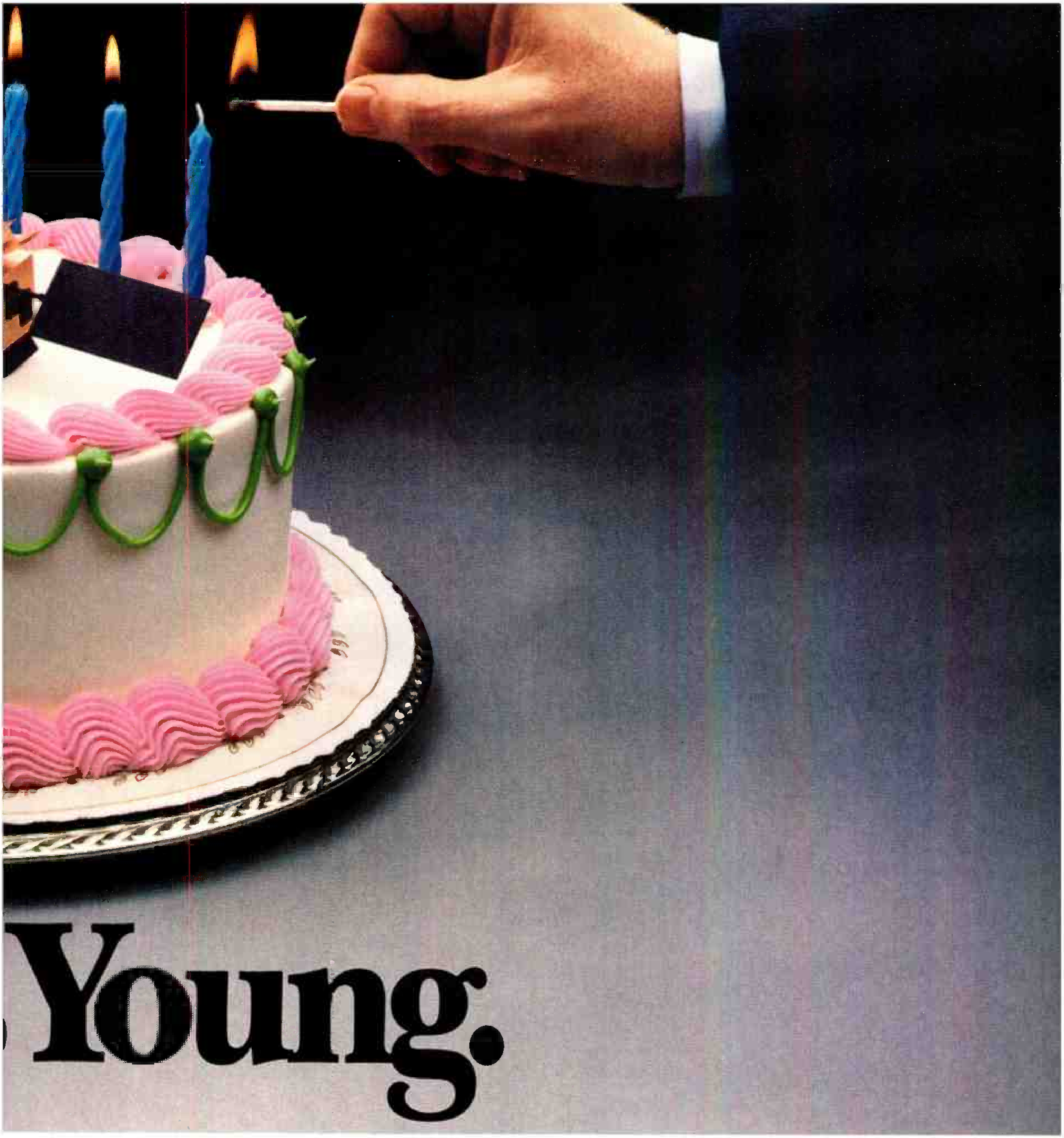
And Satcom III-R's protection system — a system offering in-orbit replacement for *all* protected transponders on III-R — has always been and still is the best in the business, a standard for the industry.

With that kind of strength and security, it's not surprising that Satcom III-R commands the confidence of many prominent programmers.*

A number of major programmers — including Arts & Entertainment Network, CBN, ESPN, Lifetime and Trinity Broadcasting Network — have already expressed their opinions by signing contracts for the entire life of the satellite, through 1992.

In addition to serving today's leading programmers on Satcom III-R and its companion bird, Satcom IV, we're taking steps to help launch the programmers of tomorrow. Our "grow-with" rates, for example, help

**Today, programmers on Satcom III-R include: Arts & Entertainment Network, Black Entertainment Network, Cable Value Network, ESPN, Financial News Network/Telshop, HBO/Cinemax, Home Shopping Network, The Learning Channel, Lifetime, QVC Network, Reuters Monitor Service, Shop Television Network, TEMPO Television, The Travel Channel Trinity Broadcasting Network, USA Network.*



newcomers get into the business on Satcom I-R and II-R without going into the red.

All the programmers on III-R, successes and start ups alike, have 7,000 things in common: that's how many operators' antennas are pointed at our bird. And it represents a potential reach of 35 million subscribers.

Satcom III-R's success runs in the ever-growing Americom family of satellites. By any measure — services, hours, antennas or dollars invested — the GE Americom fleet is the leader in C-Band. Bill Berman, Director of CATV Services, (609) 987-4073, can fill you in on the facts.

You're invited to our party at the show. Come join the GE Americom family when we celebrate Satcom III-R's birthday in our booth, 246, at the Western Cable Show. You'll eat cake, make noise, and remember how it feels to be six years young again.

GE American Communications

also would eliminate sunset. But that provision was attacked by Justice Department in letter to Senate Communications Subcommittee Chairman Daniel Inouye (D-Hawaii). Justice argued that five-year sunset is needed to justify constitutionality of rules (BROADCASTING, Aug. 17). However, Justice sent out conflicting signal when it filed one-sentence brief with U.S. Appeals Court on must-carry in which it indicated department was neither supporting nor opposing rules (BROADCASTING, Aug. 17).

□

■ **Public broadcasting.** On Capitol Hill, the Senate Communications Subcommittee took stock of public broadcasting, 20 years after enactment of Public Broadcasting Act, at oversight hearing last Thursday (see "Top of the Week"). Senate Commerce Committee's adoption of revenue-raising package that would create "Public Broadcasting Trust Fund" based on money raised from FCC license transfer fee was expected to be discussed as well as public broadcasting's journalistic independence and future of independent productions on medium. Fund would not be activated until after Sept. 30, 1989 (BROADCASTING, Oct. 26). House Telecommunications Subcommittee also has oversight hearing scheduled for Nov. 18. In other Hill action, Senate passed Labor-Health & Human Services bill Oct. 4 that included $248 million appropriation for Corporation for Public Broadcasting for FY 1990.

Board of National Public Radio reelected Chairman Jack Mitchell and Vice Chairman Ward Chamberlin to one-year terms. Board of Corporation for Public Broadcasting elected new chairman and vice chairman at annual meeting. Howard Gutin, Texas communications consultant and acting chairman since March, moved officially into chairman's spot, while New York businessman and former CPB Chairman William Lee Hanley took over as second in command.

Search committees have been formed to fill vacancies in presidencies of American Public Radio and National Association of Public Television Stations, and resumes have been received in response to ads for position of vice president-treasurer at Corporation for Public Broadcasting. Former APR President Al Hulsen and former NAPTS President Peter Fannon both resigned effective Sept. 1, while former CPB VP-treasurer Don Ledwig was promoted to president in July (BROADCASTING, June 29, July 6, Aug. 10).

CPB board, which grew to eight members with addition of William Lee Hanley, Archie Purvis, Marshall Turner and Sheila Tate in June (BROADCASTING, June 29), is likely to see nomination of former Tennessee First Lady Honey Alexander for one of two remaining spots on board. Still under consideration is Charles Lichenstein, who has been faulted by noncommercial system for reputedly believing that funding to CPB should be cut ("Closed Circuit," June 29).

□

■ **Scrambling.** Senate Commerce Committee is slated to vote this Thursday, Nov. 19, on legislation that would regulate home satellite marketplace. Backyard dish bill enjoys support of Senate Commerce Committee Chairman Ernest Hollings (D-S.C.) and ranking Republican John Danforth of Missouri (BROADCASTING, Sept. 7). Legislation is expected to undergo some revisions before it hits Senate floor. Measure would require cable programers to allow qualified third parties to distribute programing to 1.7 million owners of backyard earth stations. There has been realignment of industry groups interested in TVRO legislation, with Motion Picture Association of America expressing its support for Senate dish bill, S. 889 (BROADCASTING, July 27, Aug. 3).

On other front, House legislation (H.R. 2848) that would permit satellite distribution of broadcast signals—superstations—to backyard dish owners, was to be subject of Copyright Subcommittee hearing Nov. 12, but hearing was postponed until Thursday, Nov. 19. Companion measure may soon emerge in Senate.

□

Syndex. In comments to FCC, cable operators opposed, while broadcasters and program producers supported, FCC's proposal to reimpose rules requiring cable systems to black out syndicated programing on distant signals if it appears on local stations.

The cable industry argued that FCC lacks jurisdiction to reimpose syndex, that absence of rules has not harmed broadcasting and motion picture industries and that rules would violate cable operators' First Amendment rights.

Most broadcasters and program producers contended that rules are needed to protect sanctity of their "exclusive" programing contracts. And they say they have been harmed economically by cable importation of distant signals with programs that duplicate those of local stations. Among latest broadcaster organizations to take stand on syndex is Television Operators Caucus, which reached consensus on issue three weeks ago (BROADCASTING, Sept. 7).

□

■ **Unions.** Fruitless negotiation meeting between members of labor relations department of CBS and international president of technical union, International Brotherhood of Electrical Workers, was held Thurs., Nov. 5. Sides decided to continue meetings and all union members remain at status quo under terms of old contract. It was first meeting since three-day meetings with federal negotiator in Washington ended Friday, Oct. 23, with little progress. CBS has been holding fast to final offer made following month-long negotiations, shortly after old contract expired at midnight, Sept. 30. CBS offer is believed to include 3% raises for each of three years of contract and language that would allow for unlimited use of daily hires. Negotiations affect 1,500 workers at CBS-owned stations in seven cities.

Directors Guild of America members have overwhelmingly ratified separate three-year staff contracts with ABC, CBS and NBC, as well as freelance contract covering about 500 additional directors at three networks. Vote at ABC was 83 to 46 in favor; CBS, 68 to 33, and NBC, 94 to 20. New staff contracts, covering news, sports and operations personnel, provide 3% across-the-board raises; minor layoffs in automated control area; and more network control over editing functions. DGA came out slightly ahead at NBC, with network providing few more bonuses in seniority, editing jurisdiction and severance pay areas. Guild members also approved pact covering low-budget theatrical feature productions, 2,155 to 144, and commercials, 2,180 to 106.

Datebook

■ Indicates new or revised entry

This week

Nov. 23—15th annual International Emmy Awards gala, sponsored by *International Council of National Academy of Television Arts and Sciences.* Sheraton Center, New York.

Nov. 24—*International Radio and Television Society* newsmaker luncheon, "Television: New Sources, New Forces," featuring Sumner Redstone, Viacom; Fred Silverman, Fred Silverman Co.; Henry Bushkin, Bushkin, Gaims, Gaines & Jonas, and Brad Marks, Korn/Ferry International. Followed by IRTS second annual goods and services celebrity auction. Waldorf-Astoria, New York.

Nov. 24—Presentation of Nancy Reagan Drug Prevention Award, sponsored by *Entertainment Industries Council*, to B. Donald (Bud) Grant, former president, CBS Entertainment. Beverly Wilshire hotel, Los Angeles.

Nov. 24—Screening of "Interviews with the Interviewers," by video artist Skip Blumberg; CBS's Mike Wallace will answer questions. Sponsored by *Donnell Library*, 20 West 53rd Street, New York.

December

Dec. 1—Deadline for entries in 18th annual National Educational Film & Video Festival. Festival is scheduled for April 29-May 1, 1988. For entry form, call or write: NEFVF, 314 East 10th Street, Oakland, Calif., 94606; (415) 465-6885.

Dec. 2—Reply comments due in FCC proceeding (docket 87-266) on telephone company-cable crossownership rules. FCC, Washington.

Dec. 2-4—Western Cable Show, sponsored by *California Cable Television Association*. Anaheim Convention Center, Anaheim, Calif.

Dec. 3—*American Sportscasters Association* fourth annual Hall of Fame Awards dinner. Marriott Marquis, New York. Information: (212) 227-8080.

Dec. 3-4—Technology studies seminar, sponsored by *Gannett Center for Media Studies*. Gannett Center, Columbia University, New York. Information: (212) 280-8392.

Dec. 4—*Southern California Broadcasters Association* Christmas party. Hollywood Roosevelt hotel, Los Angeles. Information: (213) 466-4481.

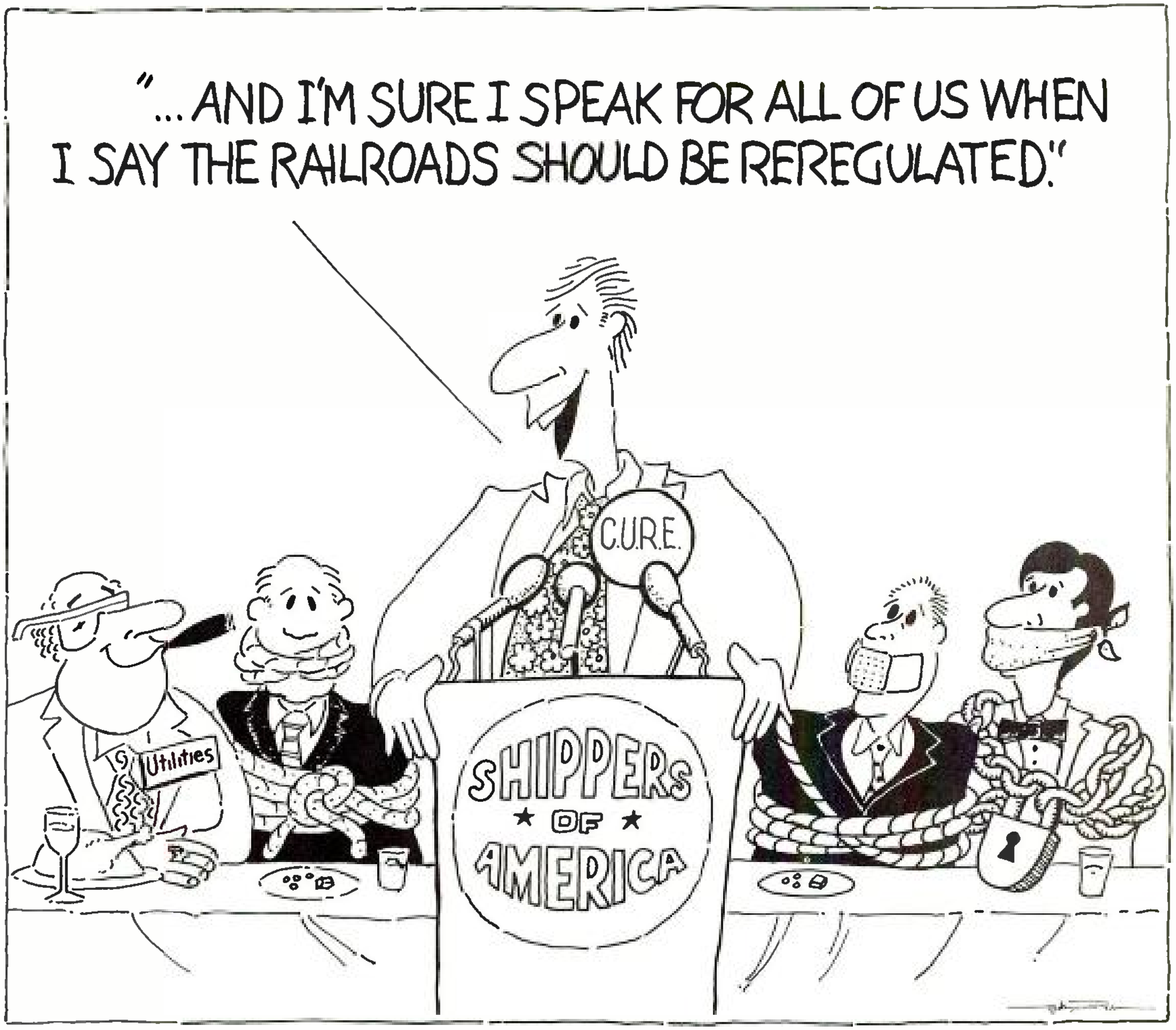
Dec. 4-6—*Foundation for American Communications* conference on Pacific Rim economic questions. Conference, "aimed at educating the nation's journalists about issues involving news organizations," is funded by grant from *Gannett Foundation*. Sheraton Miramar, Santa Monica, Calif. Information: (213) 851-7372.

Dec. 5—"Disasters: New Challenges for the Media" and "Media and the Law: Your Rights and Restrictions," seminar sponsored by *Associated Press Television-Radio Association of California-Nevada*. Woodlake Resort and convention hotel, Sacramento, Calif. Information: (213) 746-1200.

Dec. 6-9—"Computer Graphics for Design," fall conference sponsored by *Pratt Center*. Grand Hyatt, New York. Information: (914) 741-2850.

Dec. 7—Technology and audience study group, sponsored by *Gannett Center for Media Studies*. Gannett Center, Columbia University, New York. Information: (212) 280-8392.

Dec. 7-11—Video Expo Orlando, sponsored by *Knowl-*



Some people who claim to speak for everybody are really speaking for almost nobody.

For example, there's a group in Washington calling itself Consumers United for Rail Equity (C.U.R.E.) that claims to speak for rail shippers. It's a group that is supported principally by the coal and electric utility industries. And it's seeking revisions to the Staggers Rail Act of 1980 which–if they benefit anyone–would primarily benefit the coal and utility industries at the expense of most other rail customers.

Most shippers–87 percent of those surveyed recently–are happy with the improved service and rates brought about by deregulation. They don't want to see this progress reversed. And they certainly don't want to change a law that has revitalized failing railroads and made it possible for all railroads to become so competitive with each other and with other modes of transportation that rates overall are dropping.

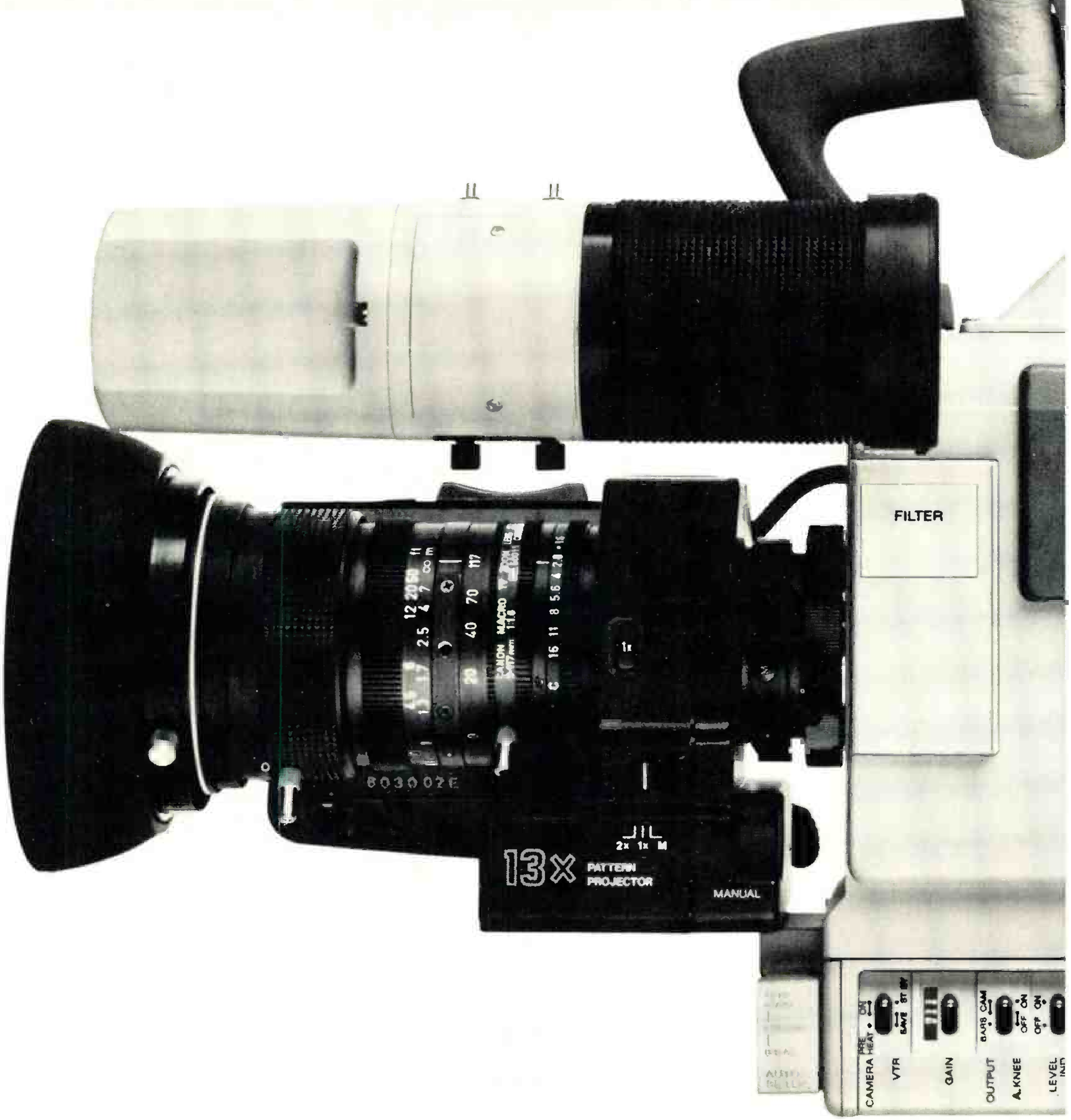
Even the rates paid by C.U.R.E.'s supporters for shipping coal have dropped for the past two years. Down 2 percent in 1985 and down 2.5 percent in 1986. They're now at their lowest level since 1981. In addition, the contracts made possible by the Staggers Act have assured many utilities of low rates in the future.

Nevertheless, C.U.R.E.'s members think they can use federal and state governments to lower their rates still further.

Maybe. But if they win, most other rail shippers will lose–through higher rates, deteriorating service, and–as railroads decline–perhaps through loss of service altogether.

If you're a journalist interested in these issues, the Association of American Railroads will be happy to provide you with more information. Because we think that to tell the story properly, you need facts, not just assertions. To get the facts, write Media Information, Association of American Railroads, 50 F St., N.W., Washington, D.C. 20001, Dept. 710. If you're on a deadline, call (202) 639-2555.

ASSOCIATION OF AMERICAN RAILROADS



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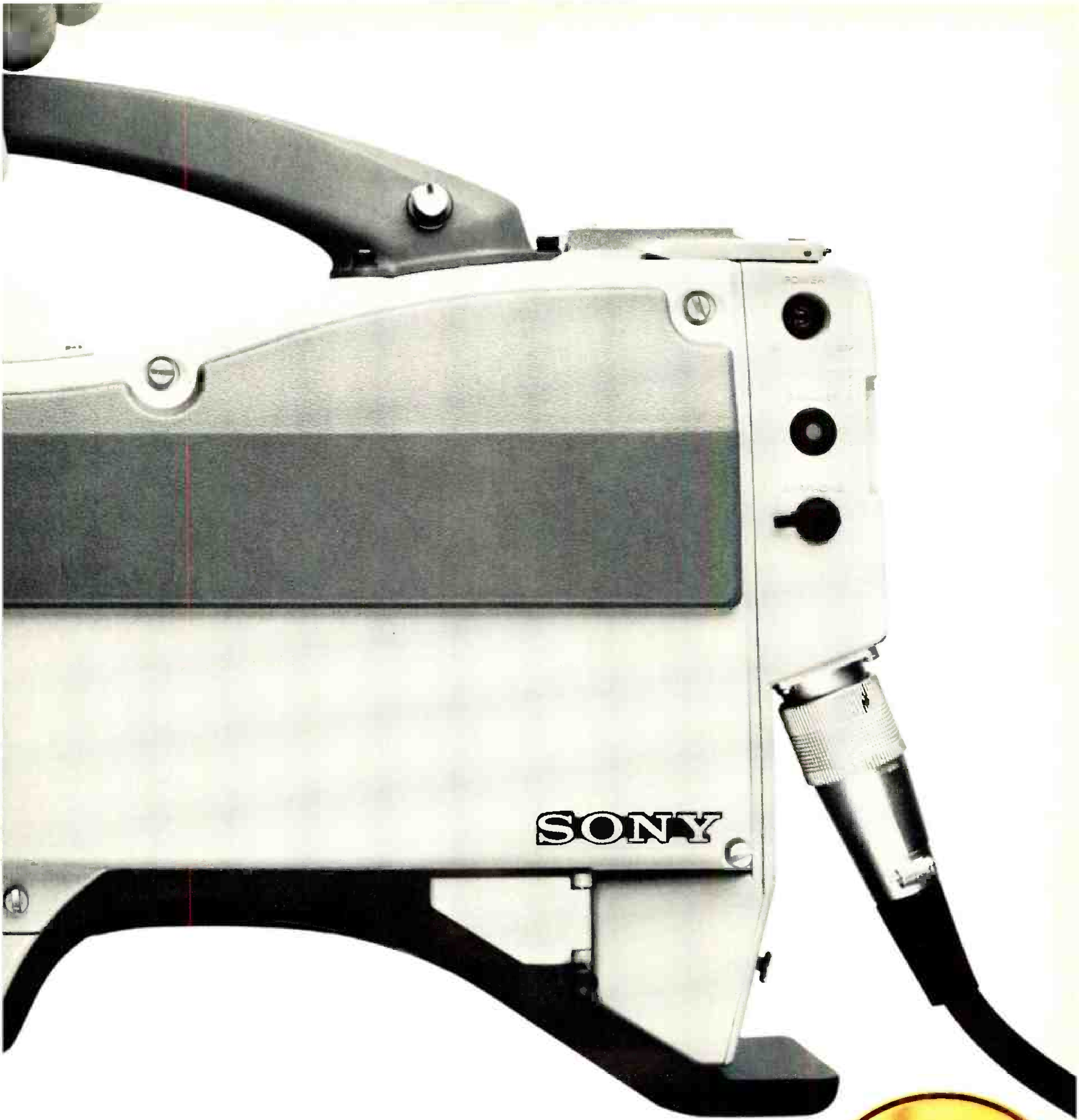

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edge Industry Publications. Buena Vista Palace hotel, Lake Buena Vista. Fla. Information: (914) 328-9157.

Dec. 8—*Federal Communications Bar Association* reception/dinner honoring FCC Chairman Dennis Patrick. Washington Marriott hotel, Washington.

Dec. 8-9—*Radio Advertising Bureau* day-long sales seminar, "How to Close More Sales." Dec. 8: Registry hotel, Los Angeles, and Dec. 9: Westgate hotel. San Diego. Information: 1-800-232-3131.

Dec. 10-11—"Telecommunications: Current Developments in Policy and Regulation," sponsored by *Practising Law Institute* and *Federal Communications Bar Association.* Omni Shoreham, Washington. Information: (212) 765-5700.

Dec. 17—*International Radio and Television Society* Christmas benefit. Waldorf-Astoria, New York.

Dec. 31—Deadline for entries in 13th annual Commendation Awards, sponsored by *American Women in Radio and Television,* for "positive and realistic portrayal of women in all media forms." Information: (202) 429-5102.

January 1988

Jan. 6-9—*Association of Independent Television Stations* annual convention. Theme: "Independents '88: The Real Superstations." Century Plaza, Los Angeles.

Jan. 7-10—International winter consumer electronics show, sponsored by *Electronic Industries Association.* Las Vegas Convention Center, Las Vegas. Information: (202) 457-4919.

Jan. 8—Deadline for entries in Alexander Hamilton/Ohio State Awards program competition, sponsored by *Ohio State University Institute for Education by Radio-Television.* Information: (614) 292-0185.

Jan.12—*International Radio and Television Society* Second Tuesday seminar. Viacom Conference Center, New York. Information: (212) 867-6650.

Jan. 13—*International Radio and Television Society* newsmaker luncheon, "Super Bowl XXII." Waldorf-Astoria, New York.

Jan. 13—"Investigative Reporting: What's the Real Story?" session sponsored by *American Women in Radio and Television, Washington chapter.* National Association of Broadcasters, Washington. Information: (202) 659-3494.

Jan. 15—*Cabletelevision Advertising Bureau* cable television political advertising workshop. Caucus Room, Cannon House Office Building, Washington.

Jan. 15—Deadline for entries in Angel Awards for "most outstanding productions of moral and/or social impact in communications." Beverly Wilshire, Los Angeles. Information: (213) 387-7185.

Jan. 15—Deadline for entries in Broadcast Media Awards, sponsored by *International Reading Association.* Information: (302) 731-1600.

Jan. 15-17—*Alabama Broadcasters Association* winter convention. Sheraton Capstone, Tuscaloosa, Ala.

Jan. 15-22—*National Association of Broadcasters* joint board meeting. Hawaii.

Jan. 19-21—Georgia Radio-Television Institute, sponsored by *Georgia Association of Broadcasters.* Georgia Center for Continuing Education, Athens, Ga. Information: (404) 993-2200.

Jan. 20—*Federal Communications Bar Association* luncheon. Speaker: Judge Kenneth Starr, U.S. Court of Appeals for D.C. Circuit. Marriott, Washington.

Jan. 22-23—*Colorado Broadcasters Association* winter meeting and awards banquet. Hyatt Regency Tech Center, Denver.

Jan. 23-25—*Radio Advertising Bureau's* eighth annual Managing Sales Conference. Hyatt Regency, Atlanta.

Jan. 24—Ninth annual ACE (Awards for Cable Excellence) Awards presentation, sponsored by *National Academy of Cable Programing,* on HBO.

Jan. 24-25—*California Broadcasters Association* radio and television management conference. Palm Springs Plaza hotel, Palm Springs, Calif.

Jan. 26-28—*South Carolina Broadcasters Association* winter convention. Columbia, S.C.

Jan. 29-30—*Society of Motion Picture and Television Engineers* 22d annual television conference. Opryland hotel, Nashville.

Jan. 30—Deadline for entries in *American Diabetes Association's* fourth annual national media awards recognizing excellence in reporting on diabetes. Information: ADA, 1660 Duke Street, Alexandria, Va., 22314; (703) 549-1500.

Jan. 30-Feb. 3—*National Religious Broadcasters* 45th annual convention and exposition. Sheraton Washington, Washington. Information: (201) 428-5400.

February 1988

Feb. 2-3—*Arizona Cable Television Association* annual meeting. Hyatt Regency, Phoenix, Ariz. Information: (602) 257-9338.

Feb. 3-7—*International Radio and Television Society* faculty/industry seminar. Roosevelt hotel, New York.

Feb. 4—*International Radio and Television Society* newsmaker luncheon. Waldorf-Astoria, New York.

Feb. 9—*International Radio and Television Society* "Second Tuesday" seminar. Viacom Conference Center, New York.

Feb. 10—"Success in Radio and TV Sales," session sponsored by *American Women in Radio and Television, Washington chapter.* National Association of Broadcasters, Washington. Information: (202) 659-3494.

Feb. 10-12—19th annual Country Radio Seminar, sponsored by *Country Radio Broadcasters Association.* Opryland hotel, Nashville.

Feb. 12—*Southern California Broadcasters Association* 3d annual Sunny Creative Radio Awards presentation. Registry hotel, Los Angeles. Information: (213) 466-4481.

Feb. 16-17—*Wisconsin Broadcasters Association* annual convention and legislative reception. Madison, Wis.

Feb. 17-19—Texas Cable Show, sponsored by *Texas Cable Television Association.* Convention Center, San Antonio, Tex. Information: (512) 474-2082.

Feb. 18-19—*Broadcast Financial Management Association* board of directors meeting. Intercontinental hotel, San Diego.

Feb. 18-20—"Minorities and Communications: A Preview of the Future," conference sponsored by *Howard University School of Communications.* Howard Inn and Blackburn Center, Howard University campus, Washington. Information: (202) 636-7491.

Feb. 24—*Federal Communications Bar Association* luncheon. Speaker: Diane Killory, FCC general counsel. Marriott, Washington.

Feb. 25-28—*NATPE International* 25th annual convention. George Brown Convention Center, Houston.

Major Meetings

Dec. 2-4—Western Cable Show, sponsored by *California Cable Television Association.* Anaheim Convention Center, Anaheim, Calif.

Jan. 6-10, 1988—*Association of Independent Television Stations* annual convention. Century Plaza, Los Angeles. Future convention: Jan. 4-8, 1989, Century Plaza, Los Angeles.

Jan. 23-25, 1988—*Radio Advertising Bureau's* Managing Sales Conference. Hyatt Regency hotel, Atlanta.

Jan. 29-30, 1988—*Society of Motion Picture and Television Engineers* 22d annual television conference. Opryland hotel, Nashville. Future meeting: Feb. 3-4, 1989, St. Francis hotel, San Francisco.

Jan. 30-Feb. 3, 1988—*National Religious Broadcasters* 44th annual convention. Sheraton Washington and Omni Shoreham hotels, Washington. Future meetings: Jan. 28-Feb. 1, 1989, and Jan. 27-31, 1990, both Sheraton Washington and Omni Shoreham, Washington.

Feb. 10-12, 1988—19th annual Country Radio Seminar, sponsored by *Country Radio Broadcasters Association.* Opryland hotel, Nashville.

Feb. 17-19, 1988—Texas Cable Show, sponsored by *Texas Cable Television Association.* Convention Center, San Antonio, Tex.

Feb. 26-28, 1988—*NATPE International* 25th annual convention. George Brown Convention Center, Houston. Future convention: Houston, Feb. 24-26, 1989.

March 21-23—*Satellite Broadcasting and Communication Association* trade show. Bally's, Las Vegas. Information: (800) 654-9276.

April 9-12, 1988—*National Association of Broadcasters* 66th annual convention. Las Vegas Convention Center, Las Vegas. Future conventions: Las Vegas, April 29-May 2, 1989; Atlanta, March 31-April 3, 1990; Las Vegas, April 13-16, 1991; Las Vegas, April 11-14, 1992, and Las Vegas, May 1-4 (tentative), 1993.

April 10-12, 1988—*Cabletelevision Advertising Bureau* seventh annual conference. Waldorf-Astoria, New York.

April 10-13, 1988—Public television annual membership meeting of *Public Broadcasting Service* and *National Association of Public Television Stations.* Marriott Crystal Gateway, Arlington, Va.

April 17-20, 1988—*Broadcast Financial Management Association* 28th annual meeting. Hyatt Regency, New Orleans. Future meetings: April 9-12, 1989, Loews Anatole, Dallas, and April 18-20, 1990, Hyatt Regency, San Francisco.

April 28-May 3, 1988—24th annual *MIP-TV, Marches des International Programes des Television,* international television program market. Palais des Festivals, Cannes, France.

April 30-May 3, 1988—*National Cable Television Association* annual convention. Los Angeles Convention Center.

May 18-21, 1988—*American Association of Advertising Agencies* 70th annual convention. Greenbrier, White Sulphur Springs, W. Va.

May 18-22, 1988—*National Public Radio* annual public radio conference. Adam's Mark hotel, St. Louis. Information: (202) 822-2000.

June 8-11, 1988—*American Women in Radio and Television* 37th annual convention. Westin William Penn, Pittsburgh.

June 8-12, 1988—*Broadcast Promotion and Marketing Executives/Broadcast Designers Association* 32d annual seminar. Bonaventure, Los Angeles. Future meeting: June 21-25, 1989, Renaissance Center, Detroit.

June 18-21, 1988—*American Advertising Federation* annual convention. Century Plaza, Los Angeles.

July 31-Aug. 3—*Cable Television Administration and Marketing Society* 15th annual meeting. Westin Copley Place, Boston.

Sept. 7-9, 1988—Eastern Cable Show, sponsored by *Southern Cable Television Association.* Merchandise Mart, Atlanta.

Sept. 14-17, 1988—Radio '88, sponsored by the *National Association of Broadcasters.* Washington. Future meetings: Sept. 13-16, 1989, New Orleans; Sept. 12-15, 1990, Boston, and Sept. 11-14 (tentative), 1991, San Francisco.

Sept. 23-27, 1988—*International Broadcasting Convention.* Metropole Conference and Exhibition Center, Grand hotel and Brighton Center, Brighton, England.

Oct. 14-19, 1988—*Society of Motion Picture and Television Engineers* 130th technical conference and equipment exhibit. Jacob K. Javits Convention Center, New York. Future conference: Oct. 22-27, 1989, Los Angeles Convention Center.

Nov. 30-Dec. 3, 1988—*Radio-Television News Directors Association* annual international conference and exhibition. Convention Center, Las Vegas. Information: (202) 659-6510.

June 17-23, 1989—16th International Television Symposium. Montreux, Switzerland.

March 1988

March 3—*International Radio and Television Society* Gold Medal banquet. Recipient: CBS's *60 Minutes.* Waldorf-Astoria, New York. Information: (212) 867-6650.

March 8—*International Radio and Television Society* Second Tuesday seminar. Viacom Conference Center, New York. Information: (212) 867-6650.

March 9—"Issues Before the FCC: An Evening with Diane Killory," general counsel, sponsored by *American Women in Radio and Television, Washington chapter.* National Association of Broadcasters, Washington. Information: (202) 659-3494.

March 9-10—*Association of National Advertisers* television advertising workshop. Plaza hotel. New York.

March 13-15—First Amendment Congress, organized in 1979 by Jean Otto of Society of Professional Journalists, who is now with *Rocky Mountain News.* Marriott City Center hotel. Denver. Information. (303) 492-6480.

March 15—*International Radio and Television Society* newsmaker luncheon. Waldorf-Astoria. New York.

March 17-20—*Alpha Epsilon Rho, National Broadcasting Society,* national convention. Sheraton Center, New York.

March 21-23—*Satellite Broadcasting and Communication Association* trade show. Bally's. Las Vegas. Information. (800) 654-9276.

March 22—13th annual Commendation Awards ceremony, sponsored by *American Women in Radio and Television.* Waldorf-Astoria, New York. Information: (202) 429-5102.

April 1988

April 8-10—*Broadcast Education Association* convention. Las Vegas. Information: (202) 429-5355.

April 10-12—*Cabletelevision Advertising Bureau* seventh annual conference. Waldorf-Astoria. New York.

April 10-13—Public television annual membership meeting of *Public Broadcasting Service* and *National Association of Public Television Stations.* Marriott Crystal Gateway, Arlington. Va. Information: (202) 739-5082.

April 12—*International Radio and Television Society* Second Tuesday seminar. Viacom Conference Center. New York Information: (212) 867-6650.

April 13—"Calling the Shots: Producing and Directing in Washington," session sponsored by *American Women in Radio and Television, Washington chapter.* National Association of Broadcasters, Washington. Information: (202) 659-3494

April 16—20th annual Golden Reel Awards ceremony sponsored by *International Television Association.* Caesars Palace. Las Vegas. Information: Kelly J. Bell. (214) 869-1112.

April 18-20—*Broadcast Financial Management Association* annual meeting. Hyatt Regency New Orleans. New Orleans. Information: (312) 296-0200.

April 28-May 3—24th annual *MIP-TV, Marches des International Programes des Television,* international television program market. Palais des Festivals. Cannes. France. Information: (212) 967-7600.

April 30-May 3—*National Cable Television Association* annual convention and exposition. Theme: "Cable '88: Seeing is Believing." Los Angeles Convention Center, Los Angeles. Information: (202) 775-3629.

May 1988

May 1-8- International Public Television Screening Conference. Input '88, sponsored by *Philadelphia Input '88 Alliance.* Philadelphia. Information: (215) 351-1200.

May 10—*International Radio and Television Society* Second Tuesday seminar. Viacom Conference Center, New York. Information: (212) 867-6650.

May 10-13—Communications '88, supported by *International Telecommunications Union* and *European Economic Community.* National Exhibition Center. Birmingham, England. Information (301) 657-3090.

May 11—"Starring in Your Own Show: Owning and Operating a Broadcast Station," session sponsored by *American Women in Radio and Television, Washington chapter.* National Association of Broadcasters, Washington. Information: (202) 659-3494.

May 17—*International Radio and Television Society* Broadcaster of the Year luncheon Waldorf-Astoria. New York.

May 18-21—*American Association of Advertising Agencies* 70th annual convention. Greenbrier. White Sulphur Springs, W. Va.

May 18-22—*National Public Radio* annual public radio conference. Adam's Mark hotel. St. Louis. Information: (202) 822-2000.

Open Mike

Heated over Hollings

EDITOR: Broadcasters across the country ought to be *mad as hell* because of the events that have occurred on Capitol Hill.

As industry officials probably know full well, the Senate Commerce Committee headed by Ernest (Back Door) Hollings instituted a revenue-raising bill that not only codifies the FCC-repealed fairness doctrine, but also imposes a 2% to 5% fee or, let's face it, tax, on the sale of broadcast properties. This doubles for a station owner divesting himself of a property held less than three years; i.e. it goes to 4%. As if that isn't enough, a 1% additional tax would be levied if it is found that a seller has violated the fairness doctrine. This is, I feel, the most sneaky, radical, and ludicrous move ever initiated in a congressional committee. In view of the fact that it is part of a large budgetary package for the 1988 fiscal year, chances for the bill's veto are abysmal.

What we have here is a senator who has grown extremely impatient with what he deems is a wave of station trading that has taken place over the past two years and who is determined to take the law into his own hands to ensure that it is changed.

Granted, a reinstatement of the antitrafficking law is in order. However, the approach being used is clearly unethical.

As an alternative to Senator Hollings' proposal, I would see no problem with the passage of an antitrafficking bill, separate from the fiscal '88 budget package, which would impose a 3% fee only to broadcasters who have owned stations for less than three years, commensurate with an additional 1% fee for violators of the fairness doctrine. In short, bona fide broadcasters who are faithfully serving the public interest should, in effect, be left unscathed.

When the full Senate takes up the issue for a vote, I trust that broadcasters will make their opposition to the legislation known

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One evening you'll bask in the brilliant blue of a tropical sky happily lost on a little-known island. The next evening you'll slip along the midnight indigo of the island cliffs, searching the seas for

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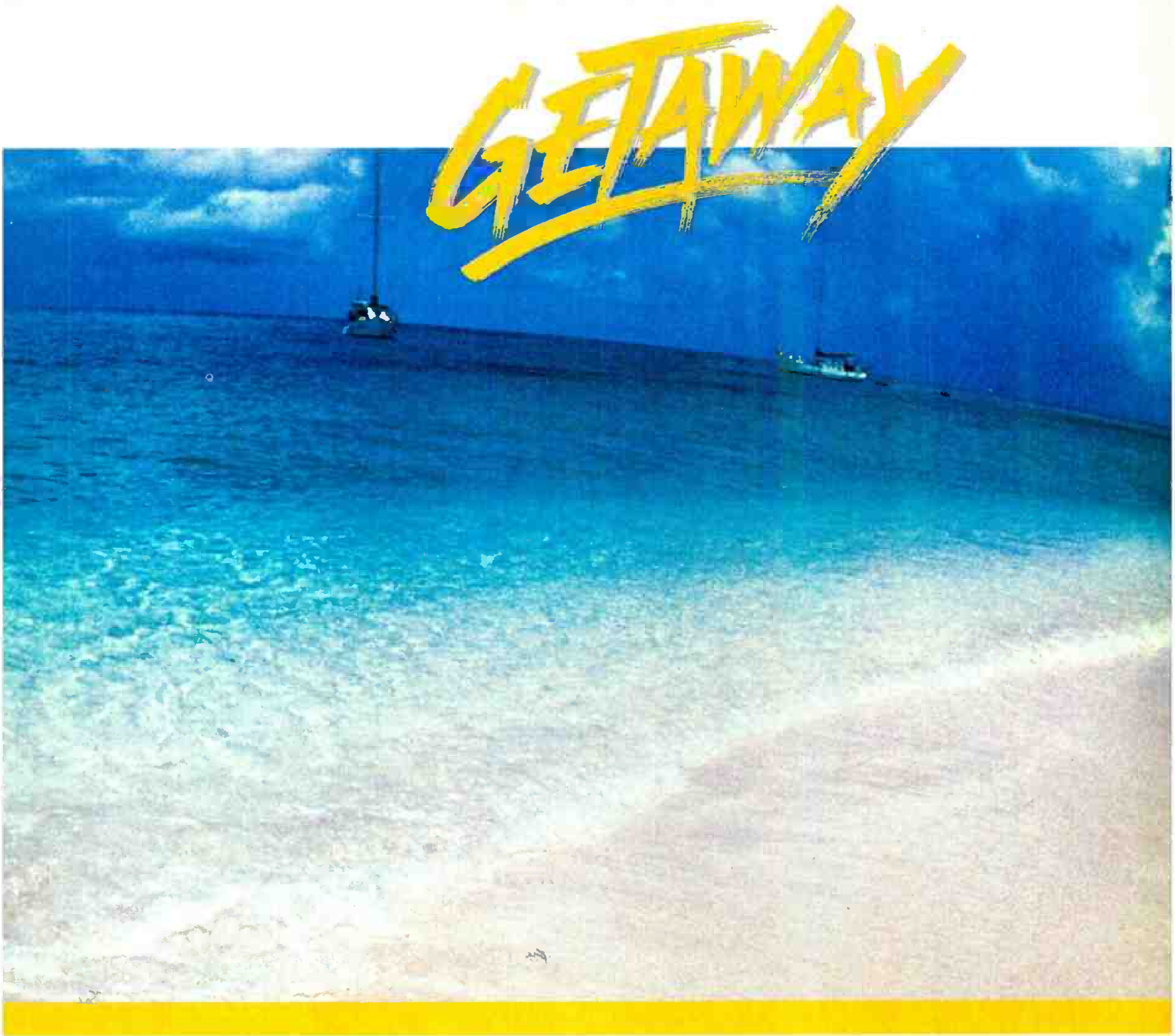
GETAWAY

loud and clear. Good Luck!—*Joe Stallings, East Texas State University, Commerce, Tex.*

Comparative complaints

EDITOR: I was thrilled to read David Tillotson's Oct. 5 "Monday Memo" regarding the FCC's comparative process and its inherent problems.

It was a delight to see a Washington attorney stand up for those of us out here in the real world of radio broadcasting who are continually looking for unique business opportunities in various markets. Having been through a hearing process that had many of the elements of attorney Tillotson's synopsis, I can attest to the reality of his comments.

From an insiders point of view, what started out as a good idea on paper by the FCC has been turned into a gamble and a strategy game that is indisputably unfair and corrupt. My previous comparative hearing ordeal ended in a merging of the three parties involved. While I certainly agreed to the terms of the merger, the FCC, in actuality, twisted my arm. It's the system that did it and it took a lot of courage for Mr. Tillotson to speak out against the process. Sure, he and his partners stand to gain from the unfair standards that have been "accepted" so far, but that certainly doesn't mean they are fair and correct.

It seems to me that the FCC must quickly evaluate its procedure for determining who will be awarded a broadcasting license and in that process it must open its eyes to the dirty tricks and tactics that go on in this most unfair procedure. Serving the public interest cannot be decided on strategy that is contrived to win a license. With common sense prevailing, the FCC should review what has happened and correct this obvious blunder.—*Howard M. Ginsberg, partner, general manager, WKAJ(AM)-WQQY(FM) Saratoga Springs, N.Y.*

Spector memorial

EDITOR: I read with interest your "Suggestion Box" editorial in your Oct. 26 issue. It is heartening to see others recognize Beryl Spector's enormous legacy of contributions to the Broadcast Promotion and Marketing Executives. Her spirit, energy and enthusiasm helped move us forward in so many areas.

That is why, very soon after her death, last year's BPME President Judy Horan immediately proposed, and the BPME board unanimously enacted, a change of name for the BPME AERho scholarship. As you know, the $2,000 annual grant is the largest single scholarship administered by the National Broadcasting Scholastic Honorary Society. It is henceforth known as the BPME/AERho Beryl Spector Memorial Scholarship.

This was an appropriate move by BPME because not only was Beryl concerned about the scholarship and young people, but because her prime focus was on sharpening BPME's emphasis on improving professional education at all levels. Thanks to her that will remain our number one priority.

We feel that this lasting tribute will help us focus on Beryl and her achievements, and will keep her spirit alive for new generations of young, aspiring promotion and marketing professionals.

Tax deductible contributions in Beryl's name to the scholarship fund are accepted at any time by the BPME Foundation, a non-profit organization that administers the Scholarship.—*Lance Webster, executive director, Broadcast Promotion & Marketing Executives, Lancaster, Pa.*

Call concern

EDITOR: In the Oct. 26 issue of BROADCASTING you have an editorial and an article on page 56 devoted to the FCC's recent decision to drop a proposal that it abolish its geographic division of call letters—W's for those east of the Mississippi River and K's for those west of the river.

There's really little to rejoice about in this decision.

The FCC long ago gave up any pretense of regulating station identifications, the primary purpose of call letters. In the Chicago area there are 20 Class B FM stations. Eleven of these identify either primarily or almost exclusively with slogans, such as B-96, Praise-92, Q-101, FM-100, Lite Rock 102, Z-95, The Loop 98, rather than their assigned call letters. Many of these including WLUP (The Loop 98), WKQX (Q-101), and WLOO (FM 100), make only one very quiet, correct identification near the top of each hour. In between, most of the stations bombard us with as many as 20 identifications using slogans rather than call letters.

Just now, Z-95 (WYTZ) is having a contest in which listeners are called at random and are asked to name the call letters of their favorite station. The station clearly says that the call letters are Z-95. They never even suggest that WYTZ is the real, correct answer.

And, on the AM band, WCZE frequently states: "You are listening to COZY." A lot of people know that 'C' call letters are assigned exclusively to Canada and Cuba. Where does COZY fit in with either 'W' or 'K'?

A local TV station identifies itself as TV-38. How many stations are on channel 38 in the U.S.? More than 10.

And perhaps, even better, I recently spent four hours listening to America's newest shortwave radio station, WCSN Boston. During that time they never once identified the station as WCSN, and, perhaps, to top it all, they use two totally different slogans to identify the station; one for Sundays, and one for the other six days of the week.

And then your article on page 56 mentioned that rating services were opposed to the possibility of eliminating the W and K differentiation. What do they use for identifications in markets such as Chicago where call letters for many of the stations are probably unknown by most of the populace?

The point of all this is that the FCC closed the barn door well after the horse escaped. By totally ignoring what was actually happening in the marketplace, they have allowed an incredibly chaotic, duplicative (how many FM-100's does America have?) system of station identification to take root and flourish.—*Joseph B. Martin, North Chicago, Ill.*

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Monday Memo

A commentary on television advertising from Dick Williams, Katz American Television, New York

The case for moving to cost-per-shopper in media planning

"The biggest, most fundamental change in marketing in decades." "A shift in the future from mass marketing to micro marketing." "The first rumblings of a seismic change that could eventually redefine mass marketing in the U.S."

If we believe half of what we hear and read lately, the day is coming when advertisers will be planning and buying media on a cost-per-target-customer or cost-per-shopper basis. It's obvious that major changes are in the works regarding how companies market and advertise their products and services.

Since the early days of television, advertisers have planned their national campaigns to reach the masses. Their strategy was directed toward selling their product to one homogeneous group of unified purchasers, or so it seemed. This concept is gradually giving way to a different, more specialized approach, and for good reasons: competitive pressures and availability of better consumer research.

Hardly a week goes by without a leading trade magazine featuring an article or even an entire issue on the subject of this shift in emphasis from national to regional or market-by-market advertising. Likewise, the consumer press has made similar observations with cover stories about "Marketing's New Look" which appeared in *Business Week* regarding Campbell Soup. Recently, another food giant, General Foods, had its chief executive officer quoted at length about his company's move toward regional marketing.

Less often do we hear or see marketing and advertising described in words such as universal, homogeneous, macro and mass. But rather, we're hearing descriptions such as specialized, regional, local and micro.

The changes in marketing and advertising thinking are partly a reaction to, and a reflection of, changes in consumer behavior. This behavior is a result largely of increasingly diversified life styles and attitudes are well-documented trends.

Certainly the foreign advertisers—with their understanding of marketing in the multicultural, multilanguage European continent—have exhibited marketing concepts that focus on special niches and groups of people. These same foreign advertisers have tapped into a market-by-market approach here and have been successful in garnering American

Dick Williams is vice president, director of marketing, of Katz American Television in New York. He joined Katz in 1977 as director of special projects. He was named director of market development, East for PROBE/Marketing in 1979 and promoted to general manager in 1981. He was appointed a vice president in 1982 and to his present job in 1984. Before joining Katz, Williams was vice president, Eastern sales manager for Top Market Television in New York. His broadcast background also includes positions as general manager of Kaiser Broadcasting Spot Sales in New York and vice president, New York sales manager of Metro TV Sales.

dollars. American automobile, food and clothing manufacturers may have learned something from their overseas competition.

The availability of more tightly defined psychographic research that attempts to pinpoint very specific differences in decisions people make (regarding products they buy, media they use and activities they engage in) is also causing advertisers to question the feasibility of their current marketing and media strategies and to change their methods of evaluation.

Advertisers are now learning how better to interpret the vast quantity of information available to them through research and computer technology, such as the increasingly used Universal Product Code. This will obviously improve the advertisers' ability to target their customers and should substantially change the way many of these companies conduct their national advertising.

With all due respect to American advertisers, one has to believe they have been aware for some time that the same advertising message on network television or in a national magazine would have a significantly different impact in different sections of the country and even in various neighborhoods within the same market or city.

Furthermoree, every major national advertiser has had to recognize the abundance of viewing choices currently available to the television audience compared to a few years ago.

Like it or not, network television can no longer be relied upon to reach the entire nation as it was a few years ago.

This raises some interesting questions for people in media, including those of us involved with national spot television. National advertisers are striving to measure specialized regional and local sales of their product or service. Isn't it logical to change from buying on cost-per-shopper or per-target-customer?

The medium of spot television has certain advantages over other media in terms of quarter-hour audience measurements and its ability to report almost any demographic the advertiser wants. Peoplemeters are proliferating and should result in more accurate identification of television audiences.

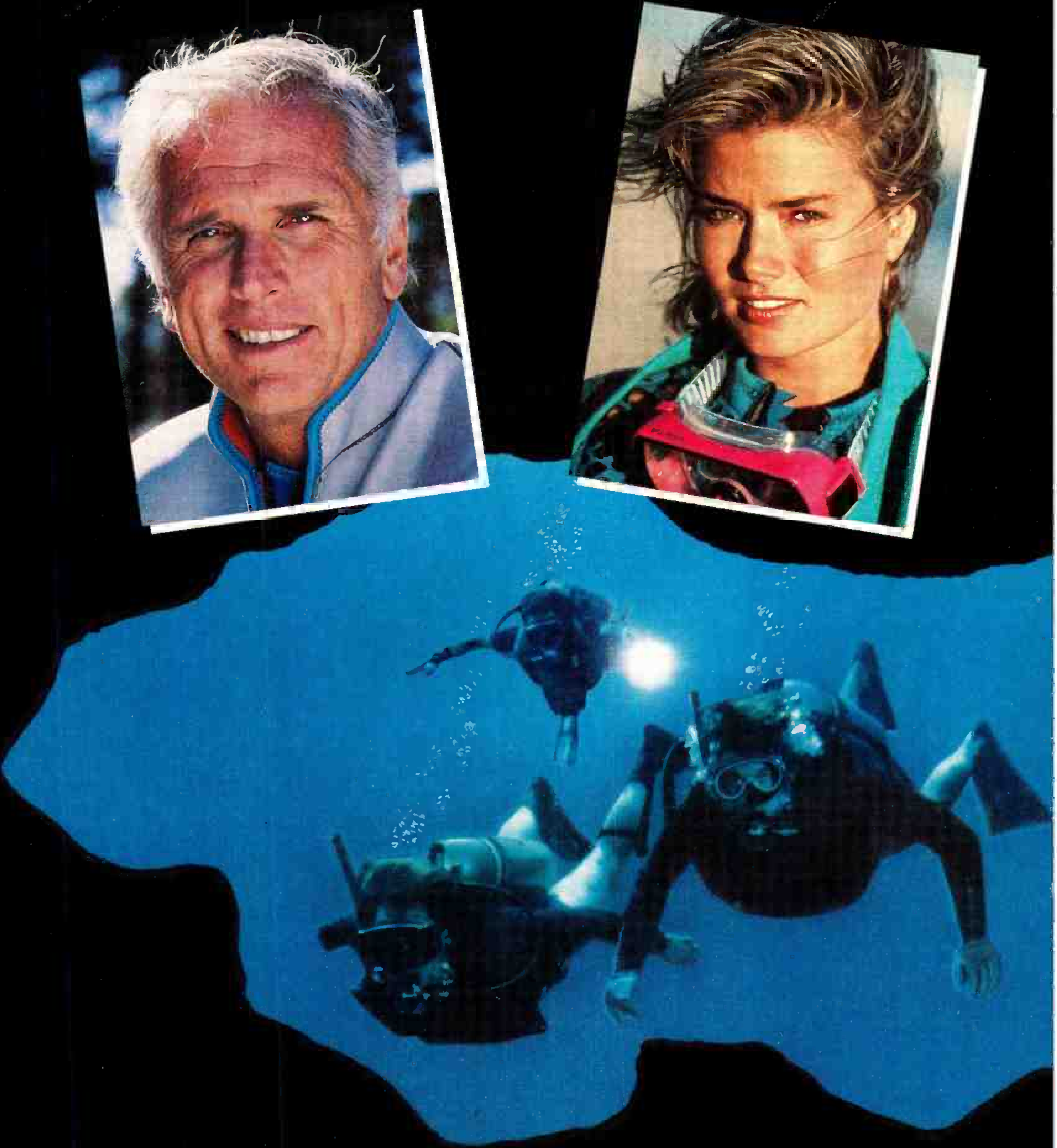
There are two areas where Katz American Marketing is intensifying its efforts: psychographic profiles data and consumer shopping and spending habits on a market-by-market basis. Two of the research companies working in this area are Marshall Marketing and Leigh Stowell. Marshall Marketing has recently contracted with SRI to provide value and life-style (VALS) information to each of its television stations. It's not hard to predict that research by such services will be getting increased use on the national advertising level and complement the demographic information currently used by advertisers to help them plan media strategy.

The more quickly stations become armed with research and attempt to answer not only how their audience views television but also how it shops and purchases, the better equipped we will be to help the advertiser to target his customers.

If we are witnessing the biggest, most fundamental change in marketing in decades, advertisers should be mindful of how spot television can help them make the transition more easily and successfully.

Our medium is still bought and sold on an individual market basis; still provides great selectivity and flexibility, and permits various rating levels by market, according to the needs of the specific product or service. We offer the most powerful communications medium yet devised by man. And, lest we forget, it is still free to the viewing public across the country.

THE HUNT FOR



CAMELOT ENTERTAINMENT SALES

Source: NSS Pocketpiece, Season-to-Date, Oct. 5-11, 1987

Would you apply?

Not likely. Not if you're a college graduate who could start in another field at what a teacher earns after 15 years on the job.

That's why America desperately needs teachers. One million teachers between now and 1990. By every measure, we're going to be several hundred thousand short.

Imagine if we were talking about a shortage of physicians and surgeons. A massive teacher shortage has just as serious consequences on our society. Who will be there to prepare future generations to enter all the professions if there aren't enough teachers to do the job?

Shortages already exist all across this country, because for years college students in droves have chosen not to become teachers. In 1967, 22% of all college freshmen planned on teaching. By 1985 only 6% of the students polled said they wanted to teach.

What keeps college students from wanting to be teachers?

First and foremost, pay.

Right now there are four million Americans certified to teach who aren't in the classroom. And one-quarter of all education graduates decided never to seek teaching jobs. Countless more considered education but decided not to make it their major.

America has lost a generation of teachers. To fill in the gaps, schools are using teachers out of the fields of expertise or uncertified teachers to make sure classrooms aren't empty. This severely hurts the education process and masks the severity of the teacher shortage.

In a recent gallup poll, commissioned by the NEA, 80% of the American people favor higher teacher salaries. Almost half of those surveyed—41%—said they are willing to pay higher taxes to see that teachers are paid properly.

Americans want it. America desperately needs it.

Qualified teachers, paid professional wages. So that becoming a teacher is once again a respected and valued choice.

nea

The Subject is Excellence.

RADIO TELEVISION CABLE SATELLITE

Broadcasting Nov 23

Vol. 113 No. 21

TOP OF THE WEEK

Blue ribboners go to work on TV's future

Committee of industry representatives holds first meeting at FCC to come to grips with problems in selecting advanced TV system

The FCC's efforts to find a terrestrial broadcasting system and cable delivery system in high-definition television intensified last week with the first meeting of a "blue ribbon panel" on advanced television systems (ATV). Many of the top executives in the television industry are committee members grappling with an issue that, FCC Chairman Dennis Patrick said, "will, eventually, dramatically alter the face of television."

Among the luminaries present for the Nov. 17 meeting in Washington were Thomas Murphy, chairman of Capital Cities/ABC, Laurence Tisch, president of CBS, and Thomas Rogers acting as proxy for Robert Wright, president and chief exective officer of NBC. They were joined by chief executives from seven station groups and the cable, consumer receiver and other TV-related industries. The blue ribbon committee's chairman is Richard Wiley, of the Washington law firm of Wiley, Rein and Fielding. Wiley and E. William Henry, chairman of the Advanced Television Systems Committee (ATSC), are both former FCC chairmen chosen to sit with the group.

At the first meeting there was consideration of a timetable for the committee's first year of existence and organizational details including the roles of the three ATV subcommittees. Also discussed were the possible need for budgetary and voting procedures for efficient operation of the committee. Of the committee's mounting tasks, Wiley said: "This is a challenging assignment, but one I feel this committee can accomplish."

Patrick was in attendance to tell the committee members what the FCC wants and expects from the group. "I cannot emphasize strongly enough," Patrick said, "how vital your efforts will be in assisting the commission in ensuring that American viewers enjoy the best television service possible and that this country continues to play a leadership role in the global information economy."

The chairman laid out an ambitious list of issues, calling on the committee, by the end of 1988, to provide the FCC with information needed to: "1) establish general technical parameters that will significantly narrow the scope, and direct the focus, of future research and development efforts by domestic and foreign manufacturers; 2) relax our present freeze on assignment and use of spectrum as much as possible, and, 3) establish a tentative timetable for implementing an advanced broadcast television service." To help keep this schedule, he set May 17, 1988, as the due date for the first set of recommendations from the committee, which will deal with the necessary spectrum reservation needed for advanced TV systems.

For those first committee recommendations to the commission, Wiley set a goal of four months for completion of a first draft. The blue ribbon committee would then meet again by April to discuss the report before it is sent to the FCC. "This schedule may be optimistic," Wiley said, "but I think we've identified some directions in which to proceed.... I'm confident we can get the job done."

But Joel Chaseman, president of the Post-Newsweek Stations, responded: "I am concerned about these six-month and one-year deadlines." He worried that hasty resolution of the issues Patrick listed would "shortchange the American public." Instead, he urged a slower pace. "We have just got to take time to do it well," Chaseman said.

Patrick replied by saying: "We have absolutly no intention of rushing to judgment on this issue." Mass Media Bureau Chief Alex Felker said that the timetable was not going to shortchange the American public and that the issues relating to spectrum had to be resolved soon so the commission could accommodate other services requesting it. "Holding spectrum in reserve forever is not cost-free," Felker said. An ex officio committee member, the State Deparment's Diana Lady Dougan, said that she was "pleased with the faster timetable" because when arguing the American case international forums, it is best to have its positions defined as soon as possible. She said that because many of the companies represented on the committee do business internationally, they should recognize the trade and commerce ad-

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Around the blue ribbon roundtable

Chairing the FCC's advanced television meeting of VIP's from every corner of the television industry was Richard E. Wiley (1) former FCC chairman and partner of Washington law firm, Wiley, Rein & Fielding.

Other attendees were (l-r): (2) Burton Staniar, Westinghouse Broadcasting Corp.; Laurence Tisch, CBS; Neil Vander Dussen, Sony Corp. of America; (3) James Kennedy, Cox Enterprises Inc.; Daniel F. Minihan, North American Philips Co.; Thomas S. Murphy, Capital Cities/ ABC; Gary Bryson, representing Trygve Myhren, American TV and Communications; (4) Daniel Gold, Knight-Ridder; Robert Hansen, Zenith Corp.; E. William Henry, Advanced Television Systems Committee; (5) Joel Chaseman, Post-Newsweek; Bruce Christensen, Public Broadasting Service; (6) Joseph Collins, Time Inc.'s Home Box Office; Allen Cooper of Motion Picture Association of America representing Robert Daly, Warner Brothers; James Dowdle, Tribune Broadcasting Co. Also sitting at the table, but not pictured above were: FCC Chairman Dennis Patrick; Thomas Rogers representing Robert Wright, NBC; Derk Zimmerman, Fox Broadcasting Co.; F. Jack Pluckhan, Quasar; Ward Quaal, The Ward L. Quaal Co.; Joseph Flaherty, CBS Operations and Engineering and chairman of ATV committee's subcommittee; Irwin Dorros, Bell Communictions Research, and chairman of the systems subcommittee; James Tietjen, The David Sarnoff Research Center, and chairman of the implementation subcommittee; Alex Felker, FCC Mass Media Bureau chief; Ambassador Diana Lady Dougan, State Department; Alfred Sikes, National Telecommunications and Information Agency. Dougan and Sikes are ex officio members of the blue ribbon committee.

vantages in getting a head start. "Time is going to be slipping away because others will be preempting us," Dougan said.

Much of the discussion was of an organizational nature because "we all need to understand how this committee is going to function," Wiley said. He said that the primary concern will be to concentrate on the three issues raised by Patrick in order to "give the government the best we can."

Wiley told the committee that the planning subcommittee, chaired by CBS's Joseph Flaherty, vice president and general manager, engineering, "will bear the primary initial burden." It will do the groundwork for the first set of recommendations to be submitted to the FCC in May. Each of the subcommittees will be divided into "working parties." He emphasized the already announced fact that the subcommittees are open to all interested parties and the overall committee's encouragement that contrasting viewpoints should be represented in the working parties.

Each of the subcommittees will have two vice chairmen in addition to the already announced chairmen: Flaherty; Irwin Dorros of Bell Communications Research (Bellcore) for the systems subcommittee, and James Tietjen of the David Sarnoff Reseach Center for the implementation subcommittee. The vice chairmen will be announced later along with a chairman and two vice chairmen for each working party.

High-definition technology "is upon us," Flaherty told the committee. "This new technology is so fundamental that it will touch every aspect of audio-visual communications." He announced the structure of his planning subcommittee, which will have six working groups. Along with responsibility for different aspects of the first recommendation report on spectrum, those groups will develop specifications which will then be submitted for testing by the systems committee. The six working parties will cover: technology assessment; testing and evaluation; cable and fiber optics technology for interface to broadcasting; spectrum utilization and alternatives; consumer economic impact, and subjective assessment which will evaluate testing procedures.

Of the six, Flaherty said the last three are of the greatest importance because they will deal with how the public perceives and will be affected by advanced TV systems. He stressed that one of the strengths of the planning subcommittee's structure is its flexibility, which would allow for added issues and working parties when needed. He said that the subcommittee would be looking closely at the work of standards organizations such as the ATSC and the Society of Motion Picture and Television Engineers.

The goal of the systems committee, Dorros said, is "to produce a standard for transmission." It will receive the specifications of what is needed and desired as far as quality and spectrum limitations from the planning committee, and will use them to determine which proposed systems to test and evaluate further. "These groups will need to work together and may even be populated by cross membership," he said. The subcommittee's four working groups will deal with technology, systems evaluation, economic assessment and standards.

The heaviest work will come later for Tietjen's implementation group which so far has only two working parties planned. One will look into FCC policy and regulation changes that might be needed before a transmission system can be approved. The second group will study implementation scenarios for specific transmission systems.

The government charter authorizing the committee states that representatives of the FCC must be present at all meetings of the blue ribbon committee, the subcommittees and the working groups. Felker and Thomas Stanley, the FCC's chief engineer, will be the primary FCC contacts. All meetings will be open to the public with advance notice of them published in the *Federal Register*. Official records of the committee's proceedings will be open to the public through the Mass Media Bureau, which Felker said, would act as a "clearinghouse" for ATV committee information. "At least for the time being," he said, correspondence to the committee should be sent there.

In the past "a consensus process has been followed" for reports from similar committees to the commission, Felker said. He encouraged the ATV committee to also try to come to a consensus whenever possible because it tends to "lead to a good set of recommendations." However, if opinions prove to contrast too sharply, he said that it will be the committee's responsibility to formulate a voting procedure.

A budgetary system for the committee may also have to be devised. Felker said that a great deal of clerical support will be provided by the FCC, but that some of the financial burden would have to be provided by the committee's participating companies. Wiley said that some expenses the group might incur would include travel, hiring a full-time secretary, statistical analyses and possible independent testing not available through ATSC or other standards organizations. ABC's Murphy was the first to pledge the support of his company to a committee budget and several others quickly followed. Wiley said that by the absence of opposition, he "would take it as a mandate" that he should begin working on the procedures for establishing a budget. The central question seems to be whether the amount needed will be small enough to ask for an equal contribution from each company or if a formula will be developed to adjust the size of the contribution according to the size of the company.

No discouraging words on HDTV, but...

First comments show agreement on goal of advanced television but difference on approach; compatibility important to most; broadcasters seek hold on spectrum

A broad consensus of broadcasters and cablecasters told the FCC last week it was all for most aspects of its advanced television (ATV) notice of inquiry—in popular parlance, high-definition TV. First and foremost, all agreed that some advanced standard should be reached. Of primary concern to broadcasters: that they not be left behind by cable, satellites and other program delivery methods.

A secondary consensus developed behind the notion that any terrestrial ATV system be compatible with present NTSC receivers. And among broadcasters, there was agreement that presently unused UHF spectrum, coveted by such rival services as land-mobile and digital radio, should be set aside for terrestrial TV, either for a two-channel HDTV system in the near future or a more advanced broadband system further ahead.

"Broadcasters should not be relegated to second-class status in the video marketplace," said CBS in its comments—a proposition upon which all three major networks were united. "We urge the commission's rules on broadcast transmission, spectrum allocation and allotment not be allowed to impair the opportunity of broadcasters to implement ATV systems of competitive quality," said ABC. Terrestrial broadcasters "must be able to maintain their competitive position...delivering video images to the home, or free service to the public or local broadcasting may become a second-class service or disappear altogether," said NBC.

The Public Broadcasting Service echoed the views of its commercial counterparts, saying that "the American people would lose something essential" if terrestrial TV were to become a secondary video service. "Broadcasting, particularly public broadcasting, deserves to share in the best the future can offer," PBS said.

Two ways of attacking the NTSC compatibility issue were suggested by CBS. Either the FCC could adopt a one-channel, compatible system—such as the experimental advanced compatible television system (ACTV) proposed by NBC and developed by the David Sarnoff Research Center—or by setting aside enough spectrum for present TV stations "to accommodate the simulcasting of NTSC and high-definition programing, at least during a transition period." CBS said it understood the FCC's concern for "the public's investment in NTSC sets," but urged the commission not to rule out the second option "by taking a narrow view of 'compatibility.'"

Not surprisingly, NBC praised the one-channel option. It stated that any approved system should fit into 6 mhz to preserve the compatibility of consumer sets yet be capable of evolving into a more advanced system in the distant future. The report of the Sarnoff Research Center said that ACTV fits the bill: "It promises significantly improved images, is deliverable over air, cable, tape, disk, satellite...is receiver-compatible, and can be upgraded to HDTV performance with additional bandwidth."

"Accordingly," said NBC, "spectrum must be preserved to permit transition to a system with greater signal enhancement in the future." The network claimed that true HDTV is certain to be a reality one day and that protection of spectrum now will "assure that terrestrial broadcasters can provide the benefit of these future developments to the public."

The only other group owner endorsing a specific transmission system was American Family Broadcast Group, owner of six TV stations, which came out for ACTV. NBC's one-channel system "shows great promise of meeting the immediate, and perhaps ultimate, needs of American broadcasters," according to American Family. Concerned with the expense to both consumers and broadcasters that could be required if a broadband system such as NHK's Muse were adopted, the group said that it had made a "substantial financial commitment" to ACTV and encouraged other broadcasters to do the same.

The Tribune Broadcasting comments were typical of those by TV groups, urging "the commission to proceed cautiously in consideration of technical standards, interference criteria and, most importantly, spectrum reallocation, until substantially more data is available concerning the various advanced television systems now under development." Of prime importance, Tribune said, is "that whatever ATV system ultimately is adopted should be receivable on existing NTSC receivers with minimal or no degradation in the quality of the picture."

Post-Newsweek Stations said that "if ATV augmentation spectrum is needed, the commission must act quickly to secure it before it is irretrievably committed to other uses." According to George N. Gillett Jr., owner of 11 TV stations, broadcasters deserve that spectrum because of their role in local public information. "Despite scattered exceptions, the fact is that television stations alone provide local video information to American viewers," Gillette wrote. A similar point was made by the Radio-Television News Directors Association: "Harm would inevitably result in a diminution of the amount and quality of local and national news, information and public affairs programing available free of charge to the American public."

Most broadcast groups stated that they supported the position of the Association of Maximum Service Telecasters. AMST said that "developmental, performance, spectrum and interference issues cannot be separated. Consequently, the spectrum requirements for ATV cannot be determined until candidate ATV systems have been tested." That recommendation conflicts with the announced timetable for a spectrum report from the FCC's ATV committee, which is due in only six months so that the commission can begin considering other proposals for UHF spectrum (see page 35).

One of those spectrum competitors, the Land Mobile Communications Council, filed statements reiterating a position made during congressional hearings (BROADCASTING, Oct. 12) that private radio services need the fallow UHF spectrum more than broadcasters, and that an acceptable ATV system for American consumers can be contained within 6 mhz. In its comments, it said that NBC's ACTV "demonstrates that such systems are workable."

Other spectrum rivals were those advocating advanced audio technologies. National Public Radio's view was that "additional spectrum for broadcast audio is justified by the demonstrated importance of the audio service in information and entertainment programing." It pointed to testing of digital audio transmission at noncommercial WGBH-FM Boston, which "produced superior audio quality" but at the cost of additional spectrum from the UHF band. The Boston tests demonstrated, NPR said, "the need for the commission to encourage

NHK fields compatible version of HDTV

The Japanese Broadcasting Corp. (NHK), in comments to the FCC last week, outlined two variations of its Muse system that would permit stations to broadcast high-definition television signals compatible with conventional NTSC sets via conventional 6-mhz UHF and VHF channels.

The transmission schemes, dubbed Narrow-Muse and Muse-6, would degrade the HDTV pictures considerably, but would preserve HDTV's wide (16:5) aspect ratio for those with HDTV sets.

The Muse-6 and Narrow-Muse broadcasts could be received on NTSC sets, although the aspect ratio would be clipped to NTSC's 4:3. Also, Narrow-Muse's compatibility would require a set-top converter.

The proposals, the heart of NHK's submission on the FCC's advanced television systems inquiry, are apparently its response to U.S. broadcasters' demand for an HDTV transmission system that is compatible not only with NTSC sets but also with today's 6-mhz television channels.

Prior to the filing, the only HDTV broadcast system NHK had on the table was full Muse, which requires 9-mhz channels. Like Narrow-Muse, Muse signals would be receivable on NTSC sets, but only after the signals are passed through a set-top converter. In the filing, NHK said such converters would cost less than $50.

The filing gave no indication about how close either Muse-6 or Narrow-Muse were to actual working systems.

"I don't know that they have actually tested it as they have [full] Muse," said Stephen Sharp, NHK's Washington attorney. "But I think it is a very real capability."

From a picture-quality standpoint, Narrow-Muse is superior to Muse-6. According to NHK, Muse-6 is "slightly better" than NTSC, while Narrow-Muse is "better." By way of comparison, NHK deemed full Muse "much better" than NTSC.

As it made clear in its filing, NHK believes the U.S. should shuffle its broadcast spectrum to create 9-mhz channels for Muse broadcasts. "It should be emphasized that any use of 6 mhz transmission bandwidth places restrictions on picture quality improvement," NHK said. "Furthermore, an excessive reliance on bandwidth compression will double receiver costs, and is therefore undesirable."

But NHK said Narrow-Muse and Muse-6 "would serve to facilitate a smooth transition to full Muse" because it would encourage broadcasters to start producing programing in HDTV while waiting for the 9-mhz channels necessary for full Muse broadcasting to become available.

NHK proposed one other "transitional" transmission system in its filing: Muse-9. Like full Muse, it would require 9-mhz channels but, unlike full Muse, it could be received on NTSC sets without a converter. It would deliver the same picture quality as Narrow-Muse.

NHK's proposals are similar to NBC's advanced compatible television (ACTV) system for broadcasting HDTV, which has been demonstrated in computer simulations early last month. NBC hopes to have a working ACTV system by mid-1988. Evaluations and comparisons of the NBC and NHK approaches will have to wait until both have hardware.

further development of digital audio broadcasts."

Digideck, "a small, start-up company" researching techniques for transmitting digital audio, argued that "it is now feasible to upgrade the existing audio in a compatible manner" and that "it makes more sense to make that upgrade now, coincident with the specification of an improved video format. Otherwise one risks the potential obsolescence of the 'improved receivers' when the added features become available through an augmentation channel."

Several broadcasters were in full accord with the comments of the National Association of Broadcasters, which listed three critical steps that the FCC would have to follow: "(1) advising and being advised by the Advanced Television Systems Committee (ATSC), the industry-wide standards-setting group, as we sort through the very complicated tasks and tests ahead, (2) understanding the critical importance to the success of HDTV of setting a single broadcast transmission standard, and (3) continuing to reserve additional spectrum to broadcast HDTV, recognizing that there now is no way to know what those spectrum needs might be."

ATSC itself invited the FCC to use it as a partner and an information resource in finding a suitable standard. "We believe that the ATSC can provide valuable assistance to the commission in assessing the issues raised and achieving the goals described in the notice of inquiry, and we offer the ATSC as a resource for the commission's use," it said.

On the cable side, desire for a standard compatible with NTSC sets was as great as broadcasters'. General Instrument Corp., manufacturer of cable TV equipment, said that "compatibility is an important goal" not only for home viewers but for the cable and satellite industries.

If a broadband system is ultimately chosen, those industries will have to bear the expenses of new equipment along with consumers. General Instrument also claimed one-channel systems that "use low time compression factors or none at all are likely to out-perform those that use higher compression factors" in cable transmission.

Rogers Cablesystems of America, Toronto, a multiple systems operator, said that it "believes strongly in smooth transitions to new technologies and greatly favors ATV schemes which minimize the cost of retaining compatibility with as much of the existing production, transmission and consumer electronic equipment as possible."

Recognizing the importance of spectrum issues to both broadcasters and cablecasters, the National Cable Television Association felt that signal robustness was the more critical issue facing the cable industry. NCTA's fear was that acceptable over-the-air advanced signals might lose strength too rapidly when sent through coaxial cable. □

CBS sells Records group to Sony

Price tag of $2 billion raises speculation about what Tisch will do with cash from sales of CBS assets

It took 10 weeks of negotiations, a wrenching stock market drop and some hastily called board meetings, but Larry Tisch finally got his wish. The CBS board of directors last Wednesday approved the sale of CBS Records Group to Sony Corp. for $2 billion.

Now the key question for Tisch, the CBS president who owns just under 25% of the corporation through Loew's Corp., is what CBS will do with approximately $3 billion in cash from sales of CBS assets.

The CBS Records sale, expected to close in early 1988 following government approvals, will add between $1.4 billion-$1.6 billion after taxes to a CBS cash pool already swelled to more than $1.5 billion by Tisch's $650-million sale of the CBS magazine division, the $500-million sale of CBS's book publishing and the $125-million sale of CBS's music publishing businesses.

Records President Walter Yetnikoff will remain as the head of the operation along with a new management team of his choosing. There were reports that Yetnikoff, who had attempted an unsuccessful management buyout bid, but whose presence is considered by some to be essential to the division's continued success, may gain as much as $20 million from the transaction, with another $30 million distributed to top Records executives.

There was speculation, as well, that CBS will undergo a new round of corporate restructuring as the records division is passed to Sony.

On Wall Street, views of the sale were mixed. The day after the announcement, Standard & Poor's gave positive indications that it would consider upgrading CBS's debt and preference stock ratings, while at the same time raising negative implications about Sony Corp.'s ratings. CBS stock also jumped $8.63 to $176 last Wednesday in anticipation of the board's decision. The next day the stock fell by $7.75.

Some equity analysts, however, questioned whether the company would be able to find a way, short-term or long-term, to replace the Record division's earnings, expected to reach $180 million to $190 million this year and an estimated $200 million in 1988.

As a result, several analysts last week talked of dropping their 1988 earnings-per-share estimates for the company. At Merrill Lynch, Peter Falco raised the possibility of taking anywhere from 20 to 70 cents off the earnings estimate if the cash were invested for interest in banks, possibly more if put into station acquisitions.

L.F. Rothschild analyst Alan Gottesman believes, by contrast, that the sale will have little impact on either earnings per share or stock price. □

TNT in limbo

No vote taken by TBS board on new network amid lackluster reception by cable operators

Turner Broadcasting System's proposed new cable programing service, Turner Network Television, appears headed for the back burner. The TBS board met Nov. 15 in California, and the hope a month ago was that TBS would have the necessary carriage commitments from cable operators to go ahead with the service. But that did not happen.

A Turner spokesman said the board discussed TNT, but that no vote was taken, and no date set for launch or for a board vote on the concept.

"It's very much alive," said Timothy Neher, president of Continental Cablevision and a board member, "but not ready for launch. Most of the board members, if not all, are positive toward the concept," he said. Another board member, Trygve Myhren, chairman of American Television & Communications, told the *Denver Post* that "Even if the idea doesn't go ahead at this meeting, it doesn't mean we will never go ahead with it."

The board approved the concept of the service at its Oct. 16 meeting and directed TBS to begin pitching the service to operators. But almost immediately the marketing drive ran into trouble. The stock market crash on Oct. 19 turned the minds of cable operators elsewhere and caused a retreat from expensive new ventures. The channel capacity problem also rose repeatedly. (A board member said the possibility of using the slot of Tempo TV, which is being purchased by Tele-Communications Inc., was not discussed.)

There is also concern in the industry about how the channel will be financed. Turner's plan is for a 10 cents per month per subscriber fee, which increases over time, plus surcharges for the high-profile events the network wants.

While most cable operators wholeheartedly support that concept, they are not sure the MGM film library and related Turner programing is strong enough to carry the service until those high-profile events come along. That presents TBS with a dilemma. Operators are reluctant to sign on until they see the big-name events, and Turner can't get the big-name events until he has a channel.

Vertical Integration

The business behind the boom in cable programing

The setting is the Denver office of the chief executive of a major MSO. On the other side of the desk is someone with a "great idea" for a new cable programing service.

Programer:...It's a goldmine.

CEO: Mmmmm.

Programer: Well, we'll give operators an equity interest.

CEO: Mmmmm.

Programer: OK, we'll give you 51% ownership, but not a dime more.

CEO: Mmmmm.

Programer: OK, OK, you can have 80%, but I've got to have 20% to meet payroll.

An exaggeration? Yes. But in the past 18 months, cable operator ownership and equity participation—the foot soldiers of vertical integration—have rapidly become the quid pro quo for launching new services.

There are a number of reasons why this method of financing/distribution has come into vogue. Cable operators see equity participation as a way to insure that services they feel their subscribers want will see the light of day. It gives cable operators greater, or in some cases, total control over the service. As industry proponents call for cable-exclusive programing to differentiate themselves, owning programing services takes on more allure. For many years, and to a lesser extent today, the cable industry has been criticized for relying on warmed over network or syndication reruns. Flush with cash from the completion of most system construction, and freed from local rate regulation, cable operators have the money to plow back into programing. And they are using some of that money to take equity stakes in programing services.

But although cable operators look at equity as a way to acquire a wider range of programing, and much that otherwise might not be produced, critics see the same development as an attempt by cable operators to hoard product and an example of an insensitivity to exclusivity arrangements that have helped cable prosper.

Programers who have tried to launch services in the past 18 months have found the shelf space dwindling. Channel capacity is as tight today on cable systems as it was in the early 80's. Although the situation is expected to ease somewhat by the early 1990's, as the last of the major urban builds are finished and system upgrades continue, cable operators are wondering how many more services can be added, since in the end consumers wind up paying for them.

Today's capacity crunch, which threatens to postpone the launch of the one of the industry's most solidly backed services, Turner Broadcasting System's Turner Network Television, is causing potential programers to offer equity stakes to operators to insure carriage. Most of the equity ventures that have launched in the last year and a half have a telemarketing feature, such as the Travel Channel, The Fashion Channel and the QVC Network. But other services have launched, although on a much lower scale, without equity offerings, the Consumer Discount Network and Movietime, for example. You TV and Teleworld are also on the drawing boards for launch next year, but neither came out of the blocks with equity participation ast part of its company structure.

Financial News Network's Meister

Fashion Channel's Herman

ATC's Dressler

"An equity deal is wonderful for initial distribution, and it secures a lot of different fronts," says Sheri Herman, vice president, sale and marketing, Fashion Channel, which launched with 65 equity cable operator partners. "But work still has to be done on a day-to-day basis to make sure it's a working partnership. If you don't have that, the best equity deal in the world won't matter."

David Meister, Financial News Network director, has launched services with and without equity. "In reality, what you have, no matter what the piece of paper between the two entities, is an inherent partnership in the promotion of a cable programing service to the consumer," says Meister. "In that process, a deal is going be made, whether you call it equity, revenue sharing, affiliate fee, commission or whatever. If it isn't a reasonable and fair deal, the whole thing breaks down."

Cable operators, although coming from a different perspective, also find that the equity-carriage element is a very important part, but that aspect alone won't carry a service. Still, some operators are more bullish than others when it comes to ownership or equity participation. Bob Redella, vice president, programing and investments for Cox Cable, lists what's important for getting a new service off the ground: "All the pieces really have to fit. The service has to be quality. It has to have a continuous flow of programing. It has to have good management. It has to have the necessary finances and finally it has to have carriage." Cox has taken a strong position in program service ownership, through the Discovery Channel, Home Premiere Television and its own home shopping service, America's Shopping Club. But the key question in launching a new service, said Redella, whether equity or ownership stakes are involved, is: "Is the programing of quality value for the consumer?"

Taking a bit more cautious approach is American Television & Communications, the second largest MSO. "We are not out looking for equity positions in cable services," said Fred Dressler, vice president of programing. "We understand why people are offering equity, but it's our position that we'd rather make decisions on the value of the product and not the value of the investment."

While we're on the subject

An extended discussion on the approaches of various MSO's to ownership in program services, and an examination into why programers offer equity in order to gain distribution, continues on page 66. A list of the principal regional sports programing services, many owned by cable MSO's, appears on page 67.

Who owns what with whom in cable networking

Basic services

Network	Subscribers	Ownership
ESPN	44,300	Capital Cities/ABC (80%), RJR Nabisco (20%)
WTBS	41,642	Turner Broadcasting (Ted Turner 65%, Time Inc. **[ATC]** 11.5%, **TCI** 10.1%, **UA** 4.8%, **United** 3.2%, **Warner** 1.8%)
CNN	41,642	Turner Broadcasting (Ted Turner 65%, Time Inc. **[ATC]** 11.5%, **TCI** 10.1%, **UA** 4.8%, **United** 3.2%, **Warner** 1.8%)
USA	39,000	MCA (50%), Paramount (50%)
MTV	37,100	MTV Networks Inc. **(Viacom)**
Nashville	36,000	Gaylord Broadcasting
CBN	35,834	Christian Broadcasting Network
Nickelodeon	35,800	MTV Networks Inc. **(Viacom)**
Lifetime	32,300	CC/ABC (33%), **Viacom** (33%), **Hearst** (33%)
Weather Chan.	31,053	Landmark Communications (former parent of TeleCable)
Nick at Nite	31,000	MTV Networks Inc. **(Viacom)**
Headline News	28,352	Turner Broadcasting (Ted Turner 65%, Time Inc. **[ATC]** 11.5%, **TCI** 10.1%, **UA** 4.8%, **United** 3.2%, **Warner** 1.8%)
FNN	27,000	Infotech (20%), Dr. Earle Brian (15%)
A&E	27,000	CC/ABC (33%), NBC (33%), **Hearst** (33%)
Discovery	25,600	**TCI** (14%), **United** (14%), **Cox** (14%), **Group W** (14%), **Newhouse** (14%), management, New York Life Co., Allen & Co. (30%)
C-SPAN	23,000	**Cable operator supported**
VH-1	22,900	MTV Networks Inc. **(Viacom)**
WGN	22,481	Tribune Broadcasting
Score	19,800	Infotech (20%), Dr. Earle Brian (15%)
CVN	19,000	COMB Co. (50%), **18 cable operators*** (50%)
BET	15,000	Bob Johnson (51%), BET president, **TCI** (16%), **HBO** (16%), **Taft** (16%)
HSN I	13,500	Home Shopping Networks Inc.
C-SPAN II	12,500	**Cable operator supported**
Tempo TV	12,500	**TCI** (pending owner)
Telshop	11,000	Infotech (20%), Dr. Earle Brian (15%)**
QVC Network	10,747	QVC Network (65%), **Comcast** (14%), **cable operators** (21%)***
Inspirational	10,700	PTL Club
Learning Chan.	10,300	Infotech (40%), Appalachian Community Service Network (40%), officers and employes (20%)
WWOR	10,100	MCA
Silent Network	10,100	Silent Network Inc.
Video Mall Net.	10,000	Video Shopping Mall (Goodway Marketing 80%)
Trinity	7,200	Trinity Broadcasting Network (nonprofit)
Eternal Word TV	7,100	Eternal Word Television (nonprofit)
Fashion Channel	7,000	Charlie Gee (32%), **65 cable operators** (25%)**** **TCI** (10.5%), **United** (10.5%)
Country Music	6,700	Jim Guercio (principal owner)
Acts	6,000	Southern Baptist Convention
Travel Channel	5,700	TWA Marketing (100%), after equity offering TWAM will hold 63%, **cable operators** 37%*****
HSN II	4,200	Home Shopping Networks Inc.
Movietime	3,200	Employes (30%), Mabon, Nugent & Co., SRK Management, Loeb Partners and Hallmark (70%)
Shop TV	2,500	JC Penney (63%), STN (37%)******
WPIX	2,471	Tribune Broadcasting
Hit Video USA	2,100	Wodlinger Broadcasting
KTVT	1,891	Gaylord Broadcasting
Nostalgia	1,400	**Cooke Cablevision** (9%), **TeleCable** subsidiary has small percentage, largest single owners
Liberty	1,049	Liberty Broadcasting Network (nonprofit)
Consum. Disc. II	1,000	Entertainment Marketing Inc.
Sky Merchant	1,000	Jones Int'l. (parent of **Jones Intercable**)
America's Shop.	1,000	**Cox Cable**
Galavision	900	Univisa
Gospel Music Net.	844	GMN Ltd.
Motivation Net.	600	Rock Christian Network (nonprofit)
CDN I	526	Entertainment Marketing

Pay services

Network	Subscribers	Ownership
HBO	15,000	**Time Inc.**
AMC	7,000	Rainbow Program Enterprises (**Cablevision Systems**) 50%, **TCI** 50%
Showtime	5,300*	**Viacom**
Cinemax	4,100	**Time Inc.**
Disney	3,175	Walt Disney Co.
Movie Channel	3,000*	**Viacom**
Playboy	520	Playboy Enterprises
Bravo	500	RPE **(Cablevision Systems)**
Festival	30	**Time Inc.**

*Estimate. Showtime does not breakout figures for Showtime/The Movie Channel

Pay-per-view services

View. Choice I,II	4,000	**Viacom**
Request TV	2,500	**Daniels, United Cable, Centel, Heritage, American,** major motion picture studios
Home Premiere	2,300	**ATC, Cox, TeleCable, Continental** and **Newhouse** 20% each.
Cable Video Store	40	General Instrument

Bold face in right-hand column indicates cable operator ownership or ownership by company with cable systems in separate subsidiary.

*CVN—The ownership by **18 cable operators—American, ATC, Adam Corp., Cablevision, Colony, Continental, Cooke, Daniels & Associates, Heritage, Newhouse, Rogers, Sammons, TCI, Times Mirror, United Artists, United, Viacom, Warner**—is based on percentage of subscribers committed to service.

Telshop—FNN is offering equity to **cable operators (500,000 shares). FNN will retain two million shares.

***QVC Network—It is presenting owned by the public (65%), **Comcast** (14%) and **cable operators** (21%). When cable operators exercise warrants on 483,000 shares of preferred stock, redeemable for 10 shares of common stock, another 4.83 million shares will be added to the approximately 10 million shares outstanding. At that point, cable operators would own approximately 8.5 million shares of the 15 million shares outstanding, or 56% of the service. The largest in that group would be **TCI** (2,150,000).

****Fashion Channel—Among the larger cable operators with an equity stake are **Adelphia, American, ATC, Barden, Bresnan, Cablevision Industries, Centel, Century, Colony, Commonwealth Cablesystems, Continental, Cooke, Cox, Daniels, Enstar, First Carolina, Harron, Hauser, Heritage, Lenfest, Maclean Hunter, Marcus, Media General, Newhouse, Omega, Post Newsweek, Prestige, Sammons, Scripps Howard, Simmons, Susquehanna, Sutton Capital, Taft, TeleCable, TCI, Times Mirror, Triax, UA, United, United Video Cablevision, Viacom** and **Warner**.

*****Travel Channel—The final equity offering is to be placed by Dec. 1, whereby TWA Marketing will retain 6 million shares and **cable operators** will be offered 3.5 million.

******Shop TV—It has equity commitments from **30 MSO's** representing 3.3 million subscribers. MSO's will receive 1% equity in the service for each million homes they commit to. Cable operators who have major stakes in other shopping programs, such as TCI, United and Comcast, are not a part of Shop. Among the MSO's whose systems are carrying Shop TV are Cablevision Systems, Rogers, Continental and Warner.

TVRO's win round one on regulation

Commerce passes Gore-Ford bill; major fight expected on floor; it permits third parties to distribute cable program services to dish owners

The home satellite dish industry scored an initial victory last week when the Senate Commerce Committee adopted legislation (S.889) to regulate the TVRO marketplace. Still, final Senate passage is not a given; indeed, the battle is apt to intensify as it heads for a final floor vote. Proponents are hoping to see it move before Congress adjourns and are already laying the groundwork for House consideration.

Despite Commerce's action (it was approved by voice vote) there was some dissention. The Communications Subcommittee chairman, Daniel Inouye (D-Hawaii), thinks the measure is wrongheaded and promises to fight it on the floor. Inouye could be joined by Bob Packwood of Oregon, the ranking Republican on the subcommittee, who although absent from the debate (he was a participant in the White House-congressional budget summit), is known to oppose the bill as it was reported from committee. Ted Stevens (R-Alaska) also has problems with it.

S.889 would mandate that cable programers permit any qualified third party—inside and outside the cable industry—to distribute their services to dish owners. (To assuage some concerns, this provision was modified to "allow reasonable programer judgments to be made in qualifying distributors.") Proponents of the bill believe competition among multiple third-party distributors would keep prices of programing low enough to satisfy dish owners and bolster the sagging home satellite industry by making dish ownership more attractive to consumers.

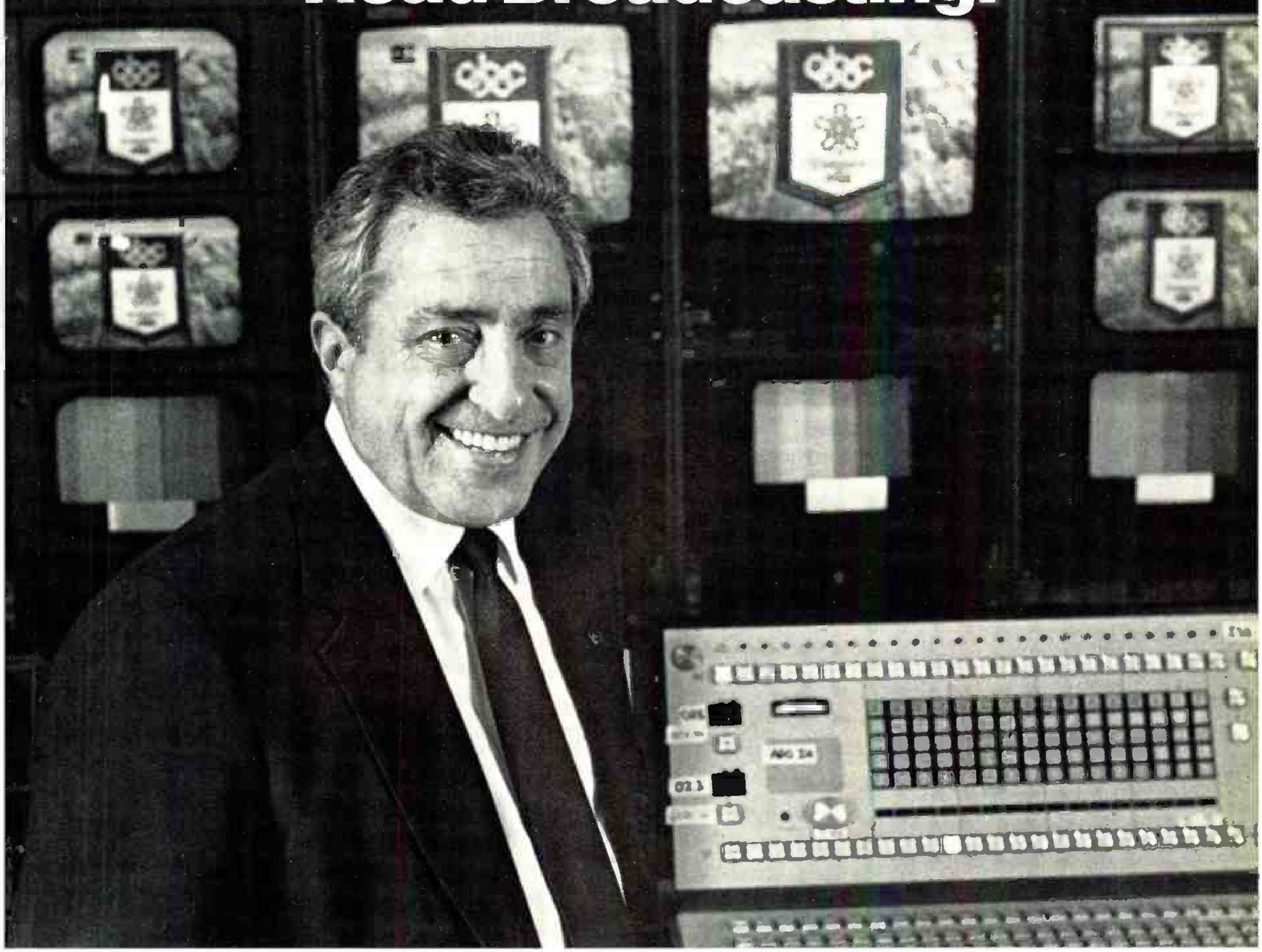
Even those who favor S.889—Senators Pete Wilson (R-Calif.) and Larry Pressler (R-S.D.), for example—indicated they'll seek further refinements. Senator John Kerry (D-Mass.) expressed doubts about the need for such a bill and, according to staff, may offer some amendments. "A lot of work has to be done.... It's not over," said one Senate aide.

The controversial measure pits cable against the home satellite industry and has been the subject of a massive grassroots campaign by dish owners, dealers and manufacturers for several years; they failed by a vote of 55 to 45 to pass a TVRO bill in the Senate last year. But this time proponents feel the numbers are on their side. "This is far from over but we're really on the right track," said Fred Finn, president of the Home Satellite Television Association. The Satellite Broadcasting & Communications Association applauded the committee's actions and is hopeful the "momentum will carry over to the House side," said President Chuck Hewitt.

Senators Al Gore (D-Tenn.) and Wendell Ford (D-Ky.), the legislation's principal sponsors (along with Dale Bumpers [D-Ark.]), were equally pleased. Following the vote, Gore told reporters he is confident the measure will receive full Senate approval. "I am very pleased with where we are today," said Ford, who added, "those win-them-all's [an obvious reference to cable's numerous legislative and regulatory victories] are going to lose one."

Cable was not viewing the committee's action as a terminal blow. It was a case of the opponents choosing "not to have the fight in committee but on the floor," said National Cable Television Association President Jim Mooney. Nor does Mooney think the bill will be enacted because, he said, "it is fundamentally flawed. It is a solution in search of a problem and we will continue to oppose it."

The People Who Can Say "Yes" Read Broadcasting.



When Julie Barnathan says "Yes," ABC Sports gets a new, super slo-mo camera which revolutionizes coverage of the 1984 Summer Olympics in Los Angeles.

When he says "Yes," ABC gets state-of-the-art equipment to cover the 1988 Winter Olympics in Calgary.

And when Julie Barnathan says "Yes," the technology for closed-captioning for the hearing impaired is developed. Mr. Barnathan was awarded an honorary Doctor of Science degree for his discovery of the technology and for his contributions to the development of the closed-captioned system.

As the President of Broadcast Operations and Engineering for Capital Cities/ABC, Mr. Barnathan must not only stay in the forefront of broadcast technology, but he has to know what's happening throughout the rest of the broadcast-communications industry—everything from programing to the FCC. Everything and everyone that can affect Capital Cities/ABC.

Mr. Barnathan has been a regular subscriber to Broadcasting for 28 years.

He reads it. Depends on it. Every week.

Broadcasting

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Radio executives look ahead to 1988

Group heads address major issues from effect of recent stock market crash to advertising outlook

How will radio fare as a business in 1988? Despite the upcoming Olympics and presidential election, traditionally boom times for radio, division heads are bracing for a tough sales year, albeit one that should register some growth in all advertising segments.

That's the forecast from 10 medium-to-major-market radio group operators surveyed by BROADCASTING. Many group officials attribute their cautious outlook to a generally sluggish economy that existed before the Oct. 19 stock market crash when the Dow Jones industrial average fell a record 508 points.

Radio group executives predict single-digit percentage increases for both national spot and local dollars—slightly higher for the latter. The predictions are in line with those of the Radio Advertising Bureau, which is projecting a 6% rise in national spot and an 8% growth rate in local sales.

And as station formats become even more fragmented and specialized, many group heads foresee greater use of qualitative rather than quantitative data in their sales efforts. Given increasing costs for research and ratings, executives say that radio broadcasters would not financially support a third local market ratings company which had been proposed by McNair Anderson, a North Sydney, Australia-based subsidiary of AGB, earlier this year. (The industry is currently served by Arbitron Ratings, the dominant ratings company, and Birch Radio Research.)

According to a majority of group heads, the backlash from the recent stock market decline will not adversely affect radio station operations. "The stock market crash has nothing to do with [day-to-day] broadcast issues as far as stations positioning themselves in a market," said Randy Bongarten, NBC Radio president. "There is nothing fundamentally wrong with the economy," he said. NBC owns eight stations in five markets, but it has three of those outlets: WMAQ(AM) Chicago, KNBR(AM) San Francisco, and WKYS(FM) Washington, on the block.

For Mel Karmazin, Infinity Broadcasting executive vice president, 1988 could very well be the year that the radio industry surpasses its usual 7% slice of the total media advertising sales pie. "Radio has historically done well when the economy is in a state of uncertainty-...Besides, total [radio] revenues have gone up every year for the past 35 years," he said, adding that, "I don't see any evidence that the stock market crash will hurt advertising dollars for radio." Infinity is a publicly held group operation headquartered in New York with 13 radio stations across ten major markets.

The Infinity executive believes that the recent stock market downturn will actually benefit the radio industry because advertisers will be watching their spending budgets more carefully. As a result, Karmazin believes that radio will be viewed as offering more value in 1988 "than any other year."

One healthy sign for the industry, he added, is that the investment community "has discovered" the radio business. "There are several investment houses now writing about radio as an investment." Karmazin predicted that more companies will expand into radio ownership—both established and new concerns—in the coming year.

"The top-tier radio properties with good facilities will be only minimally affected by the stock market crash of October 19. Those stations will still command the same multiples [of cash flow] in pricing because they are rare," said Gary Edens, chairman of Edens Broadcasting, Phoenix. "However, it will be difficult for sellers to get premium prices for turn-around situations in both major and secondary markets," Edens said. Edens Broadcasting operates nine stations in five markets.

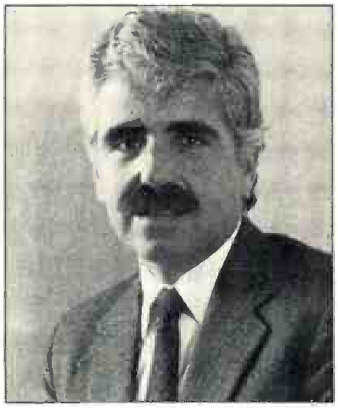
Herb McCord, group vice president/radio for Greater Media, New Brunswick, N.J.-based radio group, predicted that there will be some "softening" of station prices in 1988 as a result of the stock market crash. "You have a number of very highly leveraged groups that took on a tremendous amount of debt in the past three years," he said. "A lot of them were counting on going public and having the equity market take them out of that debt situation. But I don't think that will happen right now, causing a lot of these leveraged groups to spin-off non cash-flow stations. That will lead to the beginning of some 'rational' pricing," McCord said.

Bongarten agreed that there are potential problems for "leveraged" groups in 1988, but he attributed them to a lack of overall growth in radio revenues. Bongarten said that the market's fall could eventually help station trading by making available funds that previously were invested in stocks.

James Arcara, Capital Cities/ABC radio president, sees today's economic climate as leading to a "slow down" in the station trading process next year as well as lower prices. "We are not being very aggressive in our [business] forecast because of the uncertainty in the economy," he said. Capital Cities/ABC's radio group is composed of 21 stations in 11 markets.

Bob Hosking, CBS Radio president, suggested that there will be less trading next year if station prices keep rising.


Bongarten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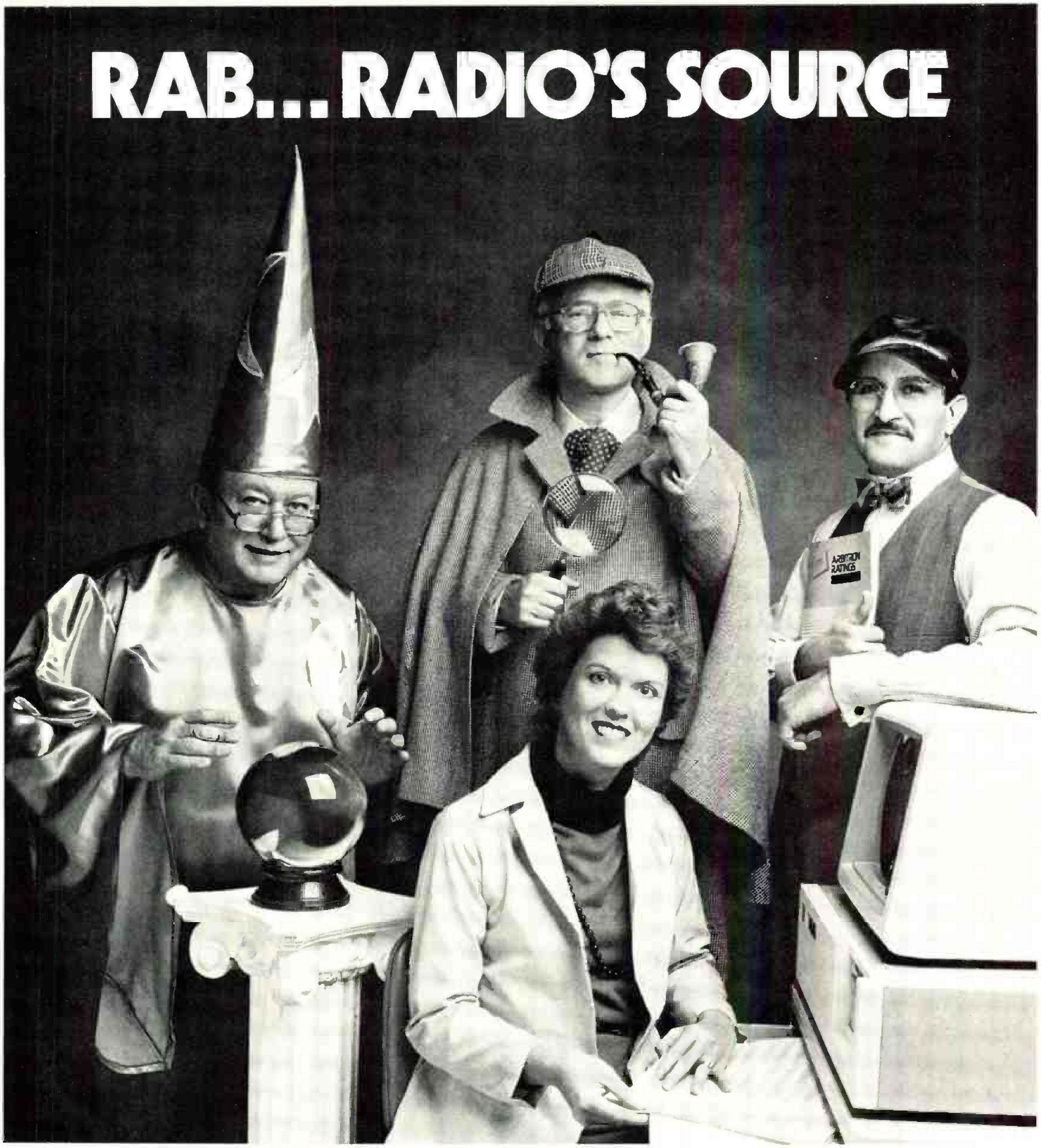

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Hosking oversees 18 stations in 11 markets as well as two radio networks and a radio representation firm. "Business in radio hasn't been that good," he said.

That observation certainly underscores the national spot marketplace. "National spot sales is becoming an 'unreliable business' with placement times and campaign flight dates getting shorter," said Norman Wain, Metroplex Communications president.

"What was once national spot accounts have become local due to the regionalization of agencies," said Karmazin. This won't change in 1988, but it offers one explanation why national spot has performed "unceremoniously," he said. (According to Radio Expenditure Reports, which tracks national spot dollars on a monthly basis, spot business from January through September is off 2.2% to $668,962,100 when compared to the same period last year.)

Another explanation for the shift to local spot was offered by Dick Harris, Group W Radio president. National product advertisers like General Foods and Colgate have been shifting their national spot budgets to local allocations through their brokers or district representatives, Harris said. Then they approach local stations with sales promotion ideas, he said. "These [expenditures] are counted as local dollars in the accounting process," he said. Group W operates 15 radio stations in 12 markets.


Arcara


Hosking


Wain


Harris


Smulyan


Ferguson

According to Jeff Smulyan, Emmis Broadcasting president, national reps have also been hurt "dramatically" by syndicated networks because they are "easier for advertisers to buy." Smulyan didn't rule out the "possibility" that rep firms may enter the syndicated programing market. Emmis is based in Indianapolis and operates the nation's first 24-hour all-sports outlet, WFAN(AM) New York.

"The death of national spot has been greatly exaggerated," said Bongarten. "National spot business isn't shrinking, it's just flat."

Wain, meanwhile, said that advertising sales derived from the upcoming Olympics and presidential elections "will not impact as greatly on radio" as they will on television. "What will help the radio industry is a good retailing year," he said. "Radio is becoming more tied to the retail calendar," said Wain.

"We give blanket credit for the Olympics and presidential elections every four years for helping radio sales," said Harris. "But it is not so much that radio automatically gets Olympic business. Advertisers usually move into radio once other media, primarily television, gets filled up," he said.

In other areas, there appears to be a trend toward the use of more local qualitative data by stations in their respective markets. Indeed, one of the major topics discussed at a recent Radio Advertising Bureau GOALS committee meeting with Arbitron officials in New York was the need for that ratings company to produce more qualitative data for subscribers. (Birch recently merged its data collection facilities with Scarborough Research, a newspaper ratings and multimedia retail research firm ["In Brief," Oct. 19).

"Group operators will be selling more through qualitative rather than quantitative data, especially when talking directly to advertisers," said Wain. "The trend is know as much as you can about your audience," added Smulyan, whose stations have utilized "psychographic" listener studies.

"The buying process is dominated by gross rating points and it won't change in a year's time. But stations will try to break away from that selling mentality," NBC's Bongarten said.

"Our stations are buying more qualitative data today," noted Dick Ferguson, NewCity Communications president. In general, advertisers "will be very selective regarding what stations they will use during the coming year," he said. "They will use those stations that they perceive as adding value to their bottom line," he said. NewCity, which is based in Bridgeport, Conn., owns 15 radio stations across nine markets.

Capital Cities/ABC's Arcara predicted that there will be more buying based upon older demographics (35-plus). "Marketing people are realizing that mature Americans have more buying power today," Arcara said.

Many of the group executives interviewed by BROADCASTING see Birch Radio, with its various qualitative services, continuing to garner acceptability throughout the industry, particularly at the agency and advertiser level. However, they all agree that Arbitron will remain the primary source for local market radio buying. When asked if the industry would support a third ratings company, the answer was a universal "no."

"Broadcasters have not been so supportive of any new research company," said Karmazin. "Stations first see how many agencies will use the data while the agencies usually adopt a 'wait-and-see' attitude until they are able to analyze the service's numbers," he said. "Radio stations don't want another service and I don't think agencies are excited at the prospect," said Hosking.

According to McCord, the only way a new company would get industry support would be if it "invented a device that would radically change the whole process." Said McCord: "Basically, there are only two real methodologies [telephone recall and diary placement] and there are already two companies employing them. It's a very expensive business to get into the ratings business. And from the station's standpoint, it has become very expensive to support the two services."

Most group heads don't see AM stereo making any more of an inroad in 1988 than in previous years. The reason that there are successful AM stations isn't because they broadcast in stereo. It's due to their programing, said Infinity's Karmazin.

According to Edens, "the receiver manufacturers have not embraced AM stereo...And there is no public demand for AM stereo because they are being served on the FM band with stereo." Added Hosking: "There is still no standard...It will take years before AM stereo is a factor for improving AM radio." (Currently, stations have a choice of two systems, Kahn Communications' single-sideband system and Motorola's C-Quam system—the last has received the support of the National Telecommunications and Information Administration.)

If there is a major programing trend on the horizon, it is further narrowcasting of the format spectrum. "What's happening in radio is not the emergence of big, new formats, but more of a targeting of existing formats like all-sports or 'The Wave' [new age/light jazz]," Harris said. "As to what degree of success they will have, it will depend on what their competitors are doing in the market more than how the format is being executed," he said.

"There will be more specialization of formats," McCord said. Radio, to some extent, is following the lead of the cable industry with targeted programing, he added.

Other trends cited by the group operators include an intensified station AM/FM combination selling effort, especially when targeted audiences of the stations complement each other, and more local joint sales promotions with advertisers that can offset a station's promo-

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tional costs. Promotions, said Ferguson, are being designed to work for both the station and the advertiser. "In the past, they were very client driven," he said.

Group W's Harris perhaps best characterized the next year's outlook when he told his staff two weeks ago that 1988 will be a time for "renewal." Said Harris: "Although we did better as a company than in 1986, we didn't reach the [sales] goals we set for ourselves in 1987 and that can slow you down when planning for 1988...So we decided to get a running start up the mountain by setting some tough objectives for next year. And we are determined to make those objectives."

California station sale challenged

The FCC will decide whether a financially troubled AM-FM combination in northern California can be sold following allegations of an unauthorized transfer of the stations' broadcast licenses to a major creditor. The case, which FCC officials say may be a first for the agency, involves KVEC(AM) San Luis Obispo and KPGA(FM) Pismo Beach.

In a petition challenging the license transfer to U.S. Media, two former executives of Five Cities Broadcasting Inc., owner of KVEC and KPGA, claimed that Coast Savings and Loan Assn. of Los Angeles has run the stations since Five Cities defaulted on a $1.2 million loan more than a year ago. In a petition filed with the FCC, James Sweida, former general manager of the stations, and Dan Armstrong, former program manager, contended that the state-licensed savings institution forced Five Cities to bring in a consultant to make all financial decisions, an assertion the financial institution disputes.

Although Sweida and Armstrong were dismissed in January, each man retains a minority interest with 15% of the non-voting stock in Five Cities and could be liable for outstanding debts.

Under the proposed sale, the stations pass from Five Cities to a Coast subsidiary, CF Communications Inc. and then to U.S. Media. In their filing, Sweida and Armstrong alleged that Coast will reap the benefits while other smaller creditors will be left in the cold.

Sweida said that he and Armstrong made an earlier bid to purchase the stations from Five Cities president and primary owner Michael Nigris Jr., but all prospective buyers except U.S. Media were excluded. Coast officials declined to comment and Nigris could not be reached.

However, in an FCC filing responding to the charges, Coast maintained that its role was "simply to protect its interests" and that it has not interfered with the stations' operations.

Riding Gain

Success stories

In a year that has seen the unveiling of several specialized, 24-hour satellite-delivered radio formats, including the launch of new age/light jazz music ("The Wave") and home shopping services, comes yet another fulltime program operation, SuccessNet.

The bartered network will provide listeners with segments of information culled from tapes of leading "success motivators" in America, said veteran broadcaster Earl Nightingale, chairman of the new venture. (Nightingale is best

Nightingale

known for his daily, five-minute commentary, *Our Changing World*, distributed by his Chicago-based audio publishing and syndication firm, Nightingale-Conant Corp.)

SuccessNet, scheduled to be launched via Satcom I-R on April 15, is designed for AM stations looking for an alternative format to help "stem the loss of listeners to the FM band," said William Sauro, SuccessNet president, who is also head of Creative Advertising Co., Phoenix. Nine minutes per hour of advertising time will be retained by the network while affiliate stations receive 11 minutes for local sale.

"No field of multimedia publishing [audio cassettes, books, etc.] has grown in the last decade like motivation," said Sauro. "These motivational products range in price from a few dollars to hundreds of dollars. However, there is no place for interested buyers to sample these products," he said. "SuccessNet will give listeners a chance to sample them."

Interspersed among the excerpts of motivational tapes, SuccessNet will offer two talk/information program designs, one featuring "testimony vignettes of successful everyday people" and the other an overnight live call-in talk show, said Sauro.

The network will also engage in direct-response selling of motivational products through an 800 toll-free number, with affiliates receiving a 10% commission on sales based upon zip code results. "There will be one SuccessNet affiliate per ADI market," Sauro said. SuccessNet will originate from Phoenix.

Network radio sales up

The network radio business, which had been in the doldrums since the summer, regained some of its form in October with sales posting a 2% gain over October 1986 to $36,756,291. That's according to the Radio Network Association, which relies on financial data collected each month from network companies by the accounting firm of Ernst & Whinney. Year-to-date, however, network billings continue to be off, with January through October advertising expenditures down 3% over the same period a year ago to $309,818,432.

RAB's management agenda

The Radio Advertising Bureau said it has signed several management experts and motivational consultants to appear at its eight annual Managing Sales Conference (MSC), slated for Jan. 23-26 at Atlanta's Hyatt Regency hotel.

Leading the list of speakers are Herb Cohen, author of the book, "You Can Negotiate Anything," who will conduct a three-hour workshop on "selling techniques"; Kelsey Tyson, a management trainer, and Andrew Goodman, president and general manager of the American Comedy Network, who will give a keynote address entitled "How To Create Effective Local Radio Commercials." Other speakers include Gordon Williams, ABC Radio Network's economic correspondent; Pat Pearson, sales motivational speaker and author of "You Deserve The Sale: the Business of Success"; Dr. Steven Permut, a marketing professor at Yale University, and Dr. Roger Blackwell, a demographer at Ohio State University.

The three-day event, which has been titled "Team Radio '88: The New Ball Game," is being limited to 1,500 station and sales managers from RAB member stations. "Our theme is to train and inspire radio's front-line sales trainers and managers to cope with a changing marketplace, a changing economy and an evolving radio industry," said Ralph (Toney) Brooks, president of the new Denver-based company, Radio One, and this year's MSC chairman.

Newsmaking news

Donald Regan, former White House chief of staff and treasury secretary, has signed with Westwood One to deliver a series of 90-second political and economic commentaries each weekday over the NBC Radio Network, which is owned by Westwood. *The Donald Regan Report* will originate from the Washington studios of Mutual Broadcast ing, another Westwood subsidiary. The show is scheduled to begin Tuesday, Dec. 1.

Half-hour sitcom glut no laughing matter

Large number of syndicated shows, along with marketplace difficulties, may affect future of genre

Television stations and syndicators are trying to determine the future of sales of half-hour sitcoms in syndication because of the large number of shows being marketed or prepared for marketing.

While certain half-hour shows such as *The Cosby Show* and *Who's the Boss* have been setting new price standards for off-network comedies in syndication, which results in a two-tiered or multi-tiered marketplace, there are more than 30 other network or syndicated first-run sitcoms available for syndication between 1988 and 1991. To date, only eight of those shows have been taken into the marketplace, leaving acceptance of other shows still to be determined. In addition, five shows are expected to come from the cable networks in the next two years.

It was only in the past few years that more half-hour sitcoms began to appear on the networks, and in greater numbers in first-run syndication as of two years ago.

The networks' demand for sitcoms was partly triggered by declining ratings for one-hour shows (especially prime time soaps, with the exception of shows like *Dallas*), and by the license fees demanded by producers.

In addition, all three networks witnessed the power of a half-hour show, particularly the *The Cosby Show*, to anchor an entire night of prime-time programing.

In syndication, one-hour shows experienced a decline in ratings as the number of these shows increased. The large number of available one-hour shows also made buyers more selective, or convinced them not to buy. One notable example of a one-hour show being produced at a deficit which could not sell in broadcast syndication is *Miami Vice*. It recently was sold to the USA Network (BROADCASTING, Nov. 16).

The effect of these per episode deficits has been to make the alternative of half-hours shows with a potentially lucrative after-life in syndication increasingly attractive.

Weekly first-run half hours offered both stations and producers a chance to get more of a good thing. For a producer, such as a studio, with a limited number of holes in a network schedule, producing for first-run syndication offers another way to build up episodes of a potentially lucrative syndication.

For stations, first run syndication also offered the opportunity to negotiate deals for back-end strips at the time the first-run was purchased. The allure of such a deal was the relative discount in price compared to an off-network property.

The initiation of marketing of some of the more than 20 half-hours that syndicators are currently sitting on has been affected by difficult marketplace conditions that have carried over from last season. Stations have experienced a downturn in national spot revenues. TVB recently revised its projections for national spot growth this year from 5-7% down to 3-5%. After a modest growth of 2.9% in the third quarter, stations are experiencing a sluggish fourth quarter, according to stations and reps. Stations usually experience an upturn in spot revenues during the fourth quarter holiday season.

Viacom's 'Cosby'

The sluggishness comes despite predictions for a better year in advertising for the station community. An upturn is expected to reflect events including the Olympics and national and local elections.

Another factor cited as potentially depressing the half-hour market is a more cautious buying attitude by some stations following a number of station bankruptcies in the past year.

"The marketplace is not gushing with bucks," said Farrell Meisel, director of programing at WWOR-TV New York. "It's holding people back. Stations are trying to be more responsible" with their programing purchases, said Meisel, former vice president of programing at the rep-firm Seltel.

Barry Thurston, president of syndication, Columbia/Embassy, views that attitude among stations as constructive for the business. "We're bottoming out of that. We're in a period where people will be getting stronger. We've seen the worst of it," he said, adding that station revenues generally lag six to 12 months behind ratings. And with the November book not in yet, he said the market has a ways to go before it settles down.

"A sense of reality is returning to the marketplace," said Michael Lambert, executive vice president, 20th Century Fox domestic distribution. But Lambert said that given the instability among some stations "the golden days for half hours of three or four years ago are over."

At Lorimar Syndication—the first company to syndicate a first-run weekly sitcom since D.L. Taffner sold *Too Close for Comfort* as a strip—Jim McGillan, president of syndication said that the pace of sales for *It's a Living* has been "slower than expected." Lorimar began sales of that show in mid-May.

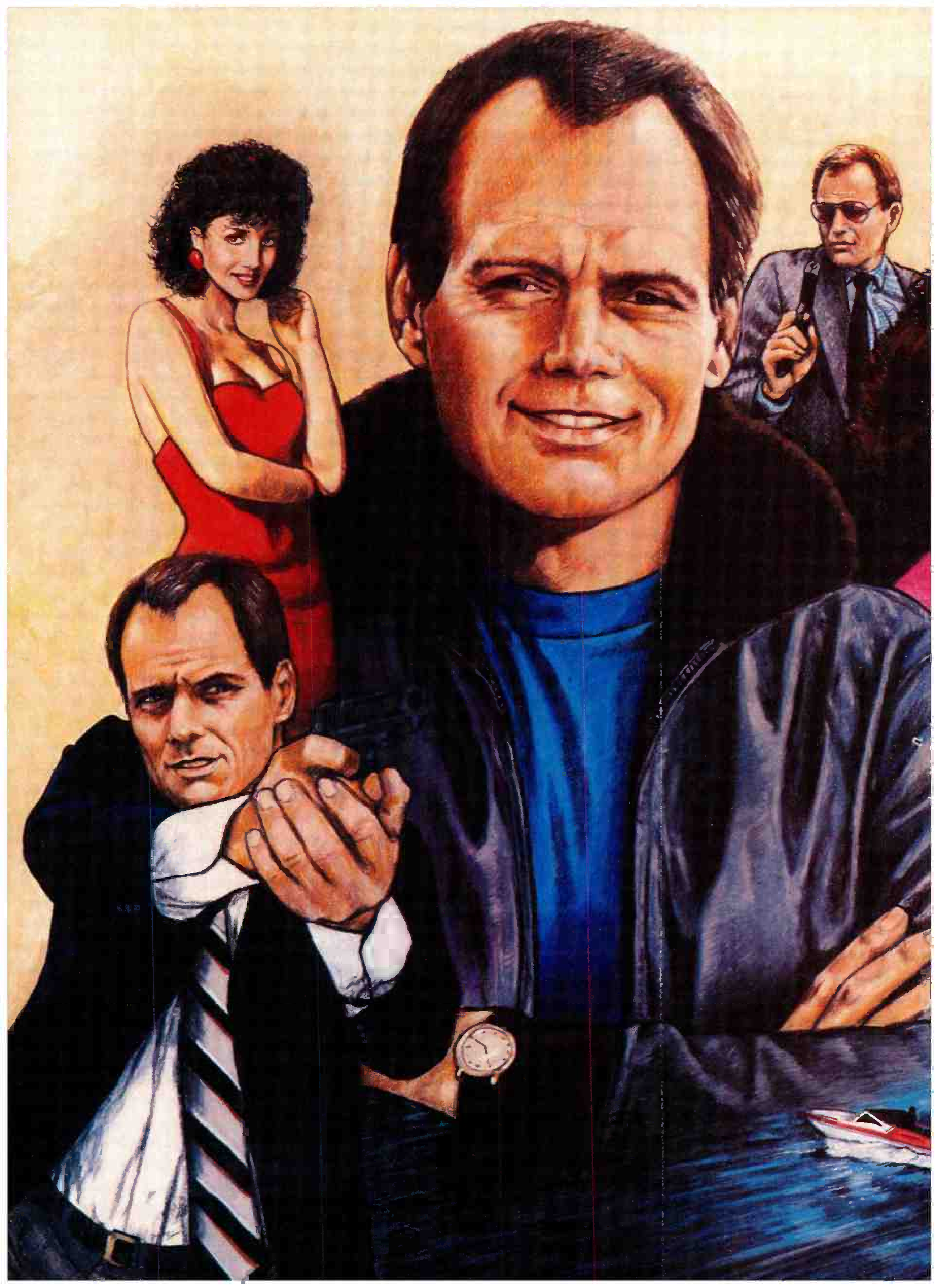
McGillan said that inability to meet initial sales projections beyond the 48 markets that Lorimar has cleared so far reflect the slow advertising marketplace and the conservative buying attitudes of stations.

McGillan also said that Lorimar has had little luck in launching the marketing of the off-cable property *Down to Earth*.

McGillan said that Lorimar's marketing of *It's a Living* on an incentive basis—giving stations "a more reasonable" price with an incentive clause for Lorimar if the show exceeds expectations—also reflects the current marketplace.

For other syndicators of first-run sitcoms that have built up enough episodes to be sold as strips, Lorimar's experience is not encouraging. In a number of cases, syndicators got station groups to take an equity interest in the show to spread the risk. *Small Wonder*, for example, is a production of Fox and the New Program Group, originally comprised of the Storer, Hearst, Gannett, Taft and the Fox station groups. With the cost of such shows averaging $350,000 per episode, such financing is vital to avoiding a production deficit, which half-hours are experiencing these days.

Some of the first-run shows that make it to strip could represent a break in pricing. In the "multi-tiered" half-hour marketplace, "good buys" now exist for stations, according to Mitchell Praver, vice president, director of programing, Katz Communications. He said that half-hours in the lower end of the market are bringing prices that are less than two-

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thirds of what top-end shows like *Cosby* and *Boss* are getting.

"Yes there's an abundance of half-hours out there, and some are going for prices that are less top end," said Greg Meidel, senior vice president, general sales manager at Paramount domestic television. Meidel said that Paramount has cleared *Brothers* in roughly 20 markets since it began selling the show earlier this year, according to rep and station sources.

Paramount also produces *Marblehead Manor* for the the NBC checkerboard. Meidel said that in many of the markets that carry the show, Paramount made deals for the back-end strip when it sold the show upfront. The future of first-run sitcoms and their potential to provide stations with more half-four strips is now in the hands of stations he said. "There will be dividends for stations as long as they support these shows," he said. "it's up to the stations."

Lorimar's experience with *It's a Living* aside, whether the first-run market will in fact produce enough shows in the long run to depress prices in the half-hour market is now an open question given the early ratings posted by the first-run sitcom checkerboard that runs on the NBC-owned stations, WCAU-TV Philadelphia and WXON(TV) Detroit (BROADCASTING, Nov 16).

What happens to half-hour sales for the next big off-network properties launched in syndication remains to be seen. Bob Jacquemin, senior vice president at Buena Vista Television, which will begin the marketing of *Golden Girls* sometime in 1988 for a debut date that still to be determined, said the pricing tiers in the half-hour market are widening between the premium network shows and other half-hours. "I don't get the sense that the market is unreceptive. There are still substantial dollars out there."

Network sitcoms that have been sold for syndication as strips in 1988 are: *The Cosby Show*, *Night Court*, *Newhart*, *Kate and Allie*. For 1989 they include *Growing Pains*, *Who's the Boss* and *Mr. Belvedere*; and in 1991, *Head of the Class*. Among network shows waiting in the wings, but not yet marketed in syndication, are *Golden Girls* (available as early as 1989),*Perfect Strangers*, and *227* (available as early as 1990) and *ALF*, *Amen*, *Designing Women*, *My Sister Sam* and *Valerie's Family* (available as early as 1991).

Among the first-run weekly syndicated sitcoms available as strips beginning 1988 are *9 to 5*, *What's Happening Now* and *It's a Living* (for a March start). In 1989: *Charles in Charge*, *The New Gidget*, *The New Monkees*, *Small Wonder*, *That's My Mama Now* (March, 1988) and *It's a Living*, *Throb* and *Check it Out* become available as strips.

The five sitcoms coming from the cable networks in the next two years include: *Down to Earth* in 1988 (WTBS), and *Brothers* (Showtime), *Rocky Road* (The Nashville Network), *Safe at Home*, and *Still the Beaver* for 1989.

Women are disappearing from TV

Working women group counts fewer females in big roles in new season but sees old stereotypes at last fading

The fall lineup of new TV shows revealed a "sharp downturn" in the number of women with leading roles, according to the National Commission on Working Women, which recently merged with an organization called Wider Opportunities for Women.

"After many seasons where the number of women on TV has either grown or remained steady, an alarmingly high percentage of the 26 programs premiering this season are all-male series," the study said.

The group's sixth annual review of new TV seasons, entitled "Women Out of View," found that only seven of the

Syndication Marketplace

Viacom Enterprises kicked off distribution of *Double Dare*, the half-hour children's game show strip now carried by Viacom-owned basic cable service Nickelodeon, by announcing that all of the Fox-owned stations are clearances for *Double Dare* when it begins its run in syndication in February 1988. *Double Dare* is a half-hour show in which teams of 10-13-year-olds vie for the right to run a 60-second obstacle course featuring chocolate sundae slides and encounters with green slime. In syndication, the show could, its producers hope, fill a niche on independents by providing a demographic bridge between blocks of animation in the afternoon and blocks of off-network sitcoms in the early evening (BROADCASTING, Nov. 2). Fox-owned stations will carry *Double Dare* following *Duck Tails*, this season's highest-rated animated strip, distributed by Buena Vista Television. Six of the Fox stations carry *Duck Tails*.

Viacom president of domestic syndication, Joe Zaleski, said that Viacom will not restrict itself to independents for clearances. He believes that the possible "cult appeal" of the program among college students and adults should make it attractive to affilites as well. Sources put *Double Dare*'s annual production budget at under $10 million. There will be 26 weeks of new first-run episodes and 26 weeks of repeats, which Viacom will distribute on a barter basis with four minutes for stations and 4½ for itself.

Worldvision Enterprises is offering two "softer" 65-episode animated strips produced by Hanna-Barbera Productions for fall 1988—*The Yogi Bear Show* and the *Snorks*. *The Yogi Bear Show* will comprise 30 years worth of episodes of other animated shows featuring Yogi, who debuted in 1958 as a supporting character in *The Huckleberry Hound Show*. The model for his character was Art Carney's Ed Norton of **The Honeymooners**. **The Snorks** is a joint production with SEPP, S.A. of Belgium. Forty-two new half-hour episodes of the series will be produced to join the 23 off-network episodes. Snorks are brightly colored sea creatures related to the Smurfs. Worldvision will distribute **The Snorks** episodes on the same barter basis as **The Yogi Bear Show**.

Barris Industries has decided to put *The Gong Show* into syndication for a fall 1988 start. The show will be hosted by Don Blue and will feature a panel including former professional football player John Matuszak, actress Candy Clark, and David Leisure (of the Isuzu commercials— "you have my word on it"). Marketing of the show under new Barris sales head Bob Cook began two weeks ago with a recently shot pilot. Sales will be on a cash-plus-barter basis with Barris holding one minute and stations getting five-and-a-half minutes. Chris Beard will be executive producer. Beard has an exclusive five-year exclusive deal with Barris. Cook said that Barris is also "revamping" two other Barris productions, *The New Newlywed Game* and *The All New Dating Game*.

Liddy, a one-hour "confrontational" talk show hosted by Watergate figure G. Gordon Liddy and syndicated for fall 1988 by **All American Television**, will feature arena-like set with Liddy and his guest seated opposite one another before an audience of 300. Liddy has said that he will seek confrontation and controversy on the show, but that it will not be "shock radio with pictures." A pilot for the show will be shot in December in Los Angeles. All American is selling the Scotti Vinnedge Television Inc. production on a cash basis.

Multimedia Entertainment recently began group presentations of *Sweethearts*, a new game show hosted by Charles Nelson Reilly and produced by Richard Reid Productions in association with Createl Ltd. and Multimedia. *Sweethearts* involves three couples, only one of which is married, relating anecdotes about their "marriage." The contestant attempts to discover which is the real married couple. There will be 39 weeks of first-run episodes and 13 weeks of repeats that will be sold for cash-plus-one-minute for a fall 1988 start.

MTM Productions will tape a pilot on Dec. 5 for a proposed half-hour series called *Flashpoint*, featuring conservative WABC(AM) New York radio host Bob Grant against liberal Miami radio personality Steve Kane. The pilot will be taped at Times Square Studios in New York. Former *Donahue* executive producer Richard Mincer will be executive producer of the pilot.

43 leading roles on the new shows are held by women and that 19% of the new shows have no female characters. In many other programs, the study said, women have only minor supporting roles and irrelevant to the action. "This return of male-dominated programs halts Hollywood's slow but steady progress toward equitable portrayals of women on TV," the review concluded.

The report was released at a luncheon in Washington honoring the winners of the "1987 Women at Work Broadcast Awards." There were 10 first-place winners: A special achievement award, the "Commissioners Award" was presented to *Cagney and Lacey* for setting the standard for women on television. The awards followed a three-day conference that focused on training low-income women and displaced homemakers to be self-sufficient.

While decrying the lack of major roles for women in the new fall shows, the report said women are being more realistically portrayed. "Although the dominant female profile on TV is still that of a young, white and single woman who is professional, that profile is losing some dominance, as working class females and women in nonprofessional jobs are beginning to inch their way back on the screen after disappearing for almost a decade," the report said.

"We are pleased to see female characters who are not wealthy corporate presidents," said commission Chairman Alexis Herman. "Diverse, realistic images of women have been off the screen for too long, and their reappearance is welcome." She cited *Frank's Place* as a show that breaks new ground by introducing black female characters "who are varied and authentic."

The report said that "TV's portrayal of families is beginning to acknowledge the pressures of combining work and family life, in contrast to past seasons, when juggling parent/worker/spouse roles was portrayed as quite effortless."

But Herman complained that the proportion of single men raising children on TV is "many times more than in the real world." The report says two-thirds of all children in single-parent homes on the new shows live with men, while in reality 90% live with their mothers.

The commission also cited *My Two Dads* for containing scenes that are offensive to women. "Television this year has given us scenes that have been as flagrantly demeaning for women as any that have aired," said commission member, Betty Thomas, who played officer Lucy Bates on *Hill Street Blues*.

Although there is less sexual violence on TV this season—perhaps an unintended result of fewer women in the shows—the report complained that over all the shows present a new world in which men and women rarely interact.

"Relegating women to the sidelines or banishing them from programs altogether solves a number knotty of problems," the report said. "For one, it avoids the dilemma of how to portray sexual responsibility and sexual practices.

"Furthermore, it allows TV writers, most of whom are men, to create more male characters, which is what many know best," the report said, adding that "a lineup of male action shows is a strong attempt to lure disappearing men TV viewers back to the set."

NBC takes week eight

	Nielsen	Net		AGB	
1.	33.9/51	N	Cosby Show	1.	31.9/49
2.	26.4/48	N	Cheers	2.	26.3/40
3.	25.8/37	A	Growing Pains	10.	21.4/33
4.	24.7/38	N	Night Court	6.	23.2/37
5.	23.7/36	C	60 Minutes	3.	24.8/38
6.	23.4/36	A	Who's the Boss	11.	20.7/33
7.	22.2/39	N	Golden Girls	5.	24.7/42
8.	22.1/34	N	Monday Night Movies	15.	19.3/31
9.	20.9/34	C	CBS Sunday Movie	7.	22.8/37
10.	20.8/31	C	Murder, She Wrote	4.	24.7/36
11.	20.1/33	N	L.A. Law	18.	18.3/32
12.	18.9/28	A	Head of the Class	21.	18./29
13.	18.9/28	N	Alf	13.	19.9/30
14.	18.7/33	N	227	9.	21.5/37
15.	18.6/30	A	Napol. & Josephine, 1	28.	16.1/27
16.	18.1/28	A	Perfect Strangers	29.	16./26
17.	18.1/27	N	Family Ties	12.	19.9/29
18.	18./35	N	Hunter	16.	18.9/36
19.	17.8/32	N	Amen	8.	21.8/37
20.	17.3/29	C	Dallas	23.	16.7/28
21.	17.1/26	N	Matlock	22.	17.9/28
22.	16.6/26	N	NBC Sunday Movie	24.	16.5/26
23.	16.4/24	C	Newhart	20.	18.1/27
24.	16.4/24	N	Valerie's Family	26.	16.2/24
25.	16.4/24	N	My Two Dads	17.	18.5/27
26.	16.2/26	A	Napol. & Josephine, 2	34.	14.4/25
27.	16.1/29	N	Facts of Life	14.	19.4/33
28.	15.9/27	A	Monday Night Football	38.	13.8/24
29.	15.6/24	N	Highway to Heaven	19.	18.2/29
30.	15.2/22	C	Designing Women	25.	16.4/25
31.	14.4/27	C	Falcon Crest	33.	14.4/27
32.	14.3/23	A	MacGyver	49.	11.9/18
33.	14.3/24	C	Knots Landing	40.	13.6/24
34.	14.1/23	N	Miami Vice	32.	14.5/24
35.	13.8/21	C	Magnum, P.I.	31.	14.8/24
36.	13.6/21	C	Jake and the Fatman	30.	15.7/25
37.	13.6/20	C	Kate & Allie	27.	16.2/24
38.	13.3/21	A	Napol. & Josephine, 3	53.	11.4/19
39.	13.1/20	A	Disney Sunday Movie	51.	11.6/18
40.	13.1/23	C	Beauty and the Beast	35.	14./24
41.	13./22	N	St. Elsewhere	42.	13.1/24
42.	12.9/20	N	A Year in the Life	48.	12.4/20
43.	12.8/21	C	Equalizer	39.	13.7/25
44.	12.5/23	A	20/20	37.	13.9/26
45.	12./20	C	Cagney & Lacey	41.	13.2/23
46.	12./18	N	J.J. Starbuck	43.	12.9/20
47.	11.7/18	A	Dolly	55.	11.1/16
48.	11.7/18	C	Wiseguy	46.	12.4/19
49.	11.7/18	C	Frank's Place	36.	14./21
50.	11.7/21	N	Crime Story	45.	12.5/22
51.	11.5/17	A	Spenser: For Hire	64.	9.1/13
52.	11.4/19	A	Mr. Belvedere	50.	11.6/19
53.	11.3/17	N	Our House	44.	12.7/20
54.	11.1/19	N	Rags to Riches	47.	12.4/21
55.	10.7/20	N	Private Eye	58.	10.7/20
56.	10.4/18	A	I Married Dora	56.	11./19
57.	10.4/16	C	Pee Wee's Playhouse	62.	9.4/15
58.	10.2/18	C	Law and Harry McGraw	52.	11.5/20
59.	10.1/18	A	Full House	54.	11.3/20
60.	9.5/14	C	Tour of Duty	57.	11./17
61.	9.2/15	A	Pursuit of Happiness	60.	9.8/16
62.	9.1/15	A	Buck James	69.	6.9/13
63.	8.8/15	A	Ohara	67.	8.1/14
64.	8.3/16	A	Hotel	65.	8.7/17
65.	8.2/12	C	Houston Knights	59.	9.8/16
66.	7.9/14	A	Sable	70.	6.5/11
67.	7.7/12	A	Sledge Hammer	66.	8.3/13
68.	7.5/13	C	CBS Saturday Movie	61.	9.7/17
69.	6.9/13	C	West 57th	63.	9.3/18
70.	6.3/9	A	Charmings	68.	7.4/11

Third quarter: TCI, Comcast, Turner, Disney, QVC

Losses for two MSO's, Turner; Disney reports record high; QVC comes in with its first results

Tele-Communications Inc., the cable TV industry's largest multiple system operator, and Comcast, a top 10 cable MSO, both registered net losses for the third quarter ending Sept. 30.

Among other media companies reporting quarterly results last week were Walt Disney Co., which said it recorded the highest fourth-quarter and fiscal-year revenues and net income in its history, and Turner Broadcasting, which reported a $38-million loss for the third quarter ("In Brief," Nov. 16).

Cable shopping channel QVC Network reported its first quarterly earning since beginning full-time operations in January 1987.

TCI attributed its third-quarter, $2.40-million, two cents-per-share loss, in part, to the costs of acquiring Heritage Communications (one million subscribers) last August for $892 million. Interest expense for the quarter nearly tripled over the same period last year to more than $94 million, while depreciation and amortization expenses rose by 158% to $81 million.

TCI's quarterly revenue and cash flow figures were far more positive, reflecting both the new acquisitions and, according to the company, growth in subscriber levels and increases in rates. Revenue for the quarter was $474 million, 191% higher than last year's quarter. Cash flow (income before depreciation and amortization and interest expense) was $188 million, 152% above the 1986 third-quarter figure.

The cable operator's earnings were also down for the first nine months of the year at $41 million, off 25% from the year-ago figures. Revenue was up 162%, however, to $1.245 billion. Cash flow for the year to date was also up by 130% to $486 million.

The nine-month results reflect the company's acquisitions at the end of last year of cable system-movie theater operator United Artists Communications Inc. for $500 million, and of a portion of Group W Cable, as well as the Heritage purchase. TCI said at year end it will have approximately 5,166,000 basic and 3,488,000 pay TV subscribers in 45 states.

TCI also said that as of last Nov. 5, it had spent approximately $85 million for the repurchase of stock and unexercised warrents as part of a plan announced Oct. 20 to buy back 10 million shares of the company's common stock.

Comcast, which reported record revenue and operating cash flow for the third quarter, said its $116,000 one cent-per-share loss was due to "accounting conventions and financing costs" associated with its Group W Cable and Indianapolis Cablevision acquisitions. In 1986's third quarter, the company also reported losses of $632,000.

Comcast revenues for the quarter more than doubled to $80 million from last year's $33 million, while operating cash flow (before depreciation, amortization and investment expense) was up 164% to $29 million. For the year-to-date, the company had losses of $9 million on $225 million in revenue, with an operating cash flow of $79 million.

The cable operator, which said its balance sheet includes more than $220 million in cash and short-term investments, has more than 1,280,000 subscribers, including 232,000 in systems managed for limited partnerships in which Comcast subsidiaries are general partners. The company does not include the operations of those partnership systems in its financial results, although it accounts for management fees from the systems.

Walt Disney Co. reported substantially higher revenue, net income and operating income for both its fourth quarter ending Sept. 30 and for its fiscal year, with improvements from its three business segments: filmed entertainment, theme parks and resorts and consumer products.

Fourth-quarter revenue for the company as a whole climbed 21% over the year-ago period to $759 million; quarterly net income shot up 67% to 135 million, or 98 cents per share, and operating income was 30% higher at $201 million.

For the year, Disney's revenue was up 33% to $2.877 billion; net income grew 80% to $445 million, or $3.23 per share, and operating income increased 47% to $777 million. (Net income from discontinued operations for the year was $52 million.)

According to Disney, gains in the filmed entertainment business segment were driven by domestic syndication of two Disney library packages reported mainly in the first quarter, successful theatrical releases and improving domestic home video sales, as well as licensing of feature films for pay TV and growth of The Disney Channel on cable TV.

The segment reported quarterly revenues 34% higher than last year's at $185 million, with triple the operating income at $13 million. Fiscal-year revenue was up 71% to $876 million and operating income climbed 153% to 131 million.

Disney also said corporate expenses were down from $25 million to $4 million for the quarter and from $106 million to $50 million for the year, largely due to a reduction in interest expense from lower average borrowings and interest rates and from higher investment and interest income.

Turner Broadcasting System's quarter results were not as positive, although the company's $38-million, $1.13-per-share loss for the period was less than the $44.3-million, $3.52-per-share loss suffered a year ago. For the year to date, the company registered a net loss of $104 million, compared to a $121-million loss for the same nine-month period in 1986.

Turner's losses are tied to the company's heavy debt burden, with $53 million paid out in interest expenses (net of interes income) for the quarter and %157 million in interest expenses paid out for the year so far.

Revenue was down 3% for the third quarter to $152 million, while operating income (income before depreciation, amortization and debt service) was down 6%. For the year, revenue was up 15% over the previous year to $459 million and operating income was up by half to $153 million.

The bulk of Turner's revenue continues to come from its broadcasting holdings, although earnings there were down 14% to $51 million for the quarter and flat for the year. Cable productions, up for the quarter and the year, accounted for $48.9 million of the quarterly revenue and $147 million of the annual revenue . Turner's syndication and licensing revenue was down for the quarter to $33 million, but up by a third for the year to $105 million.

Operating income was up for cable to $15 million and for broadcasting to $22 million, while down for syndication and licensing to $15 million. On the cost and expenses side, broadcasting was down 38% for the quarter to $28 million, while cable productions were up 22% to $35 million, and the syndication and licensing category more than doubled to $18 million.

Cable shopping service QVC had net earnings for the third quarter of $840,000, or five cents per share, on net billings of more than $34 million. the company had reported a second-quarter loss of $1.4 million on $21 million in net billings and first-quarter losses of $6.3 million on net billings of $11 million. Net billings consist of all sales, less a reserve for returns, and include billing of merchandise supplied to QVC by Sears, Roebuck & Co. on a commission basis.

QVC, which expects to ship its two-millionth order by the end of November, said it is "confident" of exceeding its goal of $100 million in net billings in its first full fiscal year. the channel reaches over 10 million homes on 900 cable systems in 45 states.

How to compete with newspapers: advice from the competition

Ex-newspaperman tells TVB how he thinks TV can tap bigger parts of retail budgets

It has been well documented that newspapers are no longer the primary source of news for most Americans—television has assumed that role. But retailers shun television for the most part, handing close to 80% of their advertising budgets to newspapers. The ability of newspapers to maintain such a dominant share of the local retail business is due in large part to the success of that medium in persuading retailers that it delivers a more upscale audience and that newpapers are far more efficient in reaching the audience that retailers want to reach.

To help members attending the Television Bureau of Advertising conference (BROADCASTING, Nov. 16) compete more effectively with their newspaper competition, TVB brought in a former newspaper marketing executive—Herb Moloney—to provide perspective from the other side.

Moloney, now with Knight-Ridder's WPRI-TV Providence, R.I., was with the company's newpaper division for 13 years, most recently as retail advertising manager for the *Miami Herald*.

"Don't shoot the messenger," said Moloney, before outlining the pitch newpapers use against television: that newspapers reach more upscale adults, provide more detail about products, couponing and flexibility of size of advertisements. Moloney cited research indicating that, on average, newpapers reach 80% of adults earning $35,000 or more. Close to 60% of shoppers surveyed said they read the paper before shopping.

Moloney also said newspaper salespeople cite television's limited reach of target customers, the fragmented television audience, and what they say is the low recall of television ads. Newspapers, said Moloney, also point to reasearch indicating that 40% of adults do 60% of all television viewing and that the heavier viewers are more "downscale," and not the viewers to whom many retail products are targeted.

Newspapers, said Moloney, have entered a brave new world, pioneered by *USA Today*, where color is "credible" attractive to readers. They are also aggressive in pricing and positioning, he said, and cutting deals from rate cards, a practice once considered "unacceptable."

"To sell against the success of newspapers does not work," said Moloney. Television must search for additional ways to sell, and continue to position itself as "the powerful medium that it is." He said television must "convince print users that when television and print are combined, television will move product and increase sales." A case can be made, he said, that by proposing that a client shift 10% or 15% of his print advertising budget to television, the result will be increased gross rating points at lower cost-per-thousand rates.

Although rates are usually the same for a newspaper ad, regardless of the section, readership by section varies as much as 50%. "Print users can be shown how television can complement print and target potential customers not reached by newpapers."

Newspapers, as a rule, provide free production advertisements for retail clients. "We should develop packages that include production and facilitate price and item advertising," said Moloney. "If retailers like the main news environment in newspapers, why not put together news packages that include weekly production of price and item advertising."

New business development efforts, said Moloney, may be aided by tracking print ads in the following weeks, which, leading into the holiday season, are the heaviest weeks for retail print advertising. "Last November, I measured every ad that ran in the *Providence Journal* Thanksgiving week," said Moloney. "I categorized the *Journal*'s business and compared their strengths and weaknesses to ours. This provided me with a road map that guided us to potential categories for new business development." He said that before potential new clients are pitched, they should be surveyed to determine their specific marketing goals.

Moloney stressed that aggressive campaigns against competing television stations in the market could be counter productive. "It erodes buyers' confidence in television."

Bottom Line

Early Christmas. NBC President Robert Wright, citing "steady, loyal effort" of some 5,000 company employes who continued working during recent 17-week strike by 2,800 technicians and others, offered "gift" of 10 shares of General Electric stock to each. Stock was valued at approximately $43-per-share at time of giveaway, making cost to NBC just over $2 million. Union which represented striking employes had no official reaction to move, but one spokesman said it "rubbed salt in the wound" of strikers returning to duty at the beginning of November. In personalized letter to NBC employes receiving stock, Wright wrote: "Just as you have invested your best in the company, the company is investing in you. It's a way of saying that NBC's people are its most valuable commodity."

□

Helping hand. National Association of Broadcasters has new television financial monitoring system allowing stations to compare their performance with similar stations based on type of station, ADI, region and other factors. System, developed in consultation with Denver-based consultants Browne, Bortz & Coddington, uses financial data collected in yearly survey by NAB and Broadcast Financial Management Association, and produces 40-50-page report comparing stations' revenue, expenses, ratings and market data and offering trend analyses and other information. Cost of service varies from $100 to $400 per report, depending on NAB membership and number of reports ordered.

□

No deal. Dun & Bradstreet Corp. has ended $500-million-plus bid for Information Resources Inc., following Federal Trade Commission opposition to deal on antitrust grounds. Dun & Bradstreet agreed in August to acquire Information Resources and planned to merge it with D&B's Nielsen marketing and media research divisions to provide TV audience measurement services together with research in brand sales and product marketing. FTC last week, however, said merger "could substantially reduce competition in syndicated national tracking services," and said it would seek federal court action to block acquisition. Deal would have provided IR's shareholders with 8.54 million shares of D&B common stock valued at time at approximately $572 million.

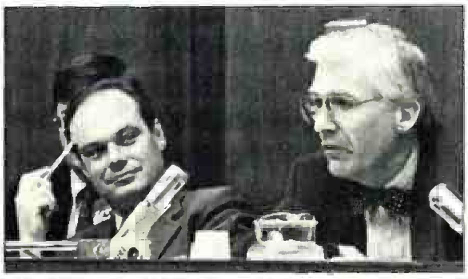
□

Stock stake. Lorimar Telepictures stock shot up 87.5 cents to $9.75 last Monday, Nov. 16, after published reports financier Marvin Davis has taken 2% stake in company. Lorimar, which dropped back down to $9.25 last Tuesday and closed at $9.63 last Wednesday, is considered vulnerable to takeover bid because of precipitious drop in stock price after Oct. 19 market crash and relatively little stock ownership by insiders or company management. Lorimar has adopted stockholder rights plan, however, to protect against hostile bid if party buys 20% or more or offers to buy 30% or more of company's common stock.

Gutin reiterates public broadcasting's plea for funding

CPB head tells House Telcomsubcom that noncommercial services need more reliable revenue sources

Gutin



Tauke (l) and Bliley

The House Telecommunications Subcommittee heard testimony last Wednesday (Nov. 18) on the state of public broadcasting. The consensus at the end of the three-hour session: It could work better with more money.

Echoing the testimony of Public Broadcasting Service Bruce Christensen before the Senate Communications Subcommittee a week earlier (BROADCASTING, Nov. 16), Corporation for Public Broadcasting Chairman Howard Gutin said, "Public broadcasting needs first and foremost an adequate, long-term source of funding."

"Lack of funds has us all dancing a disturbing dance, competing for limited resources-keeping us from the business of creating special and unique programing," said Henry Hampton, president, Blackside Inc., which produced PBS series *Eyes on the Prize*.

Not all the congressmen were sympathetic. Michael Oxley (R-Ohio) rebuked Gutin for CPB's request of nearly $600 million in fiscal 1991. "CPB is asking for a 150% increase in funding at a time when this body is scrambling to cut the deficit?"

Money was not the only thing on the minds of the subcommittee members and witnesses. So were insuring fairness in public broadcasting's programing and insulating programing decisions from politics.

Thomas Bliley Jr. (R-Va.) asked Gutin whether the fairness doctrine ought to apply to public broadcasters, and specifically whether a program underwritten by a company that stands to profit from the program ought to be aired.

Saying he believes in "fairness" and that CPB wants "to be sensitive to underwriting issues," Gutin asked the congressman for an example and got one: *Showdown on Tobacco Road*, a one-hour documentary about smoking, which aired this month on PBS and, according to Bliley, was underwritten by "a company that manufactures a drug to help smokers quit smoking."

After the hearing, PBS spokesman Stu Kantor told BROADASTING that the documentary was underwritten by Merrill Dow Pharmaceuticals Inc., a subsidiary of which manufacturers a prescription, stop-smoking drug called "Nicorette". Kantor said also that PBS had been apprised of this situation while the program was still in production. The question of underwriter influence is "a real one here [at PBS]," Kantor said, but after assurances from the producer, Maine-based Varied Directions, and presenting broadcaster, Connecticut Public Television, that the underwriter would exercise no influence over the program, PBS decided to go ahead.

Answering a question from Al Swift (D-Wash.) concerning CPB's role in providing "insulation" between political forces and public broadcasting entities, Sharon Percy Rockefeller acknowledged that "as CPB chair, I was leaned on from time to time," and that "potential for abuse at CPB is widespread." But, she said, "It is the [board] member's responsibility to say, No."

John Wicklein, director, Kiplinger Midcareer Program in Public Affairs Reporting, Ohio State University journalism school, and former NPR news director, said, "I have had pressure from board members to do or not do programs." He also said that self-censorship by public broadcasting stations and other public broadcasting entities was the common result of both that pressure and the entire annual appropriations process.

Tom Tauke (R-Iowa) asked whether "the original objectives of the 20-year-old Public Broadcasting Act are valid today" and suggested that "a new study by the Carnegie Institute or other similar institution" would be desirable at this time.

Smooth sailing for Dawson. The nomination of FCC Commissioner Mimi Weyforth Dawson to deputy secretary of transportation was headed for a speedy Senate confirmation last Friday (Nov. 20). Her appointment was expected to breeze through the upper chamber. Dawson appeared at a Senate Commerce Committee confirmation hearing early last week; Commerce approved the nomination last Thursday.

During the hearing, she received a rousing endorsement from one of the committee's ranking Republicans, Bob Packwood of Oregon. Dawson is a former chief of staff to Packwood; he helped her get the FCC seat in 1981 (see "Top of the Week").

Packwood heaped praise upon Dawson; he called her an "extraordinary manager...there are so many talents that she has, I don't know which I would put highest." Packwood was so complimentary that Commerce Committee Chairman Ernest Hollings (D-S.C.) said "That's the strongest recommendation we've had on this committee." And he told the FCC commissioner: "If you can please both Senator Packwood and John Dingell [House Energy and Commerce Committee chairman], you are some lady."

In discussing her regulatory philosophy, Dawson said she was a "believer in economic deregulation." But she added: "I don't stick my head in the sand and say deregulation is a panacea and that nothing goes wrong. I will make sure when there is a problem, I will look at it and if something needs to be done in terms of reregulation, I will do it."

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Ginsburg under glass

Conflict of interest at issue in judge's work on cable cases while he was Justice official

The revelation that Judge Douglas H. Ginsburg owned $140,000 in convertible bonds in a cable company at the time he was a high Justice Department official involved in a major cable television case generated the first, if not the final, controversy that resulted in his withdrawal as President Reagan's nominee to the Supreme Court. The Justice Department is now engaged in the first step of the process of determining whether a special prosecutor should be appointed to investigate the possibility of Ginsburg's involvement in a conflict of interest.

The Office of Government Ethics, in the Office of Personnel Management, had originally referred the matter to Justice. "We were concerned about the appearance issue," said the acting director of the ethics office, Donald E. Campbell. "But the basic request," he said, "was whether there was a Section 208 problem"—that is, a violation of the criminal conflict of interest statute.

At present, Justice's Public Integrity Section is conducting what officials call "a threshold" inquiry. Although it is not specified in the Ethics in Government Act, the Justice Department employs it to determine if a "preliminary" investigation is warranted. That, in turn, would lead to a decision as to whether there are sufficient grounds for an investigation by a special prosecutor, formally known as an independent counsel. The prosecutor is named by a special three-judge court. The law requires the department to conclude its investigation within 90 days.

Technology

Mass Media chief high on high definition

FCC's Felker says commission is committed to fostering improved TV; expresses belief in marketplace

"For now, advanced TV technology is one of the most exciting features on the mass media landscape," Alex Felker, chief of the FCC's Mass Media Bureau told a group of broadcasters at the second annual convention of the Society of Broadcast Engineers in St. Louis.

Felker, who spoke at a luncheon at the A.J. Cervantes Convention Center, also reaffirmed the commission's belief in marketplace over regulatory solutions to technical issues.

Among the FCC priorities, he said, is the "creation of market incentives that could result in more efficient and optimal results" in the transition to HDTV.

High-definition television, which is being addressed in an FCC inquiry, was taken up by the upper tier of the commission's ATV advisory committee which met last week for the first time.

As for the FCC, Felker said that one area where the commission will have to make a decision is spectrum allocation. "The issue here is whether the value to society of applying additional spectrum capacity to advanced television outweighs the value of the alternative services that could also use these frequencies," he said.

Going into the proceeding, he said, the commission has felt that it would be difficult to get enough information to find an optimal solution. That is why the commission's notice of inquiry asked whether some form of spectrum sharing between broadcasters and alternative services could be an option.

More than 4,400 people attended the SBE convention sessions and equipment exhibit, according to SBE spokesman Doug Smith. Booths were reserved by 173 companies showing transmitters, graphics equipment, cameras and other gear.

Another item of convention business was the installation of Jack McKain, vice president and chief engineer of the Kansas State Network, Wichita, as the new president. He succeeds Richard A. Rudman, engineering manager of KFWB(AM) Los Angeles, who served two terms as president.

In his speech, Felker also said that there are benefits and cost considerations in choosing an ATV standard. He said the FCC is examining three approaches: a voluntary, nongovernmental standard; a standard that includes a specific sunset date, and a system design protection, such as was done for the stereo TV pilot tone. Combinations of these three methods "could also work well," he said.

Felker told BROADCASTING that the FCC was considering these methods as possibly more efficient approaches, but that it had definitely not ruled out the possibility of traditional standard-setting.

Whatever the outcome of the FCC proceeding, Felker said that HDTV will have to be available to all stations. Compatibility of any transmission system with present NTSC sets will also be important, "but we are open to the other side," he said.

As the deadline for comments at the FCC nears, and the ATV committee is beginning its work, Felker said that the only thing the FCC is committed to is the gathering of information.

Felker said that since Dennis Patrick became FCC chairman in the midst of an era of deregulation, the most commonly asked question is "Where do we go from here?"

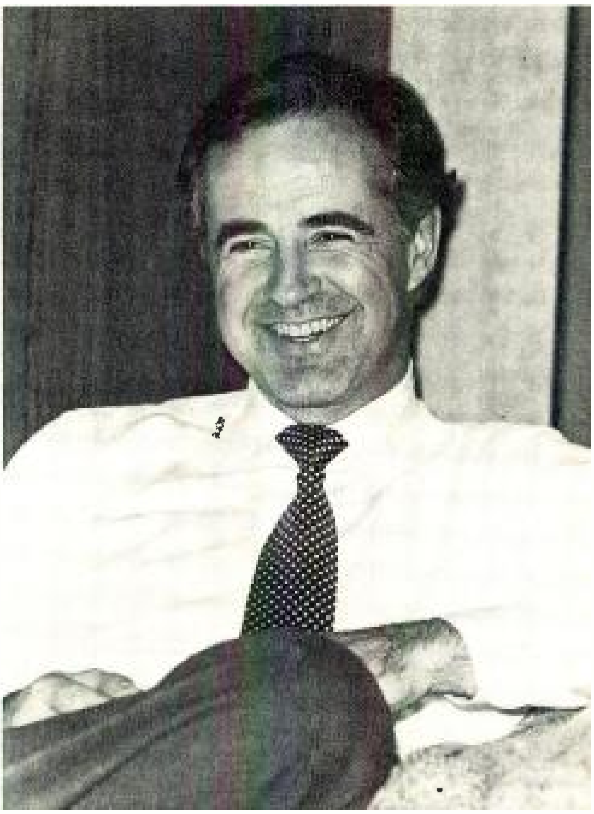
In answer to a question, Felker said the commission's general approach to regulation will be to work toward the goal "to enhance the consumer's welfare." Given the choice in most matters, he said, the market approach rather than government regulation is more advantageous. The market approach, he added, can "facilitate the adoption of new services that consumers may desire after changes in technology."

On the other hand, he said, government regulation is enforced uniformly, often without enough consideration for the details of individual cases and regional issues. "Governmental decisions are frequently in the absence of hard data," he said. The better role for government is to be an instrument that makes markets work better by insuring that they are crowded with participants, he added.

One thing that the philosophy of deregulation does not mean is that "the commission is going to totally refrain from regulating technical matter." Again he said the overall consideration will be what is best for the public interest. "As far as the chairman is concerned, 'standard' is not a bad word," Felker said. Whatever results in the best quality and increase in choices for listeners and viewers will influence the FCC. In some cases, he indicated, that might involve giving broadcasters more discretion on certain technical and nontechnical issues.

In response to another question, Felker reaffirmed the commission's resistance to chosing an AM stereo standard. He pointed out that marketplace forces have whittled the number of competing systems down to two and that starting a proceeding now "would be suboptimal...If we're going to pick one, we're not going to do it by fiat—we're going to do it by a rulemaking." That could delay the eventual conclusion of the issue for another two years and complicate it even more if other companies propose new systems.

As for his predecessor, Felker had only praise. "This has been a real boon to me, to step into a Mass Media Bureau that Jim McKinney had running like a well-oiled machine," he said.



New team (Redstone, left, and Biondi) sets out to make the most of old assets

Starting over at Viacom

For much of the last two years the news about Viacom has focused on first one and then another attempt to take over that diversified cable/broadcasting/programing company. Increasingly, the spotlight fell on Sumner Redstone and his National Amusements, whose bid eventually won. Now, with Redstone in the saddle and with Frank Biondi as chief executive officer, the focus shifts to the future. That's the subject of this "At Large."

You went to a lot of trouble to get your hands on this company essentially. How has it turned out for you?

Redstone: It's turned out from every perspective to be more than I anticipated, better than I anticipated. From the standpoint of excitement, from the standpoint of what we saw in the company as a diversified company doing exciting things in many different areas, and from the standpoint of the financial aspects of the company. It's turned out to be more than we had anticipated, and we're really very pleased.

Consider our results. In the last three-month period, our revenues were $256.5 million against $233.3 in 1986; our operating income for the quarter was $64.4 million versus $51.7 million, and for the nine months, where our revenues were $745 million against $672.8 million, our cash flow, more importantly, was $180.8 million against $146.6 million. So basically we had a 25% increase in cash flow and a 10% increase in revenues. And of course those are the critical numbers for us and for the banks. They seem pleased.

Is our Fifth Estate universe shifting into a cash flow universe?

Redstone: From our standpoint, the very nature of our financial undertakings says cash flow is the name of the game, so to speak. From what I read, it has been a cash flow universe for a long time. Certainly, motion picture theatres seem to be valued on a cash flow basis to a large extent, and you know that what happened to the multiples in the motion picture theatre business is largely as a result of the accelerating acquisition of motion picture theatres by producers and distributors.

Biondi: Is your question: Is the emphasis more on cash flow? Because the entertainment and communications business has always been essentially a cash industry. By and large, it never got the emphasis because most of the group owners were public companies who were emphasizing earnings. It's become more topical as people have begun to use nontraditional financing sources. I mean, if there's a dollar marginal cash flow over what they can finance, they'll buy it.

From a management perspective, it's a lot easier to manage for cash flow than it is to manage for cash flow and earnings. Putting the earnings on top of it allows so many gimmicks that are available to achieve the immediate goal of quarter to quarter compounding of earnings growth, it makes it much more complex.

We want to ask you, Frank, what you bring to this party—and it looks from the record to be primarily financial and programing expertise. Similarly, Sumner, we would like to ask what you bring to the party.

Redstone: Well, I can answer both questions in a way. Among other things, I bring to the party Frank Biondi. I consider that second to acquiring the company—well, no, first—acquiring the company, secondly getting it financed. But the clear triumph from my perspective was getting Frank aboard.

Biondi: It's a hard question to answer in the first person; it's much easier to do it about someone else. I probably do have a reputation for finance and programing—programing probably less deserved than finance. That comes more out of HBO and Coca-Cola, where I really wasn't commissioning programing, if you will. Before I was in the investment banking business, I was in the cable business—back in 1972 when we were with Teleprompter—and I was buying systems. So I knew a lot about the dynamics of cable before there was such a thing as pay television.

Cable is not a terribly difficult business to understand. As in any business, there are certain nuances and rules, but once you've learned them, they don't tend to change that dramatically.

The program business is far more Byzantine, and it's a much harder business for even a sophisticated financial executive or banker to figure out. But we are very big into it. There are a whole series of relationships, both in the pay business and television programing and the cable business. It's relatively easy for me to sift through the issues in the company, as someone coming in the door as opposed to someone who's got to come from another company, a consumer package company, so there's a tremendous advantage on the learning curve. It's been relatively easy to restaff with very good people because we know where they are and we know what they can do and we know what their relative strengths and weaknesses are.

I'm not so sure my management style is all that conventional, but it's fairly effective. I mean, I've always enjoyed the ability to attract good people and work with good people, and that was principally at HBO and then at Coca-Cola.

I'm a big believer in that the most important thing you can do is hire good, smart, motivated people and let them do their business. And I tend to focus on what I think I do, which is to help set strategic priorities, and I work a lot on the deal side and on the financial structuring side.

So my profile in terms of hands-on signing of cable subs and knocking on doors and writing bill stuffers or designing marketing campaigns is probably much lower than I think it should be.

Is it possible for you to say what business you're in?

Redstone: I don't want to make an overstatement, but we're in several different businesses, all related. One of the things that attracted me to the company—particularly having grown up in what I viewed as a nongrowth industry, the motion picture business—was that Viacom was in so many different but related businesses, all of which I view as being on the cutting edge of excitement and growth, and really of the whole technological revolution. So it's hard to say what business we're in; we are in several and we're in one.

It's one broadly diversified company, and perhaps the most diversified company in the media business. And when you add the several hundred screens that we have in our supplemental position at Orion Pictures, it's really difficult to think of a more diversified company than Viacom. And part of its strength would be that diversification.

Viacom has always been a very successful company, but nobody quite knows how to get a grip on it. I wonder if you have a sense of that, and if you plan to project a new business to our industry.

Biondi: I think it would be a mistake to define your goals in terms of trying to figure out whether we are in a single business. We are in the entertainment business across a very wide continuum—delivery of entertainment, creation of entertainment, some of it video and audio, some of it being purely audio based, it has satellite components, it has terrestrial components, it's hard wired, we're all over the place.

I don't know if that's such a bad state of mind, as long as we understand what the businesses are and we can either make the decision to run them as separate departments or try to figure out how they can cross pollinate to the companies we manage and the shareholders to whom we are responsible. That's good.

I think we have a team here that understands the interrelationships between businesses and what they can be. We're a long way from realizing all of the potentials or capitalizing on the relative assets of different groups. Some of it has to do with technological lead times; some of them aren't there yet. Some of it has to do with the right people talking to each other, some of it is just missing pieces. In some cases, we're too small in some segments of the business to really be effective in leveraging the way we'd like to leverage.

None of that is, *per se*, good or bad. It's just an understanding of what you have and where you're going and how they play against each other. How you emphasize where you put your capital and your effort in business is almost a direct fallout from your perception of where you see consumer behavior and the relative importance of film entertainment versus video entertainment versus TV, radio or cassette.

Biondi: From our perspective, you have to take them in order—there are clearly very good underlying fundamentals in cable television. Half the country is subscribing, and 75%-80% is wired. We still have New York, D.C., Detroit and a few other major markets being wired up.

Programing is beginning to come into its own, even with the very high percentage of classic off network fare, and maybe not so classic off network fare. Driving it, you're beginning to see the real presence of some original fare both on pay and certainly basic—and then there are whole vertical channels that are essentially original in some respects. MTV is probably the classic original, CNN has the classic packaging of news and ESPN is the same sort of classic packaging in sports.

We see very good things for the MSO phase of the business, and certainly for the basic cable networking business. I would suggest that I think if you add growth on a national level in the cable networking business, it is going to exceed any other broadcast form of advertising in terms of year to year compounding of growth. We feel real good about that. We have a couple of very healthy networks in those areas, and a couple of embryonic networks.

Home video. I think the explosive curve is over in terms of cassette shipments—because it's really less a function of the machines directly than it is the number of shelves you've got to rack. And unless you see some change in the formula on which rentals are done—unless you see revenue splitting—I don't think you're going to see dramatic increases in the number of cassettes. It will creep up as the machine population starts approaching 80% and 90%, but we've reached, under the current economics, 70%-80% of your shipment thresholds.

Pay per view? Yeah, big business. The technology is beginning to get there. The five-year business is not a really sizable business, but it's there.

All the dynamics are in place, and people are used to watching films in their home, they're used to paying for them now on some discreet basis, they're very comfortable with cable—and it's very clear that people want to see films and some events on a discreet pay as you go basis. It's just a question of getting everyone lined up and making it happen. A lot of people think their ox is going to be gored, so there is resistance—but that's always the way. It's been done time and time again.

Broadcast? Fairly stable, good business. Ultimately you've got to ask how far you can stretch C-P-M's, but that's a delivery issue. I can't believe the pie is expanding at the same rate that cable is expanding. Something's got to give, and it's been giving in cost per thousands. But the market seems to be willing to absorb that at least on a national basis, on a network basis. Where else could the package good guys go? There's the classic example of someone who needs national reach. And until someone puts a pin in that, I suspect that will continue to stretch, and broadcast will remain a relatively healthy business.

Now whether that means 12% growth or 8% growth, I don't know, but I think you're talking about those kinds of ranges—on a relatively sustained, well managed basis. I think there are opportunities at individual stations to turn them around, and that is probably much more classically a radio scenario, which is a much more local, business management intensive format. We think the key there is management. We think we've got good management, so we feel very good about the radio business.

The pay business? The pay cable business I think is a troubled category. You know, unlike basic cable, its underlying dynamics are not terrific. It was priced out of the market because it was the only way to raise your prices to the cable operator before deregulation, and now you've got deregulation, home video and pay per view. The price value relationship has to get back again; that's hampered by the cost structure at all the networks. Not just Showtime/The Movie Channel.

We think it's going to have to change. We think the price is going to have to come down for the operator and it's going to have to come down to the consumer. If the price-value relationship can be reestablished, it can be a pretty good business.

I've said this 100 times: the irony of cable programing is punch-through programing—the best programing on cable gets to the fewest people. That fundamental equation has to change. And I quite honestly don't see anything—original programing aside—that's going to change those dynamics except for pricing and distribution. We all have to have that finished product and make it available to an almost universal audience.

Have I missed any of our businesses? Programing? OK, programing is sort of universal, it's always going to be there, it's just a question of what the economics of it are. It's not as good a business as it was 10 years ago on a relative basis. But at the extremes, it's a fabulous business.

Showtime remains the one strategic question mark: How do you get from where you are to where you think you ought to be? We think partners are in that equation. We haven't lined them all up yet, but we're working on it.

How do they help?

Biondi: Well, they can bring you things. If they're cable partners, they can bring you distribution, which is essentially Showtime's principal problem. Well, it's also HBO's. But you're talking about getting into almost universal distribution.

We have this irony with Showtime of having what we believe to be a dramatic programing advantage over all the competition. Just the movie lineup alone is awesome, and most of it is exclusive. And we find ourselves in a distribution mode where if you want to get Showtime, you generally are paying a very hefty fee, and you have to buy through

Viacom views from the street. *John Tinker, Morgan Stanley equity analyst:* "They have to sell something. They don't have to move too fast, but at the same time, it's better to negotiate when you don't have a noose hanging over your neck. Basically the operations are in good shape. The question is how appropriate is their debt structure given the fact that we could be going into a very tough economic environment. Where the public markets aren't functioning, it's very hard to raise capital, which means it's harder for other companies to buy your assets and it's harder for you to spin something off."

Recommendation: no official position.

David J. Londoner, Wertheim & Co. associate managing director: "What's interesting about it is the leverage. The leverage is so great that as these assets grow there will be more and more left for common shareholders."

Recommendation: None officially, but, says Londoner, before Oct. 19 "I liked the stock as a long-term speculation. That hasn't changed, in fact the values are more compelling than they were then."

Richard MacDonald, First Boston equity analyst: Equity research report on Viacom completed Nov. 11 included following estimates: operating cash flow per share $4.31 for 1987, $6 for 1988. Estimates for 1988; operating revenue up 11% to $1.119 billion; operating cash flow up 29% to $324 million; $355 million loss after taxes (MacDonald's 1988 estimates assume sale of broadcast group in 1988 for $750 million or 11 times 1989 cash flow, with proceeds used to pay down preferred equity and subordinated debentures).

Recommendation: Continue with buy.

Richard Bilotti, L.F. Rothschild high-yield bond analyst: "The positive elements are they've done a terrific job with the broadcast group in general. And while MTV's results may not be superlative this year, I think they've identified a very serious problem in terms of the marketing; the advertising. The cable operations are a source of joy.

"The bad part is obviously in the next 18 months they have $450 million in debt due. After that, every six months, there's an $115-million payment that comes due. To meet those out of internal cash flow, they essentially have to get rid of $800 million in debt. Both before and after Oct. 19, one fact has been true; they have to sell minority equity. They'll get some level of it done, but it's a question of how much capital is out there in the first place, and then what prices they're willing to pay."

He estimates 1987 loss-per-share at $3 on a pro-forma basis (as if the National Amusement acquisition had taken place Jan. 1) and its 1988 loss-per-share at $2.30.

Recommendation: Neutral.

Edward Hatch, Merrill Lynch equity analyst: "One of the biggest strengths are the cable franchises they have and the management team they're assembling with Biondi and [Showtime President Tony] Cox. That will certainly be key to the company's future."

the competition to get it. It's a fact of life of cable distribution. Our principal mission is to figure out how to change that equation.

Do you have a plan?

Biondi: I think we do, although it would be premature to talk about it in any detail. We think there are ways out of that, but we don't think we can do it by ourselves. We think it has come to the point in time where, both financially and strategically, we should have partners in that venture.

That seems to be a theme of much that you're doing—to get minority partners all over the block.

Redstone: Well, there has been some change in that perspective. One of the reasons that we concentrate right now on Showtime and Movie Channel is that, apart from new dollars, the people that we're talking to are people who can make that as successful as it can be—and that's very successful.

In other words, as Frank says, if we had distribution that was anywhere commensurate with the quality of the programing, that would be great. We're less inclined now even to think in terms of sales of minority interests—not that it may not happen in the other businesses.

First, the internal growth that we see is beyond our expectation; not only in MTV, but Nickelodeon, which is wonderful and growing very fast, and the act that VH-l soon will be up to 25 million subscribers, and apparently is developing a format that people can recognize as distinctive from MTV, which I have a lot of difficulty with, and what we see is a kind of growth that would make us less reluctant than

we were to even part with it, although we don't say that that won't take place.

And actually, in view of the fact that we see all these businesses having good growth, we wouldn't be unhappy if it were not necessary for us to part with any interest. I'm not saying that would be the ultimate scenario, but we think it's a possibility. We really don't think we need anybody strategically to help us with the other businesses in which Viacom is engaged.

That's clearer to me now, and certainly it seems to be Frank's point of view. There may be other ways for us, and the burden upon us is really relatively little. We have no requirement for any amortization of our debt until December 1988, which is a long way off, and that's $200 million, and a little more which we can do in a variety of ways six months later. So it gives us an opportunity not to be precipitous in doing anything, and to sort out the kinds of things that are coming to us at a rapid rate from would-be partners.

Are you talking about cable operators that could bring distribution as opposed to Hollywood that could bring programing for Showtime?

Redstone: I think both can add something. The cable people are old friends of old associates, although they're new to me. The people in production and distribution are all very good friends of mine, from whom I've learned a great deal.

And I have to say that the contacts in all cases were not made by us. The fact is that the cable people with whom we have talked and the production people with whom we are talking are people who indicated an interest in this aspect of our work, which makes us feel better about the opportunity to put something together. Some of them do seem to be able to offer more strategic advantages than others.

With the excitement among cable operators about the potential from increases in basic subscriber rates and cable advertising—and you mentioned pay per view—why would they be interested in taking equity in a pay television service?

Redstone: I think that the cable operators are interested in acquiring interests in programing, and really the highest quality programing.

Biondi: I think there are three or four issues. One is, you can make a lot of money on it. A fairly simple equation—you drive distribution, and most of it falls to the bottom line. Two, cable wants proprietary programing. So there is a general interest in vertical integration.

Three, I think if you believe that you can no longer get all of the movies on one service, whether Showtime or HBO, there is a real potential for driving through a second, Disney or a relevant third channel of distinctive programing for the consumer.

I overlay on top of that all of the caveats I added as far as value relationships and getting the price of the pay services down; I think that has to happen. But I think to presume, as HBO seems to, that there is only going to be one pay service and it's going to continue to proliferate, is wrong-headed. It doesn't make that much sense for the consumer, and certainly from our perspective—and I'm not particularly grinding an axe as a programer here, but as a cable operator—it's a win-win when we get most of your programing to most of your people, most of the good programing to most of your customers. That's the fundamental flaw in the cable equation, I think.

Is it a matter of being on systems or the promotion?

Biondi: Well, we've got very good distribution in terms of Showtime—it's widely available. It's how it's available. You have to pay a lot to get it and you have to buy through a number of things to get it, so the objective would be, from our perspective, to make all of the programing relatively available.

I'm not trying to suggest this as a panacea for the industry because Cablevision, which I'm going to use as an example, started this from day one and has a relatively upscale audience. They essentially offer one package. It's a very expensive package, and it gets in front of all of their homes, and it's a very successful offer. Now four years ago, a lot of people tried to switch; it didn't work so well, so it got a bit tarnished. But the principle of getting your good programing in front of all of your audience I think is well taken.

If cable has, in my mind, any real hope for getting out to the 75%-80% of homes in terms of basic subscriptions, it's got to broaden its programing.

There seems to be a feeling among cable operators about the marketing aspects of Showtime and the Movie Channel, and of how much money Viacom is putting into it.

Biondi: It's a fair comment. Showtime has not put a lot of money into marketing, and HBO has found that marketing has given them a terrific competitive advantage. HBO is spending so much money with the operator on marketing programs that it's effectively pushed everyone else out of the market, which gives them a pretty strong competitive advantage, which is being in front of the consumer with the operator.

And it's hard for the operator to get off that dole. It's very lucrative, so they're using their size to great advantage. I think the operator legitimately believes that if he were spending more money, he could improve the performance of Showtime, and I have no doubt about that. It's also fairly convenient to understand the lapse on the part of the operator—it's just that much more money going to the operator.

We are going to put more resources into marketing, there's no doubt about that—that's one of the reasons we're talking, one, about pricing; two, about distribution; and three, about partners. Because that requires more capital. It's not going to happen simply out of the existing subscribers we have now.

Redstone: I think I know something about the value of exclusivity from operating motion picture theatres, and I'm sold on it and I'm sold on the necessity for marketing. In fact, it's only now that large numbers of pictures on an exclusive basis are becoming available for Showtime, and we're beginning to see that.

It's clear that there is a certain segment of people who take cable in order to watch movies, and the fact is they are not going to see 75% of the pictures they want to see unless they have Showtime. They're not going to see "Fatal Attraction" or Eddie Murphy in "Beverly Hills Cop" or "Down And Out in Beverly Hills" or these Orion pictures that are coming up unless they have Showtime.

And so we have a selling job to do—to the consumer and to cable. But cable really controls it in many ways. And one of the things I've learned—that Frank had to teach me—is that in my business, my original business, you had a motion picture, you have an audience in the consumer, nobody stands in the way, they can walk into the theatre and see the picture. Now theoretically, you can have the best pictures in the world, you can advertise them to the consumer, and they still have to walk their way through whatever packaging or whatever else the cable operator is doing before it happens.

May we shift the focus a bit to the general business scene? What's going on in the world since the stock market crashed? How has that changed your business, if at all?

Redstone: Well, nobody likes to see the price of their stock go down, but since it was not for sale, it's really more cosmetic than anything else, negatively cosmetic. We could luck out very much from this. All of our projections we have kept at around 10%, and we're borrowing money at less than that.

Second, the interest environment it seems to me may fortunately become such that we can amortize some of our assets without selling them— with fixed rate financing, hopefully—and repay a great deal of our current debt, and restructure the whole debt. That becomes a better possibility in this interest rate environment.

So that's something we're planning to do and Frank has had a lot more experience at it than I have, but I can still see the obvious. So, we could actually benefit from some aspects of what has taken place.

What about the business in general?

Biondi: I've talked with a number of operators who are having a surprisingly strong fourth quarter. Business is very good at the sign-up level. It varies with the people I've talked to, and whether that translates to pay or not, but there are some good stories in pay and there are other people saying that it's basically a pacing, a basic phenomenon.

Broadcasting is mixed. We've seen some markets very strong and some month to month not quite what we thought they'd be. Radio is up somewhat, more than they'd thought it would be, I don't think they're dramatically off from where they should be.

The quarter is hard to measure in the programing business. Networks are never happy, shows should always be performing better, but all their shows are relatively performing less except for the top 10. And the basic cable networks are having good fourth quarters. Now I think that is less economy than a flight from the up front experience with the big three networks. We're seeing a lot of buying downtown, and the optimism on how strong the FM market was is beginning to diminish, and we're seeing some percentage, if not a disproportionate percentage of ad dollars coming to the basic cable networks, and we're getting our share.

It's obvious that you participate over almost the entire industry. Perhaps home video—is that an exception?

Biondi: Well, that's been more by choice than anything else. We can be in the home video business in about 22 minutes. People were lined up around the corner who wanted to give us a label, have us buy half their business. Unless you are a producer, I don't view it as a business in which you're going to make a lot of money. In the long term, you make some money this month, but lose some next month. If you just buy a product out there in the world and try to resell it, there are things that it does do for you if you are pre-buying rights of theatrical films across a spectrum of home video right through to foreign distribution. And we will be doing more of that.

We've got to bring in one or two individuals to bolster that up to work on that, and we've got to link up our needs between Showtime and domestic syndication. I mean, the rights we would be least interested in keeping, but laying off to enable us to by across all those lines. But it would probably be home video and foreign distribution.

Interestingly enough, there are a number of home video companies, both studio owned and independent, that happen to be very handy in both of those arenas. All of them would be interested in that kind of a Chinese menu if we bought all the rights to the film except theatrical, and in some cases, some of the people we've talked to would be interested in theatrical, as well. We'd do that.

And it makes sense. It basically fuels Showtime and domestic film packages for syndication, which are both very good businesses in their own rights. And pay per view.

Are there other special delivery markets of interest? TVRO, MMDS?

Biondi: Well, MMDS is still a relatively unproven business. I believe we're on one MMDS system in Cleveland where the cable companies resell them to the MMDS operator. We happen to have a cable company in that market.

The backyard business is a very big business for Showtime. Arguably, it's one of the most profitable pieces of business, and it continues to grow.

We are somewhat troubled by the Gore bill in that respect. Nobody is telling NBC it's got to wholesale anybody in Washington except their local affiliate, but that's essentially what we're being asked to do. We don't think that's particularly right. We think the market is essentially healthy. Almost all new dishes being sold have some form of decoding available or already built in. And those numbers again will be pretty impressive.

So there is that core group out there who are still mightily unhappy with the fact that scrambling commenced two years ago and continues to roll along. I think once everyone is scrambled—and not everyone is—that will start new growth as well.

This is 1987. If we were here to repeat this interview in 1990, just three years from now, what kind of a company would you expect to be?

Biondi: Our first accomplishment has to do with the acquisition itself.

Getting our capitalization sorted out, redeploying in the broadest sense of the word, whether it's bringing in partners or selling off pieces or buying in pieces, the asset base, so that we can start doing what we really want to do, which is to build this thing called Viacom into the premiere entertainment/communications company in the world. Between now and 1990 that's a pretty big swallow.

Do you want to be number one?

Redstone: Well, anybody who is content to be less than first can't be number one, so you better want to be number one, it seems to me, more than anything. If you want to win, you have to want to be a winner.

Biondi: The issue is: how do you measure number one?

I mean, do you want to be the biggest group broadcaster, do you want to own broadcast networks, do you want to be the biggest cable network, do you want to be the biggest MSO? The answer is, we realistically would be a fool to say we want to be all of those things. Where we'd like to be in many respects, if not all respects, is to be thought of as one of the premiere companies in the entertainment business.

Is it strictly show business?

Redstone: Show business? How about leisure time? How about strictly leisure time business? Because that gives us a few opportunities in other areas that we might some day be interested in. And that's what we would call entertainment.

Biondi: "Premiere" doesn't necessarily mean size. You don't need to be the General Motors of the business to be a premiere company in the business. I mean, a lot of it has to do with it being well run, profitable, smartly oriented. I think Sumner commented on it very fairly in the sense that there is no plan that I'm trying to dance around or lay out to you in the sense that it is very early in the game to be as crystalized.

All of our existing businesses today could touch almost anything that you could bring up without going out and buying an asset or starting a business, it would just be a chance of emphasis or a further emphasis of something that's being done somewhere in the company—it may not be done as well as it should, or it may be a terrific little enterprise.

I'd offer you the pay per view business at Viewer's Choice. I'm not quite sure where that's going; I know the business, and on paper I could show you models until the cows come home. I don't know if any one of them is the precise layout of how the business evolves, but it's going to be a real business, and we will be a player in that business.

At one point you were being very laid back about acquisitions because of your debt situation, but you've now presumably improved enormously and now you've got the interest rates going in your favor—are you shifting over to an aggressive mode on acquisitions?

Biondi: Quite honestly, I don't think we've really changed our desire level, and I think I would argue to you that interest rates have less to do with our posture than attractive candidates, at attractive prices.

Now if anything, the market is making those more available and more realistic. Having prices come down and having sellers being willing to sell at those prices are two different things, but there are a variety of cases, and there are more academic cases based on real doable situations. But there are a few of the latter.

What businesses might you try to acquire at this point?

Biondi: If we could buy a broadcast group at the right price, we'd do it. If we could buy radio at the right price, we'd do it. If we could buy a new programing company at the right price, we'd do it.

The issue is: good company, right price.

We have several questions about issues. And by that we mean such things as how concerned you are about the telephone company getting into the cable business, for example, and affecting your ultimate livelihood?

Biondi: Well, as a cable operator, I'd say we are extremely concerned. It is hard to conceive of a scenario that would be orchestrated through the government whereby you would allow the telephone company into a business where it would take incredible advantage of its inherent—structural advantages. And having said that, I don't know how you could really consider it.

I'm aware that there are a lot of esoteric arguments made by Jack Valenti [president of the Motion Picture Association of America] right through some economists who are fairly well respected, who would say: "Hey, it can work, it can happen."

But you know, it's not like they're going to wipe you off the face of the earth in one fell swoop. It's more like being nibbled to death by ducks or something. It is arguably not a terrific solution to a problem that I'm not sure exists.

What other issues occupy your attention?

Biondi: Oh, I think there remains a fair amount of concern within the cable industry about the proprietary nature of their programing—and not that I'm on both sides of the issue, but the programers feel that they're not, per se, cable programers, and a lot of them have become cable friendly in the last three or four years. Deep in their hearts, I'm not so sure they're going to leave that. There is another issue, you know. Is a network like a Home Box Office or an ESPN a cable network? Or is it a programing service that's available through any means of distribution? And that's not a public policy issue. It's an intra-industry issue that is going to get wrestled to the ground and is being wrestled to the ground, and I think we have to do some long and hard thinking about it.

I've basically reached the conclusion that the cable services are in fact just that, they're cable services. The industry has in fact probably been at least an equal partner in the cable industry in building those programing franchises, despite what many programers might believe deep in their heart, that somehow they've done the industry a favor by using them as the distribution boys.

Which gets you into the DBS question. You know, there are a lot of people running around with satellites and financing, and they come and knock on our door, and say, "Why not?" And you even have a lot of folks who are wandering around the halls of Congress saying, "How come?" As if this programing is really just a commodity that should be available and on any doorstep. It's like saying you can get a Big Mac on any corner. It's just beef in a bun. Well, if it's just beef on a bun, why do you need the name "Big Mac?" You can do it yourself. But the bottom line is no one wants to go and invest hundreds of millions of dollars in programing, creating networks, which was essentially what happened over a 15-year period in the cable industry. They wanted to just take those networks and sign them up and kill the poor cable operator who really built this.

That's essentially, at least in our minds, not fair. And it is not going to happen.

Other issues? High definition is a good issue, I think it's a happy issue for everyone. It's a question of how you work it out. There are some in the cable business who think there's a grand slam here. I think the cable industry will ultimately be the principal beneficiary of high definition. It will likely be a better delivery mechanism of almost any type of high definition service, and I think from a public policy point of view—if I can put my broadcaster's hat on—I think to allow a high-definition standard to come in that is not compatible with terrestrial delivering would be a real disaster.

That doesn't mean they should all be on a standard that's compatible with terrestrial broadcasting, but there certainly should be a standard that's compatible, and if someone else wants to develop a noncompatible standard, whether it's on videotape or satellite or on cable or you name it, let them go.

But I think it would be a real tragedy for this country to allow anyone else, particularly the Japanese in this case, to insert or assert a standard through videocassettes, which is likely to happen absent the setting of some standard. It's one of the few times we can really see a positive role for government. And I hesitate to use the word "regulation" as far as standards, but it is a form of regulation.

As to other issues, such as syndicated exclusivity and copyright—I mean, you only want 10% of the teapot; they'll get taken care of on their own. You get in with the insiders on both sides and they'll tell you, they're probably sparring more about the issue and having more fun sparring about the issues than the real dollars and cents problems. If cable wants proprietary programing, it seems to be very hard to argue that the other guy shouldn't be allowed to have proprietary programing.

It's a simple matter of equity. It's getting it traded off that's part of the process, but it will ultimately happen because self interest will prevail.

What about overseas businesses and what kind of opportunities or difficulties do you see for a company like your own?

Biondi: There are a lot of good opportunities. The principal advantage of deregulation is principally Europe and for a program provider/distributor, that's very good news. It has been very good news and will continue to be.

We have a number of joint ventures built around either Showtime or The Movie Channel, and hopefully we'll do something with Nickelodeon, as well, which are going pretty well. MTV Europe is off to a nice start, there is an MTV Australia—MTV is likely to be the first global network. Irony of ironies: rock and roll will be the universal panacea.

It's not so surprising, actually.

What are the Showtime joint ventures?

Biondi: Well, actually it's really Premiere—where Showtime is the partner in Premiere UK, and there is a Premiere Japan, that was an umbrella, a global venture outside of Premiere UK.

Hopefully, some day, Premiere UK will be Pan European, and Japan will be up and running as a service. There are a variety of little cable ventures in Japan and Hong Kong and there are some consultancies that we have in Europe with cable.

Those will probably remain small, but there are a lot of little seeds, and one of them might blossom if there's something very big. I think it's very hard for an American company to be a principal, particularly in Europe.

What about overseas money coming into the United States, particularly with your company.

Biondi: We have had a number of conversations. There is strong interest in a couple of camps. I think the foreign capital markets are there—particularly Japan, which is rapidly emerging as a world banker, and certainly is a world capital market. They are a little unsure as a capital market about entertainment and cable and broadcasting as vehicles in which to either directly invest in or lend to.

But that's another issue. It wasn't so long ago when you were talking about American insurance companies being reluctant to lend to cable, and there was a big breakthrough when Prudential made a loan. It will all take time; I think these are viable possibilities, but I think our horizons are naturally and probably prudently more limited overseas. But we'll make some serious money and we'll have a profile over there.

Redstone: We do have some interesting consultancies over there— for Robert Maxwell, for example.

Biondi: Yes, principally cable and pay cable consultancies in Europe.

Redstone: I think, Frank, that the very fact that we're in all of these countries and dealing with major companies in those countries, even in a limited way, creates the possibility for more significant headway in the future. Our world is fully global. It's kind of mixed and kind of exciting.

What businesses not now in your stable may turn out to be the profit centers of the future? What would you like people to bring to you that would make you turn aside from what you're doing now and say, yes, that's what we want to do next?

Biondi: Let's see if I can do those in order. The second one is actually a little easier to answer. I'm not sure that as a business, it jumps right out at me, that I can point to; I mean I think pay per view has a chance, although it's already in our stable, for being a major profit center. I'm really having trouble...

Redstone: That's because you're so into what we're doing right now.

How about a new network?

Biondi: That's possible. But I don't look at us as being in the networking business, so that wasn't on the list. It will be progressively harder to start networks unless you're willing

to share the ownership quite dramatically, at least in the cable area. There may actually be a broadcast model of that some day, but you're going to have to restack either the VHF and UHF allocation if you get enough stations to create a fifth network, with Fox being the fourth.

Pay per view, high definition—probably, but that's just a technological twist on an existing business. There are some quasi-interactive businesses that we have spent some time on.... You know, you see these kids' games now with these shows that actually let the kid play, and I tend to think they're more fads than long term, but the technologies are being built in, and they may ultimately evolve into different variations. Maybe it's bowling or other types of businesses that you can play off of that, but it's really too hard for me to see those today as being major, major profit centers.

A more basic issue has been why sell just for the sake of paying down debt? If that's your issue, wait until next year; business will be a little bigger and presumably a little more of value.

So what would get us to open the door? I think the kind of things that would turn our heads tend to fall into two diametrically different categories. One would be a strategic addition, someone who's doing more than just capital, something wherein you can put one and one together and get three, or two and a half. Cable and Showtime is an example of that kind of thing.

I guess there's always the greater fool theory—if someone for reasons of their own were to take what appears to be the next eight to 10 years worth of value in a business, and we can take the funds and go out and redeploy them in the same business or an equally attractive business.

I mean, I talked to somebody on that basis, as well. But you know, those don't happen, and if they do, they generally don't close. Because there really aren't many greater fools when you get right down to it.

We've talked to a number of people who would and could do a number of strategically interesting things to several of our businesses. And, conversely, we have turned down at least 50 offers to buy stations, and at very attractive prices.

Is there a crown jewel in the company?

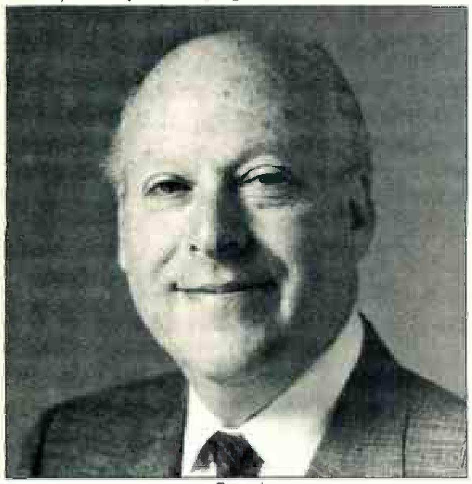
Biondi: I think there are a lot of jewels. I think the street would tell you the cable division is probably the one that carries the most weight with regard to value. As Sumner said, I think that in seven or eight years we can look back and say MTV Networks will be the biggest business. And that's as much a testimony to the inherent potential of the basic cable networking as to the uniqueness of the skills of the management over there.

It's an interesting business. It's what I call very inwardly directed management, I mean these are people who invented formats, and they spent all their time worrying about the format, at least to take orders for advertising. I'd say the waiting or the time span was like 95% on "how does it look, feel and taste, are we slick, hip or what?" And the other 5% was "are the revenues coming in this month?"

Cable operators make the equity play

Continued from page 35.

The posture that cable companies take on equity deals or outright ownership of programing services depends on the goals of the company and its executives. Tele-Communications Inc., the largest MSO, has made the most headlines in taking ownership positions in cable services. With its proposed buy of Tempo Enterprises and its stake in Turner Broadcasting System, TCI owns a piece of WTBS(TV) Atlanta, CNN, Headline News, Discovery Channel, Cable Value Network, Black Entertainment Television, Tempo TV, QVC Network, Fashion Channel and American Movie Classics and two regional sports networks, one in Pittsburgh, the other in Salt Lake City. It is also a major backer of the proposed ecumenical religious channel being put together by the National Interfaith Cable Coalition, although it does not have ownership in the venture. But TCI's aggressive stance is being followed by a host of other MSO's, which also own parts of TBS's programing services; Discovery; QVC Network (Comcast); Fashion Channel (United) and the new pay-per-view network, Home Premiere Television, which is owned by Cox, Continental, ATC, Tele-Cable and Newhouse.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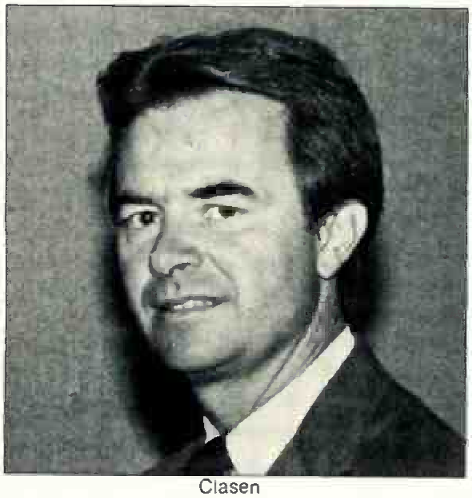
Clasen

To operators it is a way to insure that programing, sometimes new and varied, gets to subscribers, and maybe, at the same time, makes a little money. Once tried many liked it.

"We didn't have any expertise in programing," says Comcast Cable President Bob Clasen, "and were very reluctant to make investments." But after the success of the Home Shopping Networks, the company commissioned a study on the subject. "QVC Network was an aspect of home shopping that we had commissioned research on. When we were approached, we had the expertise and didn't see shopping as more high risk oriented" than other businesses, said Clasen. Comcast was offered a stake in HPT and Discovery, but did not take it because it felt it had no expertise in those areas. Clasen said the company anted up for Turner because of strategic reasons. Still, Clasen said the company "wouldn't rule out that we'd make investments in programing." But the rule of thumb at Comcast on participation is whether a new programing service makes business sense. The company, said Clasen, looks for "investments with reasonable and predictable returns," which not all programing ventures can boast.

ATC's Dressler said: "We don't feel compelled to take an ownership position unless we feel that's the only way a service that we think is worthwhile can get off the ground. We feel the marketplace seems to be working quite well."

There are potential problems, said Dressler, with the proliferation of equity ownership. "When it's been offered, all of a sudden people get used to it," said Dressler. "It can be like a drug," he said, in describing operators who are "getting hooked" on equity. He sees particular problems "when a lot of these deals are based on distribution and not cash-out-of-pocket." There are additional reasons why ATC has distanced itself from too much equity participation. "We'd like to remain a little more independent to make our decisions...We have a lot more clout with a program supplier who can't take our distribution for granted," said Dressler.

The same financial aspects that make some operators wary of equity, make it more appetizing for others. "We approach it from an investment point of view," said Cox's Redella. "Some deals with equity participation along with other MSO's are not nearly as attractive as ones where we can team with a handful of MSO's in order to get into a larger position," as was the case with Discovery and HPT. With Discovery, "we have a say on the ongoing operation," an advantage that is lacking when programers "are just purchasing channel space," said Redella.

Cox took an ownership in HPT, the pay-per-view network, for a number of reasons. Redella said the company was not sure how the existing PPV services would shake out and to what degree they would be operator-friendly. The goal of HPT "is to keep the profits at the system level." With Request and Viewer's Choice, said Redella, "that's not going to happen." To Redella, PPV looks a little bit like the early days of basic, when programing was first offered free, then affiliate fees were assessed. "The profits belong on the system level," says Redella, and they serve "to entice [system operators] to keep stimulating the marketplace" with concentrated marketing. It was for that reason, along with Cox's desire to tap a "new growth revenue segment," that it invested in HPT.

In the case of QVC, Cox took an equity stake, but only a small one. "QVC was a real financial calculation," says Redella, "The opportunity there was a very short-term gain." The initial public offering was for $10, with operators being allowed to sell if the stock hit $20 for 20 consecutive trading days. Cox also has a small stake in Home Shopping Networks in addition to its own home shopping service.

Colony Communications is a smaller MSO and has made only "token investments" in start-up services, such as QVC, HSN and CVN. The criteria it follows, according to President Charles Townsend, include these: "Do we think it is a good service, and how do we maximize the return?" In Colony's case, the services were home shopping oriented. Aside from the 5% commission, "you can also make some good money on capital appreciation," said Townsend.

But for the mid-sized MSO, such as Colony, the involvement of larger MSO's in program service ownership has trickle-down benefits. TBS's Goodwill Games plans and ESPN's NFL package were offered to subscribers on a pro-rata basis, the first time that has happened, said Townsend. That meant no volume discounts for the large MSO's and an even shake for smaller operators, such as Colony. Each operator paid a direct ratio to the number of subscribers it committed. "We need them as much as they need us," Townsend said of the big guy-little guy relationship. "To get this high-profile programing costs money, and you've got to have the big operators in there to afford the big programing," said Townsend. "I feel that operators supporting programing networks is a positive direction," he said.

Perhaps the most successful widespread equity launch was the Fashion Channel, which lined up 65 cable operators in affiliation/equity agreements for its launch last month. The operators control 25% of the company, taking 2.5 million shares (at 20 cents a share). They include TCI and United, which have now taken greater stakes in the venture (see 36). The Fashion Channel has seven million subscribers; by the third year of the affiliation agreements, the shares will be released to the cable operators from an escrow account if the channel is in front of 18 million subscribers as committed by the operators.

Charlie Gee, chairman and chief executive officer of the Fashion Channel, found cable operators likely partners in getting the retailing service off the ground. The cable industry had already backed QVC and HSN, he said, and "to market the program better," selling equity stakes was the way to go. "They give us channel capacity," says Gee of operators, which, in turn, better position themselves with diversified programing by carrying the Fashion Channel. That increases penetration, which is the payoff for operators, said Gee. And although many MSO's are on board, they have not attempted to get involved in programing decisions. "They were very supportive and left it to us to run our own show," said Gee.

The Fashion Channel managed to sign up the MSO's before the capacity issue became critical. "We were very, very lucky in that regard," says Herman. "We got in before the door closed." But there was a "tremendous interest in seeing a service like the Fashion Channel get off the ground," said Herman. Only Jones Intercable, which did not want another shopping-related service to compete with its own service, Sky Merchant, and Cablevision Systems, which did not want to sign a five-year agreement, remain unsigned Fashion Channel distributors.

Meister launched FNN several years ago without giving away an equity stake during an era when channel capacity was tight. Since then, FNN's Score and Telshop have gone on the air, but the company's plans to extend the latter shopping service to 24 hours have been delayed. At present, FNN is offering cable operators a small stake in the home shopping service in hopes of getting it launched on its own channel. "You can't go around giving a five-year-old profitable company away," says Meister.

But in trying to sell Telshop this summer, Meister found that the playing field was tilted against it, especially with the other shopping services that MSO's were carrying. FNN decided to offer equity in Telshop as a carriage inducement, allocating 500,000 shares in Telshop for cable operators while FNN retains two million. To date, ATC, Cox, Viacom, Century, Centel and Cable America have signed or said they would sign, said Meister. The extent of the individual equity in Telshop depends on when operators sign up and the number of subscribers committed, a now-standard formula in the industry. The Telshop shares carry with them certain terms allowing for the convertibility to FNN shares. If the 500,000 shares are bought by cable operators and all the conversions are exercised, cable operators could own 8% of FNN in three years. At present, that is the extent of the plans for MSO participation. "As far as I'm aware, no operator has a substantial interests in FNN," says Meister.

Was FNN too late in offering equity in Telshop? Meister has run into operators who after viewing the Telshop presentation will say: "'That's a compelling argument [for your service], but I have equity in your competitors.' The reality is they don't have the same motivation." But Meister does not see sinister forces at work. "The cable operator gives us distribution, and conversely they need our services," he said.

Meister says cable operators "are not looking for asset appreciation. They are concerned that somehow, somebody will do something that hurts their business, that dilutes the value of cable. They have a loud voice and they will be listened to." But the bottom line, he said, is that "there's a certain amount of money available no matter how you configure it. If the cable operator squeezes too hard, then we can't run the business well and profit from it," said Meister.

Equity, said Joseph Segel, chairman of QVC Network, "was the most appropriate way to go because cable carriage was extremely valuable. Equity offers an opportunity that makes sense to the cable companies," said Segel, and allows QVC "to acquire the maximum carriage. It worked very well." Comcast was an early significant partner, and has since been joined by TCI.

"In our view, its a fair exchange," said Segel. "We got very valuable carriage which is essential. We never really considered anything other than a combination of equity and the standard 5% commission because it made sense to us."

And Segel sees no problems with operators wanting a say in the operation. "We welcome their comments," said Segel, because they provide instant feedback on how the service is doing. There is a line, Segel feels, that operators won't cross, both in financial and operational demands. "The cable companies are smart enough to recognize that the programer has to make money too; otherwise the equity isn't worth very much," says Segel.

Shop TV has 30 MSO's aboard in conjunction with its launch last month. The operators committed 3.3 million subscribers (Shop TV is up and running with 2.5 million at the moment), with MSO's eligible for a 1% stake in the service for every million homes. The equity offering runs through Dec. 30. The operators' equity is predicated on each signing a three-year affiliation agreement. With that comes a Shop TV six-month guarantee that it would match the highest commission of any other service, which can range up to 10%. To date, Shop TV is being carried by systems owned by Rogers, Warner, Continental and Cablevision Systems. Caroline Vanderlip, senior vice president, sales, said the reaction so far has been positive. The operators "like the programing and the look of the show," she said. The chief reason other operators have not come

Regional sports ownership

Pay services		
Sportschannel New York	1,015,000	**Cablevision Systems**
Home Team Sports	720,000	**Group W**
Prism	400,000	**Cablevision Systems**
Pro-Am Sport Systems	317,000	Thomas Monaghan, Detroit Tigers owner
New England Sports Network	210,370	Boston Red Sox (34%), Bruins (34%), **SCI Television** (30%), New Boston TV Inc. (2%)
Basic and tier services		
Madison Square Garden Network	2,120,000	Gulf & Western
Prime Ticket	1,800,000	Jerry Buss (50%), **Bill Daniels** (50%)
SportsVision Chicago	1,000,000	**Cablevision Systems**
Pirates on Cable	925,000	**TCI**
Sportschannel New England	725,000	**Cablevision Systems**
Home Sports Entertainment	574,400	Houston Sports Association
Sabres Network	500,000	Buffalo Sabres
Utah Jazz	325,000	Utah Jazz and **TCI** joint venture
Arizona Sports Programing Network	170,000	**Times Mirror Cable**
Trail Blazers	143,000	Portland Trailblazers
Sportschannel Florida	35,000	**Cablevision Systems**

Bold face denotes ownership by cable operator or company that operates systems through another subsidiary. Subscriber figures are from Paul Kagan Associates.

aboard, she said, has been channel capacity or their vested interests in other services. Among the no's are TCI, Comcast and United. Shop TV is 63% owned by JC Penney and 37% owned by STN Ltd., a public company.

The Travel Channel plans to complete its initial stock offering to cable operators in the next few weeks. It is offering cable operators 3,500,000 shares in exchange for households. At a penny apiece, the offering ($35,000) is not designed to raise money, since the channel has the backing of TWA, but to insure carriage. It is now seen on 5.7 million cable homes. The offering will dilute TWA's ownership portion to approximately 63%. The Travel Channel has not identified equity partners, but among the MSO's that are carrying the service are ATC, Cox, Storer, Warner, Hearst, Comcast, American, UA, Heritage and Times Mirror. The deadline for putting the Travel Channel on, and thus be eligible for the stock, is Sept. 1, 1988. A second draft of the prospectus is expected to offer operators another 500,000 shares, which dilute TWA Marketing's share to 60%. The Travel Channel gives operators a 5% commission on sales and remits 5% on the per-inquiry advertising that runs on the channel.

Jones Intercable's Sky Merchant service is on in roughly a million homes, most of them Jones subscribers, but the company plans to step up its marketing efforts as more programers shift to Galaxy III, the service's home, and cable operator attention follows. Jim Krejci, chairman and chief executive officer of Sky Merchant, says the service "is picking the most likely candidates" for its marketing efforts, since operators are already inundated with other home shopping services. Sky Merchant's goal is to reach five million. "You can do it [make a profit] at less than five million," says Krejci. But capacity remains Sky Merchant's chief obstacle. "There are niche markets," says Krejci, who believes cable operator concentration on Galaxy III will push Sky Merchant over the top. "The basics of the industry are very sound," he said.

There are programing services that have launched or tried to launch without equity participation. Movietime, a service that highlights entertainment that is appearing on pay and basic cable as well as in the theaters, has launched without an equity offering and is finding channel space and time where it can. "Giving away equity for subscribers, while it makes your distribution grow, is not the long-term way to go," said Larry Namer, president and chief operating officer of Movietime. "If you give away equity...there may be a tendency to turn you into a nonprofit organization," Namer believes, "because none of their cash is involved." If operators "put their cash in," he said, "they begin to look at it as more of an investment." Namer said nothing precludes an operator from buying Movietime stock on the open market. Still, Namer admits the lack of equity "significantly slows the process" of getting carriage. Launched this past summer, Movietime is on in 3.2 million households, and on target to reach break-even at seven million homes next summer.

David Heath, director of cable operations for The Consumer Discount Network, a home shopping service, said the company never opted for a stock ownership, and "that has hurt somewhat." The cable operator "has been conditioned as part of the deals" that have been made, he said. And Heath is getting CDN on where he can, on the downtime of Playboy, for instance. But Heath says: "Cable operators are more concerned with the value of programing for their subscribers" than stock warrants. CDN is caught in the industrywide evaluation cable operators are making with various home shopping services. "The masses will dictate what they want to see," says Heath. Despite the small subscriber count—CDN I has one million subscribers—Heath said the network is "real close" to break-even.

But there are indications that the equity play may be playing itself out. Teleworld, an informational service that plans to launch in May, has been offering equity to cable operators but has found few takers. Gerald Adler, president and chief executive officer of Teleworld, said Black Monday "has made equity a lot less desirable." Additionally, operators "would rather not have to be under the burden of considering the profit potential versus the pure potential" of the service, said Adler. Teleworld has stated it would offer 10% ownership in the service, and it has had discussions with the top MSO's. "They don't seem to be all that interested, and once they are, it's a question of how they divide [the equity] up," said Adler. That has led Teleworld to consider putting together a string of UHF television stations to get carriage of the service. The programing, said Adler, would work at just eight hours as it would at 24.

The decentralization of many MSO's has been a problem for many new programers. The increasing concentration of ownership would make it seem easier to get a large number of subscriber commitments at a faster pace. But decentralization makes a successful pitch in Denver only half the job, the other half being to convince the field operators to go aboard. Amos (Bud) Hostetter, chairman of Continental Cablevision, said: "We never forced a service down a local manager's throat. They have got to sign on themselves." There is a lot of communication between field and corporate levels at Continental, said Hostetter, but "the decisions here come from the bottom up."

ATC is also highly decentralized, but Dressler said "clearly we try to coordinate with our divisions." And while equity helps services to launch, the increasing pace of decentralization among MSO's (ATC has 24 divisions) makes a programer's job tougher as the same sell job has to be done on the regional level. "It's good to keep the program suppliers on their toes," says Dressler, "and not to assume that just because somebody in Denver thinks it's a good idea, every division across the country is going to carry a particular service."

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Some of cable's loudest critics have decried what they see as greater vertical integration in the programing industry, where owner and distributor of programing are one and the same. They charge that operators won't make programing available to noncable services, such as MMDS, SMATV and TVRO markets, or will do so at an inflated price. Jack Valenti, president of the Motion Picture Association of America, may be the most vocal critic, but there are signs the government is beginning to pay some attention. Vertical integration in programing services is one of the many areas the National Telecommunications and Information Administration will examine in its wide ranging study into cable television service (BROADCASTING, Nov. 16). There are concerns that cable operators will some day acquire the same consolidations of programing and exhibition interests that led the government in 1948 to break up common ownership of movie studios and theater chains.

Some in the cable industry are concerned about vertical integration. Comcast's Clasen said: "There is definitely a balance that's required." There would be trouble "if we were the gatekeeper for a large percentage of programers," he said. On the other hand, he said, the cable industry "made MTV. I would hate to see a brand name we created coming back on us."

Phil Lind, president, Rogers Communications U.S. cable operations, explains the dilemma cable operators face on equity. "I like it, but there are some real potential public policy problems if you're denying access." When Rogers has taken an ownership stake in the services—it owns 35% of the Canadian Home Shopping Network—it was because "we wanted the services to fly," said Lind. "But the industry has to be very aware of giving access. It can be made out to be a determining factor. If it is a marginal service, it raises public policy issues."

But other operators point to an increasingly competitive programing environment, which makes the vertical integration issue less important. There is more and more competition, ATC's Dressler pointed out, and as competing technologies develop it will be "more important for each of those technologies to control its programing."

To cable's adversaries, the operator equity/ownership situation raises questions of anticompetitive programing practices and product dominance. To the cable insiders, it is a question of competitive survival.

'Tis the season on PBS

Noncommercial network offering potpourri of pledge specials

The holiday season means pledge drive time on the Public Broadcasting Service, and this year's Nov. 27 through Dec. 6 lineup includes a variety of special programs, including music, dance and children's specials, celebrity biographies, science programing and documentaries, designed to reach the holiday spirited and the irreverant alike.

Stations are continuing to experiment, looking for alternatives to traditional, live on-air appeals for viewer support, said PBS's Tom McSorley, associate director of the station independence program. So the character of the appeals, ranging from "quiet" (no on-air appeals) to pledge-free (on-air appeals reduced with mounting contributions) to traditional blitzes, will vary from station to station and, in the pledge-free cases, from day to day. McSorley said that although PBS tracks pledge drive results, it does not gather data on methods.

Among the special programing are:

Great Performances: Celebrating Gershwin—a two-part (90 minutes each) musical, dance and biographical commemoration of George Gershwin's life and work, produced by WNET(TV) Newark, N.J., and the BBC in association with the Brooklyn Academy of Music. Part one is *The Jazz Age*, tracing his early career from 1919 until his first hit, which airs at 9 p.m., Nov. 27; part two is *'S Wonderful*, highlighting the Hollywood scores, later Broadway musicals and his classically influenced compositions of the 1930's. Part two airs on Dec. 4 at 9 p.m.

Remembering Bing—80 minutes, including clips of Crosby's best-known works and interviews with his former co-stars and others, produced by WTTW(TV) Chicago (9 p.m., Nov. 28).

Christmas Eve on Sesame Street—a musical hour featuring the Muppets and other cast members of the regular *Sesame Street* series, with skaters from Holiday on Ice, produced by Children's Television Workshop (7 p.m., Nov. 29).

The Sleeping Beauty—an 80-minute ice ballet featuring 1980 Olympic men's gold medalist, Robin Cousins, as Prince Florimund and 1984 U.S. women's champion, Rosalynn Sumners, as Princess Aurora. The WGBH-TV Boston-Anglia Television production also features the Tchaikovsky score performed by the London Symphony Orchestra (8 p.m., Nov. 30).

'Celebrating Gershwin'

Jessye Norman's Christmas Symphony—in which the opera singer is joined by host, actor Derek Jacobi, at England's Ely Cathedral where she sings Christmas songs, joined in some by the American Boychoir, the Bournemouth Symphony Orchestra, the Ely Cathedral Christers and the Vocal Arts Chorus. Thames Television and Filmscreen International produced the show in association with Windsor International Productions (9:30 p.m., Nov. 30).

One More Season—a 53-minute documentary tracing the life and death of high school athlete of the decade, college football all-star and high school football coach, Charlie Wedemeyer, who waged a 10-year battle against Lou Gehrig's Disease, produced by Crystal Bullet Productions and presented by KQED(TV) San Francisco (9 p.m., Dec. 1).

Great Moments from Nova—an hour-and-55 minute retrospective of 15 years of discoveries, hypotheses and advances in science, from the PBS series, hosted by actor Richard Kiley and produced by WGBH-TV Boston (8 p.m., Dec. 2).

Christmas with the Mormon Tabernacle Choir and Shirley Verrett—a 48-minute musical program produced by KUED(TV) Salt Lake City (8 p.m., Dec. 3).

The Frugal Gourmet: A Colonial Christmas with Friends—using early 1700's recipes and a replica kitchen from the same period, PBS's Jeff Smith recaptures the holiday experience in simpler times; 48 minutes, produced by WTTW(TV) Chicago (7 p.m., Dec. 5).

Lawrence Welk: Television's Music Man—a one-hour and 23-minute celebration of the musician-conductor of the long-running TV musical variety program, including clips and interviews with former cast members; hosted by Kathy Lennon (8 p.m., Dec. 5).

That's Dancing—a two-hour-and-14-minute journey through the history of dance, co-hosted by Mikhail Baryshnikov, Sammy Davis Jr., Gene Kelly and Liza Minelli and featuring clips from film and TV, produced by Jack Haley Jr. and David Niven Jr. and presented by Turner Entertainment Co. (9:30, Dec. 5).

Stories of Christmas Love with Leo Buscaglia—a 48-minute visit with the author-lecturer on the dynamics of loving relationships, in which he revisits his own childhood and adult Christmases, illuminating the lessons he learned about love; produced by KVIE(TV) Sacramento, Calif. (7 p.m., Dec. 6.

James Galway's Christmas Carol—a 52-minute musical collaboration among the flutist, the Royal Philharmonic Orchestra, the Ambrosian Singers of London and the Boy Choristers of St. Alban's Abbey, featuring Galway's arrangements; produced by the BBC (10:30 p.m., Dec. 6).

The Grand Ole Opry—a mix of traditional Opry stars and new country music performers join host Roy Acuff for two hours and 53 minutes from Nashville. Noncommercial television stations underwrote this Nashville Network/Grand Ole Opry production. The time and date for the show has not been set yet.

Dates and times are subject to change as member stations are free to air each program at any time during the pledge period. All times are Eastern.

Stock Index

		Closing Wed Nov 18	Closing Wed Nov 11	Net Change	Percent Change	P/E Ratio	Market Capitalization (000,000)
	BROADCASTING						
N	(CCB) Capital Cities/ABC	315 1/2	312 3/4	2 3/4	00.87	22	5,100
N	(CBS) CBS	176	165 1/4	10 3/4	06.50	10	4,153
A	(CCU) Clear Channel	11	11		00.00	21	35
O	(INFTA) Infinity Broadcasting	19	16 3/4	2 1/4	13.43	-146	159
O	(JCOR) Jacor Commun.	5 1/8	5 3/8	- 1/4	- 04.65		29
O	(LINB) LIN	39	38 3/4	1/4	00.64	20	2,090
O	(MALR) Malrite	6 1/2	6 1/2		00.00	-9	88
O	(MALRA) Malrite 'A'		6 1/4	- 6 1/4			0
O	(OBCCC) Olympic Broadcast	4 1/2	4	1/2	12.50		11
O	(OSBN) Osborn Commun.	4 1/2	4 3/4	- 1/4	- 05.26	-3	18
O	(OCOMA) Outlet Commun.	8	8 1/4	- 1/4	- 03.03		52
A	(PR) Price Commun.	9 1/2	8 3/8	1 1/8	13.43	-4	81
O	(SCRP) Scripps Howard	77	76	1	01.31	26	795
O	(SUNN) SunGroup Inc.	1 1/2	1 1/2		00.00	-2	3
O	(TLMD) Telemundo	5 1/2	5 1/2		00.00	-1	31
O	(TVXG) TVX Broadcast	4 1/4	5	- 3/4	- 15.00	-2	25
O	(UTVI) United Television	21	21		00.00	35	230
	BROADCASTING WITH OTHER MAJOR INTERESTS						
N	(BLC) A.H. Belo	47 1/2	50	- 2 1/2	- 05.00	15	511
A	(AAR) Adams Russell	41 3/8	39 1/2	1 7/8	04.74	689	275
O	(ASTV) Amer. Comm. & TV	3/32	3/32		00.00		7
N	(AFL) American Family	13	12 1/8	7/8	07.21	12	1,047
O	(ACCMA) Assoc. Commun.	22	25	- 3	- 12.00		209
O	(BMAC) Bus. Men's Assur.	33 1/2	35 5/8	- 2 1/8	- 05.96	-13	350
N	(CCN) Chris-Craft	15 3/4	15	3/4	05.00	18	317
N	(DNB) Dun & Bradstreet	53 1/8	48 1/4	4 7/8	10.10	22	8,078
O	(DUCO) Durham Corp.	23 1/4	23	1/4	01.08	13	198
N	(GCI) Gannett Co.	35 3/4	36	- 1/4	- 00.69	19	5,776
N	(GY) GenCorp	69 1/2	69 3/4	- 1/4	- 00.35	12	1,552
O	(GCOM) Gray Commun.	153	153		00.00	26	76
N	(JP) Jefferson-Pilot	29 3/4	31	- 1 1/4	- 04.03	10	1,195
N	(KRI) Knight-Ridder	39 5/8	38 1/8	1 1/2	03.93	15	2,274
N	(LEE) Lee Enterprises	24 5/8	25 1/4	- 5/8	- 02.47	15	613
N	(LC) Liberty	38 1/4	33 3/4	4 1/2	13.33	13	366
N	(MHP) McGraw-Hill	55 1/2	53 3/4	1 3/4	03.25	18	2,804
A	(MEGA) Media General	32 1/2	31	1 1/2	04.83	47	916
N	(MDP) Meredith Corp.	26	27 3/4	- 1 3/4	- 06.30	14	499
O	(MMEDC) Multimedia	45	45		00.00	4500	495
A	(NYTA) New York Times	28 1/2	29	- 1/2	- 01.72	15	2,334
O	(NWS) News Corp. Ltd.	14 7/8	13 1/2	1 3/8	10.18	9	1,885
O	(PARC) Park Commun.	25 1/2	25 1/4	1/4	00.99	22	351
O	(PLTZ) Pulitzer Publishing	30	32 1/2	- 2 1/2	- 07.69	24	314
N	(REL) Reliance Group Hold.	6 1/8	6	1/8	02.08	6	459
O	(RTRSY) Reuters Ltd.	48	51 3/4	- 3 3/4	- 07.24	22	19,927
T	(SKHQ) Selkirk	21 1/4	21 1/4		00.00	46	172
O	(STAUF) Stauffer Commun.	135	135		00.00	22	135
A	(TO) Tech/Ops Inc.	24 3/8	25 1/2	- 1 1/8	- 04.41	9	52
N	(TMC) Times Mirror	68 1/4	71 3/4	- 3 1/2	- 04.87	14	4,402
O	(TMCI) TM Communications	1 1/4	1 1/4		00.00	6	9
O	(TPCC) TPC Commun.	1/4	1/4		00.00		2
N	(TRB) Tribune	35 1/2	35 3/8	1/8	00.35	13	2,797
A	(TBSA) Turner Bcstg. 'A'	10 3/8	10	3/8	03.75	-1	225
A	(TBSB) Turner Bcstg. 'B'	8 1/8	8 1/2	- 3/8	- 04.41	-1	176
A	(WPOB) Washington Post	189	188	1	00.53	20	2,427
	PROGRAMING						
O	(SP) Aaron Spelling Prod.	5 1/8	5	1/8	02.50	4	94
O	(ALLT) All American TV	1 3/8	1 3/8		00.00		1
O	(BRRS) Barris Indus	7 1/8	7	1/8	01.78	3	63
N	(KO) Coca-Cola	39 1/8	38 1/4	7/8	02.28	14	14,789
A	(CLR) Color Systems	3 1/2	3 1/2		00.00	-2	17
O	(CAVN) CVN Cos.	9 7/8	10 1/8	- 1/4	- 02.46	-29	180
A	(DEG) De Laurentiis Ent.	2 1/2	2 1/4	1/4	11.11	-1	28
O	(dcpi) dick clark prod.	4 5/8	4	5/8	15.62	11	38
N	(DIS) Disney	55	51 1/4	3 3/4	07.31	19	7,225
N	(DJ) Dow Jones & Co.	33 1/2	32 7/8	5/8	01.90	16	3,243
O	(EM) Entertainment Mktg	3 5/8	4	- 3/8	- 09.37	12	44
O	(FNNI) Financial News	6 3/4	6 1/8	5/8	10.20	42	79
A	(FE) Fries Entertain.	2 7/8	2 5/8	1/4	09.52	12	15
N	(GW) Gulf + Western	68 1/2	66	2 1/2	03.78	15	4,162
O	(HRSI) Hal Roach	5	5		00.00	-11	34
A	(HHH) Heritage Entertain.	3 3/8	3 1/4	1/8	03.84	3	15
A	(HSN) Home Shopping Net.	6	6 1/4	- 1/4	- 04.00	16	515
N	(KWP) King World	16 3/4	16 1/4	1/2	03.07	17	501
O	(LAUR) Laurel Entertainment	1 3/8	1 1/2	- 1/8	- 08.33	3	3
A	(LT) Lorimar-Telepictures	9 5/8	8 5/8	1	11.59	-7	440
N	(MCA) MCA	36 1/2	36 1/2		00.00	17	2,773
N	(MGM) MGM/UA Commun.	6 1/8	6 3/8	- 1/4	- 03.92	-7	306
A	(NHI) Nelson Holdings	3/4	7/8	- 1/8	- 14.28	-7	20
A	(NWE) New World Enter.	3 5/8	4	- 3/8	- 09.37	2	39
N	(OPC) Orion Pictures	8 5/8	8 3/8	1/4	02.98	13	148
O	(MOVE) Peregrine Entertain.	2	3	- 1	- 33.33	-66	4
N	(PLA) Playboy Ent.	11	11 1/8	- 1/8	- 01.12	-7	103
O	(QVCN) QVC Network	7	6 1/2	1/2	07.69		45
O	(RVCC) Reeves Commun.	5 7/8	6 1/2	- 5/8	- 09.61	587	73
O	(RPICA) Republic Pic. 'A'	5	5		00.00	55	21
O	(RPICB) Republic Pic. 'B'	6 1/2	6 1/2		00.00	46	4
A	(RHI) Robert Halmi	1 3/4	1 7/8	- 1/8	- 06.66	7	39
O	(SMNI) Sat. Music Net.	3	1 7/8	1 1/8	60.00	-75	26
O	(TRSP) Tri-Star Pictures	11 5/8	10 1/2	1 1/8	10.71	21	358
N	(WCI) Warner	26 1/4	26 1/2	- 1/4	- 00.94	15	3,283
O	(WWTV) Western World TV	3/8	1/2	- 1/8	- 25.00	2	
O	(WONE) Westwood One	15 1/2	15 3/4	- 1/4	- 01.58	20	192
	SERVICE						
O	(BSIM) Burnup & Sims	7 3/8	7 1/4	1/8	01.72	14	117
O	(CVSI) Compact Video	2 3/8	2 1/2	- 1/8	- 05.00	-1	15
N	(CQ) Comsat	26 3/8	26 3/8		00.00	-10	483
N	(FCB) Foote Cone & B.	43 7/8	43 3/4	1/8	00.28	13	182
O	(GREY) Grey Advertising	93	101	- 8	- 07.92	13	112
O	(IDBX) IDB Communications	8	8 1/4	- 1/4	- 03.03	32	32
N	(IPG) Interpublic Group	29 3/8	28 5/8	3/4	02.62	14	652
A	(MOV) Movielab	6 3/4	6 3/4		00.00		11
O	(OGIL) Ogilvy Group	23 3/4	23 1/2	1/4	01.06	12	328
O	(OMCM) Omnicom Group	17 5/8	17 5/8		00.00	-80	432
O	(SACHY) Saatchi & Saatchi	18 1/4	18 1/2	- 1/4	- 01.35	9	2,659
O	(TLMT) Telemation	1 3/4	1 3/4		00.00	7	8
A	(TPO) TEMPO Enterprises	7	7 1/4	- 1/4	- 03.44	23	40
A	(UNV) Unitel Video	8 7/8	8 3/4	1/8	01.42	13	19
	CABLE						
A	(ATN) Acton Corp.	14 1/2	12 1/8	2 3/8	19.58		17
A	(ACN) American Cable	42 1/4	40 1/4	2	04.96	-82	397
O	(ATCMA) Amer. TV & Comm.	20 1/8	21 7/8	- 1 3/4	- 08.00	77	2,202
A	(CVC) Cablevision Sys. 'A'	22 3/8	21 3/8	1	04.67	-38	470
N	(CNT) Centel Corp.	36 3/4	37 5/8	- 7/8	- 02.32	14	1,065
O	(CCCOA) Century Commun.	14	14 1/2	- 1/2	- 03.44	1400	404
O	(CMCSA) Comcast	21 1/4	19 1/4	2	10.38	-96	881
O	(ESSXA) Essex Commun.	16 1/2	16 3/4	- 1/4	- 01.49	-37	61
A	(FAL) Falcon Cable Systems	16 7/8	16 1/8	3/4	04.65	-52	107
O	(JOIN) Jones Intercable	9 1/2	9 1/2		00.00	29	121
T	(MHP.Q) Maclean Hunter 'X'	17 3/4	17 7/8	- 1/8	- 00.69	24	654
O	(RCCAA) Rogers Cable A.	21	18	3	16.66		108
O	(TCAT) TCA Cable TV	22 5/8	22 3/4	- 1/8	- 00.54	46	244
O	(TCOMA) Tele-Commun.	20 5/8	21	- 3/8	- 01.78	33	2,992
N	(TL) Time Inc.	78 7/8	79 3/4	- 7/8	- 01.09	12	4,682
O	(UACI) United Art. Commun.	20 1/4	19 3/4	1/2	02.53	168	831
N	(UCT) United Cable TV	20 7/8	22 1/2	- 1 5/8	- 07.22	-347	788
N	(VIA) Viacom	16 1/2	16 1/4	1/4	01.53		879
N	(WU) Western Union	2 3/8	2 5/8	- 1/4	- 09.52		57
	ELECTRONICS/MANUFACTURING						
N	(MMM) 3M	63 7/8	56 3/8	7 1/2	13.30	17	14,627
O	(AMCI) AM Communications	7/16	7/16		00.00		1
N	(ARV) Arvin Industries	17	17 3/8	- 3/8	- 02.15	6	317
O	(CCBL) C-Cor Electronics	6	6		00.00	16	12
O	(CATV) Cable TV Indus.	1 3/8	1 5/8	- 1/4	- 15.38	-9	4
A	(CEC) Cetec	5	5		00.00	166	9
N	(CHY) Chyron	4 5/8	4 7/8	- 1/4	- 05.12	17	47
A	(CXC) CMX Corp.	1	1 1/8	- 1/8	- 11.11	14	6
A	(COH) Cohu	6 5/8	6 1/2	1/8	01.92	15	12
N	(EK) Eastman Kodak	48 3/8	48 3/8		00.00	12	10,929
N	(GRL) Gen. Instrument	24 1/2	24 1/2		00.00	-10	798
N	(GE) General Electric	45 1/2	43 7/8	1 5/8	03.70	17	41,588
O	(GETE) Geotel Inc.	7/8	7/8		00.00	-2	3
N	(HRS) Harris Corp.	25 7/8	25 1/8	3/4	02.98	14	759
O	(MCDY) Microdyne	3 1/8	3 3/16	- 1/16	- 01.96	-2	13
N	(MOT) Motorola	42 7/8	40	2 7/8	07.18	23	5,512
N	(NPH) N.A. Philips	55 1/2	55 1/2		00.00	19	1,609
N	(OAK) Oak Industries	1 1/8	1	1/8	12.50	1	81
A	(PPI) Pico Products	4	3 7/8	1/8	03.22	-80	14
N	(SFA) Sci-Atlanta	10 3/8	11	- 5/8	- 05.68	-115	242
N	(SNE) Sony Corp.	35 5/8	29 5/8	6	20.25	58	8,237
N	(TEK) Tektronix	26 1/4	27 1/4	- 1	- 03.66	19	853
O	(TLCR) Telecrafter	3	2 5/8	3/8	14.28	13	4
N	(VAR) Varian Assoc.	20 1/4	21 3/4	- 1 1/2	- 06.89	101	439
N	(WX) Westinghouse	46 1/4	45 3/4	1/2	01.09	9	6,610
N	(ZE) Zenith	14	13 1/2	1/2	03.70	56	355
	Standard & Poor's 400	281.15	275.81		05.34		01.94

T-Toronto, A-American, N-N.Y., O-OTC. Bid prices and common A stock used unless otherwise noted. "O" in P/E ratio is deficit. P/E ratios are based on earnings per share for the previous 12 months as published by Standard & Poor's or as obtained by BROADCASTING's own research.

Microband brings wireless to New York

Company is offering pay services via MDS to homes in Brooklyn, Bronx, Staten Island, Queens and New Jersey

Microband Companies Inc. is off and running, offering some two million homes without cable in the outer boroughs of New York and the New Jersey suburbs a six-channel wireless cable service ("Closed Circuit," Nov. 2).

The six channels: Home Box Office, SelecTV, Madison Square Garden Network, superstation WTBS(TV) Altanta, MTV and Nickelodeon. The price: $28.95 a month on top of a $39 installation charge and a $25 deposit on the converter/descrambler. (A five-channel service [less either HBO or SelecTV] is available for $23.95 a month.)

In announcing the launch of the service last Monday (Nov. 16), Microband, which is doing business in New York as Wireless Cable of New York (WCNY), said it intends to increase the number of cable channels (and possibly the price by some not-yet-determined amount) over the next several months. It is capable of broadcasting up to 14 cable channels to homes and multiunit dwellings from its microwave transmission facilities atop the Empire State Building.

Wireless cable operators use a mix of MDS, ITFS and OFS channels in the 2 ghz band to broadcast multiple channels of mostly cable programing to homes equipped with special antennas and receivers. The microwave signals cover an areas with a radius of up to 25 miles. But because reception requires a line of sight to the transmission site, some homes within the nominal coverage areas are unable to receive the transmissions because of buildings, foliage or terrain.

New York is but the first of three markets Microband expects to conquer. Within the next few months, it also intends to launch similar wireless cable services in Detroit and Washington. Microband has lined up 11 microwave channels in Detroit, 13 in Washington.

In each of the three markets, Microband wireless cable service will be built upon existing non-cable pay television services that it has purchased over the last year. In December 1986 Microband purchased Cooper Wireless, a single-channel MDS (HBO) operator serving nearly 80,000 homes in New York, and First National Home Theater, a single-channel MDS (HBO) operator serving 26,000 homes in Detroit. In April 1987 it acquired American Family Theater, a four-channel wireless cable operator (SelecTV, Home Team Sports, C-SPAN and CNN) serving fewer than 1,000 homes in Washington, and, three months later, it bought Marquee Television, a single-channel MDS (HBO) serving some 27,000 homes in Washington.

In addition to providing a subscriber base, the purchases also give Microband the use of at least one MDS or ITFS channel in each market and, more important, the right to distribute HBO in each market.

Microband apparently has the money to roll out services in all three markets. Drexel Burnham Lambert, the New York-base investment banker, has secured $72 million in long-term financing and equity for Microband and is putting the finishing touches on a $50-million line of credit.

New York Life Insurance, which holds $25 million in senior subordinated notes, is the largest single investor. TA Associates, the Boston-based venture capital firm, holds $6 million in junior subordinated notes and $6 million in preferred stock.

According to Microband Chairman Mark Foster, some of the proceeds from the financing will be used to repay TA Associates, which provided "bridge financing" for the management buyout of Microband from McDonnell Douglas Corp. in May 1986 and the subsequent acquisition program. The bulk of it, however, will be available to cover start-up operation costs.

Microband has agreements for six other programing services—the programers include C-SPAN, The Learning Channel, Financial News Nework/Score, Black Entertainment Television, Home Shopping Network and CNN Headlines News. But, said Foster, Microband prefers to introduce the additional programing gradually to enhance the marketing on the service. "It gives us the ability for to go back and say, 'There's more, there's more, there's more.'"

Foster also acknowledged, however, that there are several cable services that Microband would like to add if it could cut a deal with them. Among these, he said, are ESPN, the Disney Channel, American Movie Classics and SportsChannel New York, the New York-based regional sports channels that carries the Mets and Yankees baseball.

Foster has hopes of striking a deal with ESPN. He noted that the service is available over wireless cable services in San Francisco, Milwaukee and Cleveland and that negotiations with ESPN are continuing. "We presume the discussions are being held in good faith and that we will eventually end up with the programing."

Microband has approached Disney, Foster said, but the family-oriented pay service has yet to say whether it is prepared to deal. Microband has had "some discussion" with SportsChannel, he said. However, the popular sports service "has not yet indicated it is willing to sell to us," he said. "You would think that it would want the widest possible distribution for the Yankees and the Mets," he said. AMC has refused to do business with Microband, he said.

(SportsChannel and AMC are principally owned by Charles Dolan, an agressive cable operator who holds the cable franchise for part of the area Microband has targeted for its service.)

According to Microband's calculations, there are some five million homes that fall within the coverage area of Microband's transmitters. But, because of the line-of-sight limitations, only 4.4 million are "reachable" by the transmitters. Of the 4.4 million, more than 2.4 are already passed by cable. Microband's market comprises the balance—the nearly two million "reachables" without access to cable. The targeted homes are in the New York boroughs of Brooklyn, the Bronx, Staten Island and Queens and the close-in suburbs of northern New Jersey. Microband anticipates signing up between 15% and 20% of all homes during the first marketing pass, Foster said.

Microband is marketing its service just as cable operators do, including local broadcast signals as part of its service package. In other words, Microband service will ultimately comprise 28 channels—14 broadcast and 14 microwave channels. It will be comparable to what Manhattan Cable, the cable system serving Manhattan, now offers, said Foster.

There are plans to build conventional cable systems in all the areas Microband has targeted, but Foster is unconcerned. "With the financing we have been able to arrange, we will be able to be aggressive and bring service to these markets well before cable," he said.

If cable should come, he said, "we will be able to hold our own. If we are able to provide the type of package we are going to provide, we will be here a long time to come."

Foster would not go so far as to say that Microband's wireless cable service would preempt cable in any part of the city. But, he said, the basic economics of wireless cable are more attractive. While a wireless cable system costs less than $400 per subscriber to build, he said, a conventional cable system in urban areas can cost more than $2,000 per subscriber, assuming a penetration rate of 33%.

The concept of wireless cable was created by private enterprise, not the FCC, Foster said. "What we were able to do is utilize technology to integrate all the available over the air channels into a composite wireless cable system that makes the channels easily accessible to the consumer," he said.

In most cases, Microband intends to attach a special microwave receiving antenna alongside the subscriber's UHF/VHF antenna and feed all signals through a single "combiner" and cable to an addressable Zenith Z-TAC converter/descrambler on top of the television set. In addition to descrambling all the microwave signals it has been authorized to descramble, the 100-channel converter/descrambler, which features remote-control tuning and volume control, will also tune in the broadcast signals.

According to Foster, it will cost between $300 and $350 to equip each home to receive the wireless cable service. The final cost will depend on how difficult the installation is and whether the subscriber needs an outdoor UHF/VHF antenna to go along with the microwave antenna.

Microband leases its channels from a variety of licensees, including Educational Broadcasting Corp.; the Board of Education, Mineola Union Free School District; the Network for Instructional Television Inc.; Union (N.J.) Board of Education; Hispanic Information and Telecommunications Network and Group W Radio Inc.

Fritts decries transfer tax

NAB head tells FCBA audience of ways to fund public broadcasting; says taxes and technology are two key issues facing broadcasting community

Broadcasters are willing to pay their "fair share of taxes," said National Association of Broadcasters President Eddie Fritts. But what the industry won't accept, said Fritts, is a "special discriminatory burden on us alone."

Fritts who spoke at a Federal Communications Bar Association luncheon in Washington last week was referring to a Senate proposal that would impose a 2% to 5% license transfer fee on the sale of broadcast properties. The money collected would be applied toward reducing the federal budget deficit in the first two years of the fees existence and to funding public broadcasting thereafter (BROADCASTING, Oct. 26 et seq).

Fritts spoke against what he called a "let's soak the rich broadcasters" approach to taxation. He said Congress is operating under the assumption that all broadcasters are "cash cows waiting to be milked." But that is not the case, he countered, saying that instead thousands of radio stations and hundreds of TV stations are "not meeting bottom-line projections because they operate in an intensely competitive environment."

"This approach also ignores the fact

that all broadcasters pay their fair share of income and capital gains taxes and pay for the use of the spectrum through public service, public affairs, news programing and other services to the American people," he added. "Nor does it recognize that—unlike many other users of the spectrum—broadcasters provide all their services free to the public."

Later, in taking questions from the audience, Fritts suggested there were other ways to raise revenues that would not single out broadcasters. One way would be to "tack a 1% fee on federal income tax, which wouldn't hurt anybody and would raise huge amounts of money...that spreads it equally," he said. "I am not making a proposal," Fritts insisted, rather, he said, he was "simply saying there are other ways to raise revenues. You could freeze the income tax rates where they are today as opposed to letting them go into the lower brackets. There are hundreds of ways that revenues can be raised to satisfy government constraints." But to target particular industries, Fritts continued, "is not the proper way to do it because industries are currently paying their fair share under the current corporate structure."

As for the long-term financing of public broadcasting, Fritts felt it could be accomplished by other means. NAB has already recommended several alternatives including an excise tax on televisions, radios and VCR's, charging a fee for cellular radio applicants and auctioning off nonbroadcast spectrum (BROADCASTING, Nov. 16).

Personally, Fritts told the FCBA attendees, he has concerns about a spectrum auction. Asked whether a federally funded public broadcasting system is needed, he said the public "should pay for a public broadcasting system," a system that he believes "serves a very important niche in our society."

Fritts finds the transfer tax just one of the major challenges facing his industry. His remarks focused on what he called the "twin Ts':taxes and technology," which he feels are crucial issues. "They will confront us with the vigor of kudzu in a southern summer. We must master them or they will bury us," said Fritts.

The development of high-definition television tops NAB's list of technological priorities. The formation of an FCC advisory committee on HDTV is viewed by the association as a positive step. Nevertheless, Fritts thinks the group's May 1988 deadline for a report on spectrum requirements for HDTV may be "unrealistically short." He said there are many questions and "we may not find the answers to these questions in six months or even a year."

In Japan, over-the-air broadcasters have accepted a wide-screen video which he said is not true HDTV. "They have already accepted second-class citizenship. We will not."

He indicated NAB will remain vigilant on the HDTV front; NAB officials traveled to Japan last month to discuss HDTV developments (BROADCASTING, Nov. 2). "We made clear that the transition to HDTV in this country must be orderly and smooth—taking into account the many billions of dollars broadcasters and consumers have invested in the NTSC system," said Fritts. A further exchange of views may occur in January. He said NAB has invited Japanese officials to attend a meeting that will include Canadian and Mexican broadcasters at the close of the NAB board meeting in Hawaii on Jan. 22.

In wrapping up his speech, Fritts stressed again the importance of the "twin t's." "How masterful we are in affecting policy in these two areas will determine whether broadcasting as we have known it for the past 65 years will enter into the 21st century as a strong voice of community service," he said.

Changing Hands

PROPOSED

WKSG(FM) Mount Clements, Mich. □ Sold by Inner City Broadcasting to Ragan Henry National Media Associates for $6,750,000. **Seller** is New York-based group of four AM's and three FM's, headed by Percy Sutton. **Buyer** is owned by Ragan A. Henry, who also has interest in WXTR(FM) Washington and WWDB(FM) Philadelphia. He recently bought KCWV(AM) Leavenworth and KCWV-FM Fairway, both Kansas ("Changing Hands," Nov. 9). WKSG is on 102.7 mhz with 50 kw and antenna 410 feet above average terrain. *Broker: The Mahlman Co.*

KWIZ-AM-FM Santa Ana, Calif. □ Sold by Lieberman Broadcasting Inc. to KWIZ Ltd. Partnership for $6,250,000. **Seller** is owned by Phillip C. Davis, principal in Davis-Weaver Broadcasting, San Jose, Calif.-based group of three AM's and three FM's. **Buyer** is owned by Jose Lieberman, former owner of KTNQ(AM)-KLVE(FM) Los Angeles. KWIZ is on 1480 khz full time with 5 kw. KWIZ-FM is on 96.7 mhz with 3 kw and antenna 115 feet above average terrain. *Broker: Chapman Associates.*

WCCT-TV Columbia, S.C. □ Sold by Carolina Christian Broadcasting Inc. to FCV Communications Inc. for $3.7 million, comprising assumption of $2.5-million note and other expenses. **Seller** is Greenville, S.C.-based group of four TV's owned by James H. Thompson. **Buyer** is owned by Walter K. Flynn, former ABC executive with no other broadcast interests. WCCT-TV is independent on channel 57 with 637 kw visual, 63.7 kw aural and antenna 607 feet above average terrain.

Man of letters. Commercial and noncommercial broadcasters don't always see eye to eye. That was the case last week in a letter sent by National Association of Broadcasters President Eddie Fritts to National Public Radio President Douglas Bennet.

Fritts took exception to some of Bennet's remarks made during a Senate Communications Subcommittee hearing on public broadcasting (BROADCASTING, Nov. 16). It sounded to Fritts, he wrote to Bennet, "as though your plan to use NPR's resources to encourage the public to contact Congress in support of the Hollings [Senator Ernest Hollings (D-S.C.)] transfer tax/fairness doctrine proposal. The proposal would levy a tax on the sale of broadcast properties, after two years the funds would go to public broadcasting. It would also codify the fairness doctrine.

Bennet's suggestion, "could raise serious questions concerning your use of federal funds," Fritts wrote. Using government programing money to lobby—whether on air or by the use of facilities, staff and the mail—violates the insulation which public broadcasters have always advocated," he added.

And the NAB chief said he was unhappy with Bennet's implication that commercial broadcasting's support for long-term financing of public broadcasting is "recent and driven by political expediency." Said Fritts: "That is plain wrong. The NAB board has publicly supported long-range federal financial support since 1975."

He also suggested there are other means for financing public broadcasting and questioned whether Bennet wants to "put all your eggs in one basket."

Bennet, on the other hand, denied he said NPR would use its airtime or any program resource to "influence this or any other legislation." He indicated he wanted to maintain the traditionally "good relations" between the two sectors of broadcasting. But, Bennet wrote, NPR believes the Hollings proposal is the "fairest and most workable option." As for his comments concerning commercial broadcasting's position on long-term funding, Bennet apologized. His statement at the hearing, he said, "did not fully recognize this past support."

The matter, however, did not end there. Fritts last week also wrote to all members of the Senate. He wanted to insure that the association's fight against the transfer tax was not being interpreted as anti-public broadcasting. "NAB stands ready to work with public broadcasters and Congress to help find the best way to provide stable, long-term support for public broadcasting," Fritts's letter stated. The letter included several arguments against the transfer fee. He said it has driven "a wedge between commercial and public broadcasters." Furthermore, Fritts argued, public broadcasting is in no immediate danger if the proposal is defeated. Funds for the Corporation for Public Broadcasting have been appropriated through 1990, which, he said, should give Congress, "ample opportunity to give the issue of a new trust fund for public broadcasting the study and consideration it deserves, but which it did not receive."

WAMR(AM)-WCTQ(FM) Venice, Fla. □ Sold by Hall Communications to Asterisk Radio for $3 million. **Seller** is Norwich, Conn.-based group of six AM's and six FM's owned by Robert M. Hall. **Buyer** is owned by Fred Ingham, who also owns WTRS-AM-FM Dunnellon and WJST(FM) Panama City, Florida. WAMR is daytimer on 1320 khz with 5 kw. WCTQ is on 92.1 mhz with 3 kw and antenna 300 feet above average terrain. *Broker: Stan Raymond & Associates.*

KKBJ-AM-FM Bemidji, Minn. □ Sold by Bemidji Radio Inc. to CD Broadcasting Corp. for $1,300,000. **Seller** is owned by Justin Hoberg, who also owns KJKJ(FM) Grand Forks and KTYN(AM) Minot, both North Dakota. **Buyer** is owned by Cristopher T. Dahl. It also owns KLGR-AM-FM Redwood Falls, KLIZ-AM-FM Brainerd and KXRA-AM-FM Alexandria, all Minnesota. KKBJ is on 1360 khz with 5 kw day and 2.5 kw night. KKBJ-FM is on 103.7 mhz with 100 kw and antenna 460 feet above average terrain.

KEZJ-AM-FM Twin Falls, Idaho □ Sold by KSRV Inc. to B&B Broadcasting Inc. for $970,000. **Seller** is owned by David Kapps, who also owns KSRV(AM)-KXBQ(FM) Ontario, Ore. **Buyer** is owned by George Broadbin and Robert Barron, investors with no other broadcast interests. KEZJ is on 1450 khz full time with 1 kw. KEZJ-FM is on 95.7 mhz with 50 kw and antenna 670 feet above average terrain. *Broker: Chapman Associates.*

WJCM(AM) Sebring, Fla. □ Sold by WJCM Inc. to Gerald L. Saltzer and his wife, Niki for $590,000. **Seller** is owned by Jim Eshleman, who has no other broadcast interests. **Buyer** is general sales manager of WMTW(TV) Poland Spring, Me. WJCM is on 960 khz with 5 kw day and 1 kw night.

KPLA(AM) Riverbank, Calif. □ Sold by David C. Williams to Bernald 1983 Family Trust for $550,000. **Seller** has no other broadcast interests. **Buyer** is owned by Eugene R. Bernald and family. He is station's sales manager. KPLA is on 770 khz with 50 kw day and 1 kw night.

KBVB(FM) Crete, Neb. □ Sold by Saline County Radio, Inc. to Star City Broadcasting, Inc. for $350,000. **Seller** is owned by Melville L. Gleason, who has no other broadcast interests. **Buyer** is principally owned by Roger Agnew, who also has interest in new FM in Honolulu. KBVB is on 103.9 mhz with 3 kw and antenna 225 feet above average terrain.

KTCR(AM) Wagoner, Okla. □ Sold by Telemonde Corp. to Superior International Communications Inc. for $350,000. **Seller** is owned by Ellen Durfey and family. It has no other broadcast interests. **Buyer** is owned by John Cranston and family. Cranston is California-based real estate investor with no other broadcast interests. KCTR is daytimer on 1530 khz with 1 kw.

WCRE(AM) Cheraw, S.C. □ Sold by Orr Broadcasting Inc. to De Hope Communications Inc. for $285,000. **Seller** is owned by Michael Orr, who has no other broadcast interests. **Buyer** is owned by Albert William De Hope III, who also has interest in WPCN(AM) Mount Pocono, Pa. WCRE is daytimer on 1420 khz with 1 kw.

Old college try

Jones International, the parent company of Jones Intercable, is teaming with Colorado State University and the Annenberg/Corporation for Public Broadcasting Project, to deliver bachelor-degree college courses on cable systems.

The service, Mind Extension University, will provide courses ranging from the humanities and social sciences to mathematics and science. It will operate similar to traditional college courses, with students paying tuition ($200 to $400 per course), obtaining textbooks and study guides. A typical course will be viewed in 15 one-hour segments, or 30 half-hour segments. Students will forward homework to a designated instructor for grading and comment. The university will set up times when students may telephone instructors to discuss their work.

Some of the courses will feature documentaries that will take students behind the scenes on historical situations. Among those who will be providing commentary and narration are poet Maya Angelou, economists Paul Samuelson and Milton Friedman, U.S. senators and representatives, and journalists David Schoumacher and Edwin Newman.

Donald Sutton, dean of the university, said Colorado State "will evaluate courses for suitability within the school's curriculum, provide personal faculty counsel by telephone at regularly scheduled hours for students, establish academic records and grade students' performance." Sutton said earned credits can be applied for accredited degree programs at other institutions, but it will be that school's decision whether to accept MEU courses.

Bobbi Kamil, of the Annenberg/CPB Project, said MEU is a step forward in telecourses, and has been aided by the proliferation of videocassette recorders. Kamil said Jones will make available to students tapes of programs they may miss during the semester.

Glenn R. Jones, chairman of Jones International, said "we expect the initial interest to come from those who find study time and travel difficult because of personal, family or professional demands."

Cable target

The National Decency Foundation—the organization that prompted the FCC to crack down on indecent aspects of "shock" radio—may target cable indecency when members reconvene in Washington next March for another round of protests and lobbying. With the growing "pervasiveness" of cable, said NDF's Brad Curl, "there is something inconsistent about saying the local television station can't broadcast indecent programing, but the local cable system can."

Two for Tempo

Tempo Development Corp. has introduced two new configurations of its TVRO package lineup for cable operators, bringing to five the number of packages available. The economy satpak consists of WTBS(TV) Atlanta, WWOR-TV New York, CNN, CNN Headline News and Cinemax and retails for $16.95. The new premium package adds ESPN, USA, CBN and HBO to the above lineup and retails for $29.95.

Essentially the package reflects services that have authorized cable operators to market them in the operators' franchise areas and contiguous counties. TDC handles the back office duties for cable operators and charges them $3.20 and $4.50 per subscriber, respectively, for those chores.

Tempo's other three packages, which include Showtime/The Movie Channel, are sold within the franchises of operators because Viacom has not granted contiguous county rights.

Football on the rise

ESPN ratings for its second regular season game, the Los Angeles Raiders vs. San Diego, improved over week one. The game scored a 7.7 in cable homes, (3.4 million households) and ESPN estimated it got a 9.0 in combined broadcast/cable audience. The estimate stems from there being no overnight metering in the San Diego market. KTTV(TV) Los Angeles, which carried the game, scored an 11.0. The week before, ESPN's ratings were 7.2 in cable homes and 8.5 combined broadcast/cable.

New nostalgia

The Nostalgia Channel has nearly doubled its subscriber count, jumping from 1,460,000 to 2,500,000, with the signing of Cooke Cablevision, which owns 9% of the network, and Rogers Cablesystems. The Cooke systems account for 600,000 subscribers, including the 150,000 from its purchase of First Carolina; the Rogers' systems added 447,000 subs.

In addition, Nostalgia announced it was adding 34 films from the Weiss Global library to the network's lineup. The Weiss films include many westerns from the late 1940's and early 50's.

Country favorites

The Nashville Network plans to hold a Viewers' Choice Awards competition as part of its fifth anniversary next April. Winners in categories will be decided by a vote of cable subscribers through a 900 telephone number.

The awards ceremony will be held on April 26 and shown live on TNN. The categories are favorite male and female vocalist, group, entertainer, album, song, video and newcomer.

Getting technical

The National Cable Television Association has sent out a call for technical papers to be presented at its convention next year, April 30-May 3, in Los Angeles. The deadline for presenting 250-word summaries is Jan. 1. They will be judged on Jan. 6 by an NCTA engineering subcommittee.

Merlis on the move

Ed Merlis, who was vice president, government affairs for the National Cable Television Association, will leave NCTA to join Telaction Corp. as president of its cable affiliate division. Merlis, among other legislative efforts, played a major role in supporting the Cable Communications Policy Act in 1984.

Telaction, a consumer controlled home shopping and information service, is owned by JC Penney. Currently, subscribers can order merchandise from Telaction's 40 stores and services using the keypad of their touch-tone phone. Telaction initially is being marketed in the Chicago area, but it is planned for national roll-out.

'Travel' supporters

The number of advertisers on The Travel Channel, which launched last February, has topped 200, according to Earl Quenzel, senior vice president-marketing and sales.

Flyfaire has contributed over $500,000 in advertising on the channel and will have a half-hour show on Caribbean, airing three times daily. It is the tour operator's first network television buy. The Royal Caribbean Cruise Lines, a returning advertiser, plans to spend $250,000 in advertising on the channel beginning early next year. Other recent signings include Walt Disney World, Intercontinental Hotels, Resorts International, Paradise Island Tourism Development Association and Puerto Rican Tourism.

Advertising on the channel comes in the form of 30- and 60-second spots and two-minute sales videos. Although many of the service's advertisers are travel-related—Cunard cruise lines and hotels, Hilton, Marriott, Japan Air Lines, Lufthansa, Pan Am, TWA, Hertz and Budget, the service has a number of nontravel advertisers, including Austin Reed, Business Week, Fuji Films, Christian Science Monitor, Wall Street Journal, Road and Track, Architectural Digest and Tennis and Golf magazines.

Explaining the ratings

Kay Koplivitz, president of the USA Network, in a speech to a marketing club in Denver, quantified the growth in ratings of the one-hour, off-network, *Airwolf* series on USA. Its weekday October rating was 2.3, a full point above last year, representing a household increase from 350,000 to one million.

More silence

The Silent Network, which programs two hours each week on cable for the deaf and hearing impaired, has signed two major advertisers to its service, AT&T and Sports Illustrated. Marlee Matlin, the deaf actress who an Academy Award for "Children of a Lesser God," hosts a series of infomercials by AT&T. In them she describes AT&T's special services for the

hearing impaired, including its hearing aid telephone. The Sports Illustrated spot will be a captioned commercial.

The sponsors join Best Western Hotels, Mattel Toys, Kal Kan, Campbell Soup and Hallmark Cards as advertisers on the network.

CBN cutbacks

The corporate parent of the CBN cable network announced layoffs last week totaling 145. The layoffs are expected to save it $9 million and help balance the budget. A CBN network spokesman said the cuts do not affect the cable network, and that the network has added employes in the past year. CBN said a downturn in contributions caused the budget shortfall.

Viacom honors

Viacom Cable has presented four employes with its Office of Chief Executive awards. They are Cathy Chrisman, accounts supervisor, Viacom Cable; Roger Hooker, construction manager, Everett, Wash.; Shirley Gulbransen, office manager, Napa, Calif., and Dean Pohlkotte, maintenance supervisor, Dayton, Ohio.

Public critical of intrusive press coverage in political campaign

Times Mirror-Gallup survey also finds favorability ratings of network news anchors dropping

The latest installment of a Times Mirror-Gallup Organization survey of the public's attitude toward media finds respondents critical of press coverage of personal aspects of the lives of political candidates, uninterested in the presidential campaign so far and leaning less favoribly toward the three network news anchors.

The survey, the sixth in an installment dating back to June 1985, found that only 15% and 13% of the population followed "very closely" news about the Democratic and Republican presidential candidates, respectively. The rescue of Jessica McClure from a well in Texas was followed "very closely" by 69% of respondents, followed by the stock market crash, 40%, and the U.S. Navy escort operations in the Persian Gulf, 37%.

A majority of respondents in the 1,500-person survey said the press went too far in the coverage of the Gary Hart-Donna Rice incident and the news about Pat Robertson's first child being conceived out of wedlock. Of those surveyed, 68% and 65%, respectively, said the press went too far in those instances. Regarding charges of plagiarism against Joe Biden, 36% felt the press went too far, and 32% had the same reaction to coverage of charges that members of Michael Dukakis's campaign gave news organizations tapes showing that Biden plagiarized his speeches.

When asked to choose one factor the press should pay attention to, 45% said the candidate's experience and qualifications, 41% a candidate's stand on issues, and only 9% a candidate's personal character. On the character issue in specific there was division, with 49% saying the press was doing a fair or poor job, and 47% saying the press was doing a good or excellent job.

The survey results provided guidelines where respondents drew the line in coverage. Exaggeration of military records should be reported "almost always," said 68%, evading taxes 65%, exaggerating academic records 64%, and disclosure of a candidate's homosexuality 55%. But what fell below the majority line was a candidate's extramarital affairs, with 41% saying it should almost always be reported, and a college arrest for marijuana possession, 36%.

The network anchor ratings dropped signficantly, with CBS's Dan Rather's ratings dropping the most, from a 40% very favorable rating in June 1985 to 24% in this survey. Peter Jennings's fell from 33% to 25% and Tom Brokaw's from 29% to 23%. But in the last two cases, the drops in the very favorable category were regained in the next positive category, mostly favorable. Jennings's rose from 41% to 49%, and Brokaw's from 40% to 46%. Rather's mostly favorable rating also rose, from 41% to 49%, but did not make up the difference from the 40% to 24% drop in very favorable. Rather lost ground in the very unfavorable category, going from 2% to 5%, and in the "can't rate" category, which rose from 5% to 10%. The Cable News Network got good marks. Of those surveyed, 20% had a very favorable opinion in 1985, and that increasd to 23% in the latest survey. CNN also increased in the mostly favorable category, rising from 24% to 30%.

The overall favorability rating of television network news regained lost ground in the last survey period, with 81% saying it was favorable and 13% unfavorable. In June 1985 the numbers were 84%/10%, and dropped to 74%/22% in January 1987. Favorable/unfavorable ratings for newspapers were 81%/13%, the same as TV's, in October-November 1987, 76%/19% in January 1987 and 81%/81% in June 1985. The low points were attributed to coverage of the Iran-contra affair, according Gallup President Andrew Kohut, who said: "President Reagan's approval ratings dropped significantly...but the messenger of that bad news—the press—also took a very hard hit."

In further breakdown, questions related to the presidential campaign, 59% of respondents said the press had too much influence in determining a party's presidential nominee, while 31% said ithad the right amount. What topped the list of complaints in the coverage was intrusiveness, by 18%, followed by too biased coverage, 5%. The respondents still favored close scrutiny of candidates, with 59% saying it was worth it, while 32% saying it was not.

On the issues, 39% said the press was doing a good job in presenting the issues while another 30% said the press was doing "only a fair" job in that category. The reportage of a candidate's experience and qualifications drew similar responses, with 37% giving it good marks, and 38% only fair. There was good news on perceived bias, with 62% believing press had no bias, 16% saying it was tilted in favor of the Democrats and 11% Republicans.

The survey followed up on responses by people who were divided into 11 political groups, ranging from pure Republicans (enterprisers and moralists) to GOP leaners (upbeats and disaffecteds), to nonvoters (bystanders) to Democratic leaning groups (followers and seculars) to core Democratic groups (60's Democrats, new dealers, partisan poor and passive poor). In general, the survey found that Republican-oriented groups were less favorable toward network news than Democratic groups, with the enterprisers being the most critical. The enterprises had bad reviews for Rather, with 30% having an unfavorable opinion, while only 13% and 12% had unfavorable opinions of Brokaw and Jennings, respectively. Yet the optimistic upbeats were least likely (6%) to have unfavorable views of network news, while the seculars (18%) were among the biggest network critics.

Despite the many problems respondents had with press coverage of the presidential campaign, 58% believe the campaign is getting the right amount of coverage and relatively few feel coverage is biased or unfairly favors a particular candidate.

Smith and Sullivan new CBS morning team

CBS completed its search for a male co-host for its 7-9 a.m. news program last week with the expected announcement that CBS News Dallas correspondent Harry Smith will join Kathleen Sullivan when the program debuts on Nov. 30 ("In Brief," Nov. 16). *CBS This Morning* will reportedly be the network's 20th attempt at programing the morning time period since the 1950's.

The naming of Smith follows an extensive search for a male anchor for the new show that included auditions at show's New York studios of several possible anchors. The leading candidate for the role prior to the naming of Smith had been Peter Mansbridge, a 19-year veteran of the Candian Broadcasting Corp. Mansbridge turned down an offer from CBS to co-anchor the new morning show on Wednesday, Nov. 11, after he was reportedly offered the anchor job on the CBC's national newscast, *The National*, beginning next spring.

Prior to Mansbridge, another leading contender was KCBS-TV Los Angeles sportscaster Pat O'Brien.

Since joining CBS News in 1986, the 36-year-old Smith has worked on such stories as the plight of Afghan refugees.

For the Record

As compiled by BROADCASTING, Nov. 11-Nov. 18 and based on filings, authorizations and other FCC actions.

Abbreviations: AFC—Antenna For Communications. ALJ—Administrative Law Judge. alt.—alternate. ann.—announced. ant.—antenna. aur.—aural. aux.—auxiliary. ch.—channel. CH—critical hours. chg—change. CP—construction permit. D—day. DA—directional antenna. Doc—Docket. ERP—effective radiated power. HAAT—height above average terrain. H&V—horizontal and vertical. khz—kilohertz. kw—kilowatts. lic.—license. m or M—meters. MEOC—maximum expected operation value. mhz—megahertz. mi.—miles. mod—modification. N—night. pet for recon—petition for reconsideration. PSA—presunrise service authority. pwr—power. RC—remote control. S-A—Scientific-Atlanta. SH—specified hours. SL—studio location. TL—transmitter location. trans.—transmitter. TPO—transmitter power output. U or unl—unlimited hours. vis.—visual. w—watts. *—noncommercial. Six groups of numbers at end of facilities changes items refer to map coordinates. 1 meter—3.28 feet.

Ownership Changes

Applications

■ KPLA(AM) Riverbank, CA (BTC871103ED; 770 khz; 50 kw-D; 1 kw-N)—Seeks assignment of license from David C. Williams to Bernald 1983 Family Trust for $550,000. Seller has no other broadcast interests. Buyer is owned by Eugene R. Bernald and family. He is station's sales manager. Filed Nov. 3.

■ WJCM(AM) Sebring, FL (BTC871102EA; 960 khz; 5 kw-D; 1 kw-N)—Seeks assignment of license from WJCM Inc. to Gerald L. Saltzer and his wife, Niki, for $590,000. Seller is owned by Jim Eshleman, who has no other broadcast interests. Buyer is general sales manager of WMTW(TV) Poland Spring, ME. Filed Nov. 3.

■ WGML(AM) Hinesville, GA (BTC871103EA; 990 khz; 250 w-D)—Seeks assignment of license from Andrew J. Mcgowan, Jr. to E.D. Steele, Jr. for $8,100. Seller and buyer have no other broadcast interests. Filed Nov. 3.

■ WHOI(TV) Peoria, IL; KOSA-TV Odessa, TX; WTRF-TV Wheeling, WV, and WMTV(TV) Madison and WSAW-TV Wausau, both Wisconsin. (WHOI: ch. 19; 2,240 kw vis., 224 kw aur.; HAAT: 636 ft.; KOSA-TV: ch. 7; 316 kw vis., 39.8 kw aur.; HAAT: 740 ft.; WTRF-TV: ch. 7; 316 kw vis., 30.9 kw aur.; HAAT: 960 ft.; WMTV: ch. 15; 794 kw vis., 79.4 kw aur.; HAAT: 1,160 ft.; WSAW-TV: ch.7; 316 kw vis., 63.2 kw aur.; HAAT: 1,210 ft.)—Seek assignment of license from Forward Communications Corp. to Adams Communications Corp. for $126.5 million. Seller is Wausau, WI-based group of one AM, one FM and five TV's principally owned by former Treasury Secratary William E. Simon and Raymond Chambers. Buyer is Minneapolis-based group of four AM's, five FM's and four TV's principally owned by Stephen Adams. Filed Nov. 3.

■ KKBJ-AM-FM Bemidji, MN (AM: BAL871109EA; 1360 khz; 5 kw-D; 2.5 kw-N; FM: BALH871109EB; 103.7 mhz; 100 kw; HAAT: 460 ft.)—Seeks assignment of license from Bemidji Radio Inc. to CD Broadcasting Corp. for $1,300,000. Seller is owned by Justin Hoberg, who also owns KJKJ(FM) Grand Forks, and KTYN(AM) Minot, both North Dakota. Buyer is owned by Cristopher T. Dahl. It also owns KLGR-AM-FM Redwood Falls, KLIZ-AM-FM Brainerd and KXRA-AM-FM Alexandria, all Minnesota. Filed Nov. 9.

■ KLHO(FM) Thayer, MO (BAPH871104HH; 99.3 mhz; 3 kw)—Seeks assignment of license from Thayer Community Radio Inc. to Meyer Gottesman for $3,000. Seller has no other broadcast interests. Buyer has no other broadcast interests. Filed Nov. 4.

■ KBVB(FM) Crete, NE (BALH871104HI; 103.9 mhz; 3 kw; HAAT: 225 ft.)—Seeks assignment of license from Saline County Radio, Inc. to Star City Broadcasting, Inc. for $350,000. Seller is owned by Melville L. Gleason, who has no other broadcast interests. Buyer is principally owned by Roger Agnew, who also has interest in new FM in Honolulu. Filed Nov. 4.

■ KTCR(AM) Wagoner, OK (BTC871103EB; 1530 khz; 1 kw-D)—Seeks assignment of license from Telemonde Corp. to Superior International Communications Inc. for $350,000. Seller is owned by Ellen Durfey, her husband, Thomas, their children Kendall, Nelson and Grace. Buyer is owned by John Cranston and family. Cranston is California-based real estate investor with no other broadcast interests. Filed Nov. 3.

■ WCRE(AM) Cheraw, SC (BAL871103EC; 1420 khz; 1 kw-D)—Seeks assignment of license from Orr Broadcasting Inc. to De Hope Communications Inc. for $285,000. Seller is owned by Michael Orr, who has no other broadcast interests. Buyer is owned by Albert William De Hope III, who also has interest in WPCN(AM) Mt. Pocono, PA. Filed Nov. 3.

■ WCCT(TV) Columbia, SC (ch. 57; 637 kw vis., 63.7 kw aur.; HAAT: 607 ft.)—Seeks assignment of license from Carolina Christian Broadcasting Inc. to FCV Communications Inc. for $3.7 million. Seller is Greenville, SC-based group of four TV's owned by James H. Thompson. Buyer is owned by Walter K. Flynn, former ABC executive, with no other broadcast interests. Filed Nov. 3.

■ WTNZ(FM) Clinton, TN (BALH871105HL; 95.3 mhz; 3 kw; HAAT: 674 ft.)—Seeks assignment of license from REBS Inc. to RYAD Ltd. for $800,000. Seller is Nashville-based group of four AM'S and four FM's, equally owned by Richard W. James and his wife, Earlene, Steve Hunter, David Cohen, William Bresnan, John C. Roberts and David Layfield. Buyer is headed by Herber Dolgoff, who also owns WTHZ(FM) Tallahassee, FL. Filed Nov. 5.

■ WXIT(AM) Charleston, WV (BAL871103HD; 1490 khz; 1 kw-U)—Seeks assignment of license from Kanawha Broadcasting Corp. to Empire Broadcasting System Inc. for $331,250. Seller is headed by Frank Blake. It has no other broadcast interests. Buyer is headed by Donald A. Cavaleri. It also owns KZKX(FM) Seward, NE, and is buying WVCM(FM) Miami, WV (see below). Filed Nov. 3.

■ WVCM(FM) Miami, WV—(BALH871103HE; 107.3 mhz; 50 kw)—Seeks assignment of license from Boone Broadcasting Co. to Empire Broadcasting System Inc. for about $1 million. Seller is headed by Francis Blake. It also has interest in WWBB(AM) Madison, WI. Buyer is headed by Donald A. Cavaleri. It also owns KZKX(FM) Seward, NE, and is buying WXIT(AM) Charleston, WV (see above). Filed Nov. 3.

Actions

■ KNTF(FM) Ontario, CA (BALH870921HF; 93.5 mhz; 3 Kw; HAAT: 165 ft.)—Granted assignment of license from Best Communications Inc. to Boulder Ridge Cable TV Inc. for $2.7 million. Seller is owned by Jack L. Siegal, who also owns KSRF(FM) Santa Monica, Calif. Buyer is owned by John Dean Hazen, who owns cable systems in Half Moon Bay and Ridgecrest, both California and Hickam Air Force Base, Honolulu. Action Nov. 4.

■ WOOD-AM-FM Grand Rapids, MI (AM: BAL870828GT 1300 khz; 5 kw-U; FM: BALH870828GU; 105.7 mhz; 265 kw; HAAT: 810 ft.)—Granted assignment of license from Grace Broadcasting to United Artists Broadcast Properties for $18,550,000. Seller is owned by Harvey Grace, who now has no other broadcast interests. Station was originally sold to Surrey Broadcasting last year for $19.25 million ("Changing Hands," July 28, 1986), but that deal fell through. Buyer is subsidiary of United Artists Communications, Denver-based, publicly owned motion picture and television production company and cable MSO headed by Stewart Blair, CEO. It has no other broadcast interests. Action Nov. 5.

■ WPHR(FM) Cleveland (BALH870923HL; 107.9 mhz; HAAT: 390 ft.)—Granted assignment of license from Beasley Broadcast Group to Ardman Broadcasting Corp. of Ohio for $4.7 million. Seller is Goldsboro, NC-based group of nine AM's and 12 FM's principally owned by George Beasley. Buyer is subsidiary of Ardman Broadcasting Corp., Washington-based group of seven AM's and seven FM's principally owned by Myer Feldman, Adrienne Arsht and Bruce Houston. Action Nov. 6.

■ WMJW(FM) Nanticoke, PA (BALH870922HK; 92.1 mhz; 860 w; HAAT: 552 ft.)—Granted assignment of license from Thunder Broadcasting Corp. to Frank & Maley Inc. for $750,000. Seller is owned by Francis Koscielski (Frank Stanley). It has no other broadcast interests. Buyer is owned by Robert J. Maley and Joseph A. Frank, who also own WBAX(AM) Wilkes-Barre, PA. Action Nov. 6.

■ WESC-AM-FM Greenville, SC (AM: BTC870923HR; 660 khz; 50 kw-U; FM: BTCH870923HS; 92.5 mhz; 100 kw; HAAT: 2,000 ft.)—Granted assignment of license from Broadcasting Co. of the Carolinas to Flair Broadcasting Co. for $15 million. Seller is wholly owned by Robert Schmid, chairman, who has no other broadcast interests. Buyer is new New York-based company formed to acquire and operate radio stations and headed by John Boden, former president of Blair Radio, New York-based radio rep firm. WESC-AM-FM are company's first acquisition. Action Nov. 4.

■ WFON(FM) Fond Du Lac, WI (BALH870914GP; 107.1 mhz; 3 kw; HAAT: 312 ft.)—Granted assignment of license from Costas Enterprises, Inc. to Independence Broadcasting of Wisconsin Corp. for $3.3 million. Seller is owned by Don Rabbit, who has no other broadcast interests. Buyer is principally owned by John Goodwill and Peter Sulick. It also owns KSAL(AM)-KYEZ(FM) Salina, KN, and KOEL-AM-FM Oelwine, IA. Action Nov. 5.

New Stations

Applications

AM

■ Holly Hill, FL (BP871104AA)—Thomas H. Moffitt seeks 1180 khz; 7.5 kw-D; 250 w-N. Address: 304 Crane Cove, Longwood, FL 32750. Principal has no other broadcast interests. Filed Nov. 4.

FM's

■ Malvern, AR (BPH871104MF)—Malvern Broadcasting Co. seeks 93.3 mhz; 3 kw; HAAT: 35 m. Address: 1402 Hwy 270 North, Malvern, AR 72104. Prinicpal is owned by Kermit L. Richardson and family, who also own KBOX(AM) Malvern. Filed Nov. 4.

■ Malvern, AR (BPH871105MD)—Harbour Enterprises seeks 93.3 mhz; 3 kw; HAAT: 97 m. Address: 317 S. Main St., Malvern, AR 72104. Prinicpal is owned by Donald C. Harbour and family, who have no other broadcast interests. Filed Nov. 4.

■ Farmington, IL (BPH871104ME)—Farmington Broadcasting Co. seeks 95.7 mhz; 3 kw; HAAT: 100 m. Address: 2104 West Moss, Peoria, IL 61604. Principal is owned by Phyllis O. Markley, who has no other broadcast interests. Filed Nov. 4.

■ Manhattan, KS (BPH871103MA)—Kansas Broadcast Associates seeks 104.7 mhz; 50 kw; HAAT: 150 m. Address: 948 Grant Ave. Lot #24, Junction City, KS 66441. Principal is owned Gevin C. Kidd, who has no other broadcast interests. Filed Nov. 3.

■ Manhattan, KS (BPH871104MB)—Little Apple Broadcasting seeks 104.7 mhz; 50 kw; HAAT: 150 m. Address: P.O. Box 1534, Emporia, KS 66801. Principal is owned Mike Law, who has no other broadcast interests. Filed Nov. 3.

■ Farmington, NM (BPH871104MI)—Voice Ministries of Farmington seeks 95.7 mhz; 100 kw; HAAT: 120 m. Address: Star Rte 5, Box 42, Gallup, NM 86515. Principal is owned by Frank Lucero and his wife, Cleone, and Fareed Ayoub and his wife, Annette. It has no other broadcast interests. Filed Nov. 4.

■ Middle Island, NY (BPED871102MF)—Longwood Central School District seeks 88.3 mhz; 250 w; HAAT: 34 m. Address: Yaphank Rd., Middle Island, NY 11953. Principal is educational institution headed by Barbara Weiss, president. Filed Nov. 2.

■ Shadyside, OH (BPH871103MC)—Shadyside Wireless seeks 95.7 mhz; 3 kw; HAAT: minus 42 m. Address: 4433 Wells Pkwy., University Park, MD 20782. Principal is owned by Arthur V. Belediuk, who has no other broadcast interests. Filed Nov. 3.

■ Shadyside, OH (BPH871104MH)—Getz Broadcasting Inc. seeks 95.7 mhz; 3 kw; HAAT: minus 42 m. Address: 4301 SW 35th Terrace, Topeka, KS 66614. Principal is owned by Gerald A. Getz, who has no other broadcast interests. Filed Nov. 3.

■ Delta, UT (BPH871105MI)—TGWM Inc. seeks 95.7 mhz; 100 kw; HAAT: 2 m. Address: 781 North Valley View Dr., #34, St. George, UT 84770. Principal is owned by Glen S. Gardner, Orval Wright, Rex L. Jackson and John L. Miles.

TV's

■ Panama City, FL (BPCT871103)—The Rock of Panama City Inc. seeks ch. 62; 2,000 kw vis., 200 kw aur.; HAAT: 219 m. Principal is owned by F. Nolan Ball, who has no other broadcast interests. Filed Nov. 3.

■ Joliet, IL (BPCT871102KE)—Joliet Television Station LP seeks facilities of WGBO-TV (BROADCASTING, Nov. 16). Address: 35 E Wacker Dr., Suite 1356, Chicago, 60601. Prinicpal is owned by Terry Dolan, who has no other broadcast interests. Filed Nov. 10.

Actions

AM's

■ Buena Vista, GA (BP870518AF)—Returned app. of Ruben Burton for 890 khz. Address: 613 S Lagrange Rd., Lagrange, IL 60525. Principal has no other broadcast interests. Action Nov. 6.

■ Lithia Springs, GA (BP850329AF)—Granted app. of Georgia Broadcasters for 830 khz; 50 kw-D; 1 kw-N. Address: 4610 Brainwood Dr., Sacramento, CA 95821. Principal is headed by James E. Auel, who also has interest in KEWQ(AM) Paradise; KGBA-FM Holtville; KKMC(AM) Gonzales; KPRZ(AM) San Marcos, all California; WCHP(AM) Champlain, NY. and WGNZ(AM) Titusville, FL. Action Nov. 5.

■ Rocky Mount, NC (BP860724AC)—Granted app. of Rocky Mount Radio for 1120 khz. Address: 85 E Harris St., La Grange, IL 60525. Principal is owned by Karen M. Cox, who has no other broadcast interests. Action Nov. 6.

■ Roxbury, NY (BP870109AI)—Granted app. of Harvest Broadcasting for 1400 khz; 1 kw. Address: P.O. Box 105, Hinsdale, NH 03451. Principal is owned by Brian Dodge, who has interest in KTIJ-FM Alva, OK. Action Nov. 3.

FM's

■ Sac City, IA (BPH860313MU)—Granted app. of Sac Radio General Partnership for 105.1 mhz; 3 kw; HAAT: 220 m. Address: 285 Burr Rd., East Northport, NY 11731. Principal is owned by Robert M. Reed, who has no other broadcast interests. Action Nov. 6.

■ Sweet Home, Ore. (861208MM)—Returned app. of Nanette Markunas for 107.1 mhz; 3 kw; HAAT: 328 ft. Address: P.O. Box 2576, Montauk, NY 11954. Principal has no other broadcast interests. Action Oct. 22.

Allocations

■ Meridianville, AL—Effective December 28, amended the FM Table by allotting Channel 231A (94.1 mhz) to Meridianville as its first local broadcast service. The filing window opens December 29 and closes January 28. (MM Docket 86-376 by R&O [DA 87-1624] adopted October 30 by the Chief, Allocations Branch, Mass Media Bureau).

■ Apache Junction, AZ—At request of Beta Communications, Inc., proposed substituting Channel 296C2 (107.1 mhz) for Channel 296A and modifying the license of KSTM to operate on the C2 channel. Comments due January 7, replies January 22. (MM Docket 87-506 by NPRM [DA 871634] adopted October 30 by the Chief, Allocations Branch, Mass Media Bureau).

■ Window Rock, AZ—Effective December 28, amended the FM Table by allotting Channel 241C (96.1 mhz) to Window Rock as its second local FM service. The filing window opens December 29 and closes January 28. (MM Docket 86-417 by R&O [DA 87-1623] adopted October 30 by the Chief, Allocations Branch).

■ Big Bear City, CA—Effective December 28, amended the FM Table by allotting Channel 227A (93.3 mhz) to Big Bear City as its first local broadcast service. The filing window opens December 29 and closes January 28. (MM Docket 86-311 by R&O [DA 87-1626] adopted October 30 by the Chief, Allocations Branch).

■ Sacramento, CA—Effective December 28, amended the TV Table by allotting Channel *52 to Sacramento as its second noncommercial educational TV service. (MM Docket 86-246 by R&O [DA 87-1625] adopted October 30 by the Chief, Allocations Branch).

■ Mountain Home, ID—At request of Mountain Home Broadcasting, proposed substituting Channel 256C (99.1 mhz) for Channel 257A (99.3 mhz), and modifying the license of KJCY to specify the new channel. Comments due January 7, replies January 22. (MM Docket 87-507 by NPRM [DA 87-1638] adopted October 30 by the Chief Allocations Branch).

■ Ida Grove, IA—At request of Buena Vista College, proposed substituting Channel 225C2 (92.9 mhz) for Channel 224A (92.7 mhz) and modifying the license of KIDA(FM) to operate on the higher class channel. Comments due January 7, replies January 22. (MM Docket 87-508 by NPRM [DA 871637] adopted October 30 by the Chief, Allocations Branch).

■ Lisbon, NH—At request of Montpelier Broadcasting, Inc., proposed allotting Channel 244A (96.7 mhz) to Lisbon as it first local FM service. Comments due January 7, replies January 22. (MM Docket 87-509 by NPRM [DA 871636] adopted October 30 by the Chief, Allocations Branch).

■ Roswell, NM—Effective December 31, FM Channel *258A (99.5 mhz) to Roswell for noncommercial educational use. (MM Docket 87-194 by R&O [DA 87-1640] adopted October 30 by the Chief, Allocations Branch).

■ Canton, NY—At request of Craig L. Fox, proposed allotting Channel 268A (101.5 mhz) to Canton as its second local FM service. Comments due January 7, replies January 22. (MM Docket 87510 by NPRM [DA 87-1635] adopted October 30 by the Chief, Allocations Branch).

■ Banks, OR—Effective December 28, amended the FM Table by allotting Channel 298A (107.5 mhz) to Banks as its first local FM service. The filing window opens December 29 and closes January 28. (MM Docket 87-188 by R&O [DA 87-1616] adopted October 30 by the Chief, Allocations Branch).

■ Columbia, SC—Effective December 31, allotted TV Channel 47 to Columbia as its fifth local commercial TV service. (MM Docket 87-125 by R&O [DA 87-1639] adopted October 30 by the Chief, Allocations Branch).

■ Olympia, WA—Effective December 28, amended the TV Table by allotting Channel 67 to Olympia as its first commercial TV service. (MM Docket 87-70 by R&O [DA 87-1627] adopted October 30 by the Chief, Allocations Branch).

Summary of broadcasting as of Sept. 30, 1987

Service	On Air	CP's	Total *
Commercial AM	4,893	170	5,063
Commercial FM	3,999	418	4,417
Educational FM	1,283	173	1,456
Total Radio	10,175	761	10,936
FM translators	1,115	766	1,881
Commercial VHF TV	543	23	566
Commercial UHF TV	463	222	685
Educational VHF TV	115	3	118
Educational UHF TV	203	25	228
Total TV	1,324	273	1,597
VHF LPTV	247	74	321
UHF LPTV	162	136	298
Total LPTV	409	210	619
VHF translators	2,981	145	3,126
UHF translators	1,998	293	2,291
ITFS	250	114	364
Low-power auxiliary	824	0	824
TV auxiliaries	7,430	205	7,635
UHF translator/boosters	6	0	6
Experimental TV	3	5	8
Remote pickup	12,338	53	12,391
Aural STL & intercity relay	2,836	166	3,002

* Includes off-air licenses.

Facilities Changes

Applications

■ Escanaba, MI, WCHT, 600 khz—871103-Application for CP to change city of license to Gladestone, MI; change freq to: 750 khz; reduce pwr to 400 watts; change TL to: 1 km N of Hwy 414 on Co Hwy 527, 4 km SE of Village of Flat Rock, Delta Co, Township of Wells, and make changes in antenna system. 45 48 21N 87 08 20W

Actions

■ Minneapolis, MN, KTIS, 900 khz—871106-Application (BP870331CP) returned for CP to increase day power to 50 kw; add night service with 0.3 kw; install DA-2; change TL to: East side of Century Ave., 0.15 mi S of intersection of Larpenteur Ave, and N of Chicago and Northwestern Railroad, Oakdale, MN and make changes in antenna system.

■ St. Marys, WV, WVVW, 630 khz—871106-Application (BP870327AM) granted for CP to increase power to 1 kw.

FM's

■ Montgomery, AL. WLWI-FM, 92.3 mhz—871109-Application (BPH870227MZ) granted for CP to change TL: 2.4KM N of intersection of Burbank Drive & Rte 80, Montgomery, AL; change HAAT: 334 m. H&V & make changes in antenna system. 32 24 11N 86 11 48W

■ Grover City, CA. KOSZ, 107.1 mhz—871109-Application (BPH870330IL) granted for CP to make changes: FREQ: 107.3 MHZ (Per Docket #86-221); change ERP: 4.2 kw H&V; change HAAT: 807FT. H&V.

■ Los Altos, CA, KLZE, 97.7 mhz—871106-Application (BPH871002IC) granted for CP to make changes: TL: Rural, 3.7KM SW of Monta Vista, CA, on hill above cement plant; change ERP: 1.6 kw H&V: change HAAT: 137 m. H&V. 37 18 27N 122 05 36W

■ New Orleans, WQUE-FM, 93.3 mhz—871109-Application (BPH870213IA) granted for CP to make changes: TL: 4 Cooper Rd, Gretna, LA; change HAAT: 305 m. H&V. 29 54 24N 90 02 22W

■ New Orleans, WAJY, 101.9 mhz—871105-Application (BPH870225IK) granted for CP to make changes: TL: 4 Cooper Rd, Gretna, LA; change ERP: 97.4 kw H&V; change HAAT: 305 m. H&V. 29 54 24N 90 02 22W

■ New Orleans, WYLD-FM, 98.5 mhz—871109-Application (BPH870227MN) granted for CP to change TL: Near Gretna City, 4 Cooper Rd, 1.6KM S of intersec. of US Rte 90 & State Rte 428, adjacent of WWL-TV Tower, Gretna, LA; change HAAT: 304.9 m. H&V & make changes on antenna system. 29 54 24N 90 02 22W

Actions

■ Tolleson, AZ.—Granted application of Aztec Broadcasting Corp. for a new TV station at Tolleson; denied nine competing applications. (MM Docket 85-182 by ID [FCC 87D-40] issued November 10 by ALJ Edward Luton).

■ Leland, MI.—Granted Pyramid Communications, Ltd. a CP for an FM station on Channel 232A (94.3 MHz) at Leland. (MM Docket 87-165 by Summary Decision [FCC 87D-42] issued November 6 by Chief ALJ Thomas B. Fitzpatrick).

■ Billings, MT.—Granted Echonet Corporation a CP for a TV station on Channel 20 at Billings. (MM Docket 87-157 by Summary Decision [FCC 87D-41] issued November 6 by Chief ALJ Thomas B. Fitzpatrick).

■ Tequesta, FL.—Gave Tequesta Television, Inc. seven days from the release date of this order to file documentation necessary for considera- tion of Tequesta's request for extraordinary relief. (MM Docket 85-60 by MO&O [FCC 87R-60] adopted November 6 by the Review Board).

Call Letters

Applications

Call	Sought by
New TV	
KCCW-TV	KNMI Midwest Call Letters, Inc., Walker, MN

Grants

Call	Sought by
New AM's	
WANQ	Albany Broadcasters, Delmar, NY
KYND	Matthew Provenzano, Cypress, TX
WNDT	Danville Radio, Danville, VA
WRAZ	Radio Eleven Sixty, Fieldale, VA
New FM's	
KDHM	Dennis Harold Mitchell, Hokie, AR
KIPA-FM	Big Island Bcg Co., Ltd., Hilo, HI
WJAV	Linda Crook, Quincy, IL
KHIA	Hiawatha Ed. Bcg Fndtn, Hiawatha, KS
WBDM	Board of Trustees of Michigan State Univ., East Lansing, MI
WJAU	James Verkest, Norway, MI
KOKS	Calvary Educational Bcg Network, Poplar Bluff, MO
WRCI	Rumford Communications, Inc., Hillsboro, NH
WPJV	Pioneer Joint Vocational School Dist., Willard, OH
KSUW	Sulphur Ed. Bcg Fndtn, Sulphur, OK
WGRC	Salt and Light Media Ministries, Inc., Lewisburg, PA
Existing AM	
WKOS	WWNH Salmanson Communications, Inc., Rochester, NH
Existing FM's	
WLMG	WAJY Loyola University, New Orleans, LA
WOGL	WCAU-FM CBS, Inc., Philadelphia, PA
WUCZ	WRKM-FM Wood Bcg, Inc., Carthage, TN

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Panamsat bemoans competitive position vis a vis Intelsat

Company report seeks more 'competitive' pricing for Intelsat's planned domestic services

Pan American Satellite Corp., the only American company thus far authorized to provide a separate communications satellite service in competition with the International Telecommunications Satellite Organization, has been stymied in providing that service. And it blames what it says is Intelsat's predatory pricing for planned domestic services (PDS).

Last week, PAS released a report designed to rally American users of the international system behind an effort to urge the U.S. to seek what PAS says would be more competitive prices for Intelsat's PDS. It says the Intelsat system is loaded with excess capacity, and prices capacity for PDS far below cost. As long as that situation remains, the report says, U.S. consumers of monopoly service—including broadcasters—will bear unnecessary cost burdens.

Intelsat's potential competitors, like PAS, are also said to be at risk. Indeed, a PAS representative who had conferred with potential customers in Latin America said last week that the prices Intelsat charges for transponders used by countries for domestic service are less than those PAS can charge for the transponders it would provide—"considerably less." The representative said Intelsat already has an advantage in the "long term relationship" it has had with the government offices operating the telecommunications industries in their respective countries.

Following a long and bruising U.S.-Intelsat consultation process, Intelsat last April concluded that the PAS system would be technically compatible with the global system and would not cause it undue economic harm. And PAS was authorized by the FCC to provide international service between the U.S. and Peru. But PAS also hoped to provide domestic service in Latin America. Providing it is, as the PAS representative indicated, a problem. Another PAS spokesman last week said, "If Intelsat can take away domestic service from Panamsat, it will take away Panamsat. So Panamsat has a lot at stake."

"What we hope to do," the representative said of the PDS matter, "is to get this thing out in the open, to show that this is more than a Panamsat issue. It is to show that this [the Intelsat pricing policy] has an effect on what television pays for video services on Intelsat." Nor is the problem limited to broadcasters. It would apply to all users of Intelsat's monopoly services. And the U.S. is the largest user of Intelsat services. "This should be a matter of wider concern," the representative said.

A major element in the effort to make "this...a matter of wider concern" was PAS's release to reporters last Tuesday of an executive summary of an economic analysis of proposals by both Intelsat and the Communications Satellite Corp. for pricing PDS. The summary backs PAS's contention that Intelsat's PDS prices are not cost-justified. The report, scheduled for release three days later, had been prepared by an economic consulting firm, Economists Inc., which is headed by Dr. Bruce Owen. One of the guidelines governing the briefing that accompanied the release was that the briefers not be identified by name.

Another element in the effort is the petition PAS filed with the FCC on Nov. 5 asking it to request comment on PDS pricing methodology "to allow interested parties to participate in the development of the U.S. government's position" on the issue. The Intelsat Board of Governors is scheduled to consider the matter at its quarterly meeting beginning on Dec. 10. But PAS, in its Nov. 5 filing, said that because of "the complexity of the issues involved," the government should seek a deferral of the pricing issue, to allow additional time in which to evaluate comments and develop a U.S. position.

EI examined the proposals for pricing PDS that were filed both by Intelsat and Comsat at the last Board of Governors meeting after they were made available in response to a PAS request. Comsat, the U.S. signatory to Intelsat, has expressed the U.S. policy insisting on cost-based pricing at Intelsat meetings. However, PAS representatives said that although Comsat's proposals were not as low as Intelsat's, they were less than what cost-based pricing would require. The EI report says neither set of proposals is supported "by economic efficiency arguments" and that, in particular, "no empirical basis is provided for charging lower prices to PDS users than to international users."

The report refers to what the authors describe as "very serious costing problems with the proposals." It says both Intelsat and Comsat "ignore millions of dollars in costs, with the result that prices will be below cost for domestic services." And because the system's costs must be recovered from someone, the report adds, "it appears that Intelsat will price above costs for monopoly services." The report cites what the authors consider three major defects in the pricing methodology employed by Intelsat and Comsat.

(1) PDS prices reflect costs based on demand forecasts that may be unrealistically high. According to demand forecasts developed by the United Kingdom, costs per transponder are 46% higher than the investment costs estimated by Comsat. (2) Intelsat and Comsat fail to take into account interest incurred during construction of satellites. The consequence is to make PDS prices too low by up to 136%. (3) And the PDS pricing proposals are based on cost averages that ignore cost differences among different types of transponders, such as power and bandwidth. As a result, some PDS transponders will be priced 37% below the claimed costs.

"The fundamental problem here is that Intelsat has imprudently built and then launched unneeded capacity," the report says. "Even with arguably predatory prices for PDS, only 48% capacity utilization for the entire Intelsat system is expected by 1993." And of the global system's planned capacity in that year, 70% is yet to be launched, "including three satellites which have yet to be designed or built."

The report says "a significant part of the burden" of the excess capacity "ultimately falls on the U.S. rate payers who must use Intelsat's monopoly services." As an example, the report cites the residual investment to be recovered from other customers of C-band hemi 72-mhz transponders. It says the cost will exceed the PDS prices that Comsat proposed for those transponders "by more than three to one."

The PAS representatives did not explicitly charge that Intelsat is continuing to build excess capacity into its system so that it could charge the lower rates for PDS that would serve as a barrier to would-be competitors. Indeed, the EI report says Intelsat has provided and planned for PDS since at least 1979, long before competitive services were on the horizon. But it also says PDS is now "very important to Intelsat and U.S. ratepayers." A United Kingdom analysis shows that PDS will account for 39% of Intelsat's 1993 demand and that PDS use will actually exceed demand for conventional international service in that year.

Intelsat officials have attributed the system's excess capacity to members' overly ambitious estimates of need. At present, Intelsat is preparing for launches of five Intelsat VI satellites and is looking ahead to launches of a series of at least five Intelsat VII satellites in the 1990's. A Panamsat representative said that, "without doubt," some of the Intelsat VI series of satellites are needed-but not all. And now, he said, "we have a fresh opportunity" to consider the need for the Intelsat VII satellites.

Classified Advertising

See last page of Classified Section for rates, closing dates, box numbers and other details.

RADIO

HELP WANTED MANAGEMENT

Sales manager for a top-rated California FM. I need someone who knows local and regional sales inside out. Someone who wants to make lots of money, your basic born leader. Interested? Send resume. Box A-27.

Established radio-group operator seeks successful, bottom-line oriented general manager with top 25 market experience as GM and proven experience in budget management, expense control, sales, and programing. Will manage AM/FM in Midwest top 15 market and supervise two AM/FM top 25 market stations. History of stable, long-term employment a must. Submit a letter giving complete career and salary history and current references. Responses will be kept strictly confidential. Write to Box A-80.

President: undertake financial analysis; research, negotiate and purchase radio stations, broadcast rights, satellite space and access to new technology such as down beam equipment. Oversee development of news & music programing, format selection & identification packaging for Hispanic audiences. Develop radio networking for news broadcasts; negotiate sales & licensee agreements; supervise staff; manage company. Bachelors degree in business admin. 3 yrs/exp. doing above, or 3 yrs/exp. as president/general manager doing above (except no prior satellite experience required). Must be fluent in Spanish & English. 40 hrs/wk (9am-6pm) $40,000/yr. Apply at the Texas Employment Commission, Dallas, Texas, or send resume to the Texas Employment Commission, TEC Building, Austin, TX 78778, J.O. # 4640842. Ad paid by an equal employment opportunity employer.

Enthusiastic radio station employer seeks a general manager/engineer for a 5kw 18 hour public local access repeater radio station in rural Alaska. Applicant must: have a working knowledge of public radio station financing; must have radio station management experience; should have engineering experience but not required; Duties include: development of budgets for board approval; all aspects of station management including: a. volunteer recruitment and training; b. fund raising; c. program production; d. announcing; perform routine emergency and studio maintenance. Manager reports to an eleven member board of directors. Salary: $30,000.00 plus 2 br. apartment provided on studio site. Starting date: December 19, 1987 or as soon as possible after hire. Contact and or mail resume to: Harry E. Purdy, President, Big River Public Broadcasting Corporation, P.O. Box 165, Galena, AK 99741, 907—656-1488. Resumes will be accepted until November 20, 1987 or until position is filled.

Public radio general manager: Sioux City, IA. KWIT-FM, licensed to Western Iowa Tech Community College, is seeking a general manager to direct a fulltime staff of seven on a 24-hour program schedule. Responsible for all management and budget functions; coordinates FCC, CPB, and NPR relations; extensive fund-raising activities, including on-air, corporate, and advertising/rental income; considerable involvement with volunteers and licensee activities; some on-air work. Position requires strong management, organizational and people skills; appreciation for classical music and the broad mission of public radio; commitment to audience building, fundraising, promotion and public relations. Minimum requirements include five years' broadcasting management experience, preferably in public radio; at least a BA degree; or any equivalent combination of experience and education which provides the required knowledges, skills and abilities. Salary of $30,784 with full benefits. Deadline for applications is 12/11/87. Send letter and resume with three references and a brief audition tape to Don Kingery, Director of Personnel, Western Iowa Tech Community College, Box 265, Sioux City, IA 51102. EOE/AA M-F.

Sales or general manager wanted: We're number one in the market and need strong sales oriented, responsible manager. Great opportunity to join young, growth oriented radio corporation. We're honest, real and looking for life long constituents. Must be willing to locate in Tennessee. Box A-61.

Program manager: WJLK Radio has a career opportunity for a positive individual to direct our program, news, and promotions managers. Minimum 7 years cumulative experience in radio and exceptional organizational, managerial, and business skills required. No phone calls please. Send resume with salary requirements to: John Dziuba, General Manager, Press Broadcasting Company, 605 Mattison Avenue, Asbury Park, NJ 07712. EOE.

General manager: North Florida small market FM located near Tallahassee. Energetic, proven sales ability, able to hire, train, motivate. Resume, references, salary history. Contact Harry Hagan, 904—584-2373, P.O. Box 821, Perry, FL 32347.

Station manager for WNCW, a new public radio station, at Isothermal Community College. Qualifications include a bachelor's degree in communications (master's preferred) and a minimum three continuous years in an administrative public radio position. The station manager will take the lead in building a professional broadcast service that will become NPR affiliated and CPB qualified. Start-up date for WNCW is set for July, 1988. Starting date for the position is February 1, 1988. Mail resume and three reference letters by November 30, 1987 to: Mrs. Lujuanna Clayton, Isothermal Community College, P.O. Box 804, Spindale, NC 28160. Isothermal Community College is an equal opportunity, affirmative action employer.

Radio station general manager. Lindenwood College is seeking a general manager for its 25,500 watt public radio station, KCLC-FM, to begin after January 4, 1988. The general manager must have the leadership ability to develop effective programing to increase listenership in the metropolitan St. Louis area and work with various constituencies to enhance the fundraising capability of the non-commercial station while continuing a tradition of student operation as a working laboratory for the Lindenwood College Communications Department. Minimum requirements include a master's degree and five years professional broadcast experience with at least three years at the management level. The salary is competitive. A letter of application, a resume and a list of 5 references (including addresses and telephone numbers) should be sent to: Dr. Daniel N. Keck, Vice President for Academic Affairs, Lindenwood College, St. Charles, MO 63301. Applications will be accepted through December 7, 1987. Lindenwood College is an affirmative action/equal employment opportunity employer.

Southern Connecticut GM. Successful community station in attractive location seeks well-rounded general manager. Reply in confidence to Box A-86. EOE M/F.

GSM for medium market in mid-South. An excellent opportunity with a leading combo and a growing company. If you're an aggressive pro with a track record we'd like to hear from you. Reply confidentially to Box A-84.

HELP WANTED SALES

California country FM needs new local sales blood! If you would like to work in a market of more than 300,000 for a top-rated station that billed more than 1.5 million last year, send a resume. Box A-26.

Midwest Family Radio is looking for outstanding sales manager candidates for its 18 station group. If you have a strong track record and want to grow in a group where people are its most important asset, then we need to talk! Please write, submitting complete resume, work experience, and salary history to: Chuck Mefford, V.P. Sales, Midwest Family, 321 E. Lake St., Petoskey, MI 49770.

St. Louis radio station seeks experienced salesperson. Excellent potential with opportunity for advancement. Send resume in full confidence to Box A-68.

Number one or two on your staff and ready for advancement? Come grow with us in a top 100 coastal California market. If you believe your future is unlimited, convince us with your resume and follow up. Our expanding chain offers unsurpassed opportunities for winners. Box A-78.

Our sales managers are organized motivators propelled by enthusiasm, creativity and intelligence into general managership positions in our rapidly growing chain. If you are convinced that systems, planning and team effort foster success and you desire an opportunity to prove it with a five person staff in coastal California, contact: Box A-79.

If you're good enough to work straight commission, contact America's best and hottest jingle company. 1—800—368-0033.

Salespeople in New York, Baltimore, Miami markets make extra cash selling top radio stations for sports network. 516—422-7777.

Sales manager. Growing market in North Central Illinois. Great city for your family and your career. Excellent pay, benefits. Send resume to WZOE AM/FM, Box 69, Princeton, IL 61356. EOE.

Going nowhere? Fast growing group with big 100,000 watt FM in Albuquerque, NM has need for two experienced sales people to add to present staff. We're spending big bucks to be number one. College - 3 years outside experience minimum requirements. Send resume with letter - sell us! Draw against commission, perks. Get in on the ground floor. Confidentiality respected. E.E.O. Box A-88.

HELP WANTED ANNOUNCERS

CHR morning host needed to deliver 18-34 for market leader. Resume to Box A-64.

Weekend warrior wanted to handle DJ/news/production. Join WLNG's fun guys. Sag Harbor, Long Island 516—725-2300. EOE.

AM radio host. Seeking morning personality to host news/talk format in #1 A.D.I. Highly competitive salary and benefits in exchange for informative person with distinguished style. If you're fresh and ready for challenge send tape to N. Weil, P.O. Box 551, WFAS-AM, White Plains, NY 10602. EOE.

Plains state: small market. Experienced news-oriented broadcaster for morning show and commercial production on full-service community AM/FM. You may now be in larger market but would prefer raising your family in small town. And you've probably held your current position for at least three years. Community involvement and exceptional people skills a must. This is a permanent position with above-market salary for right person. Resume, salary history, aircheck and commercial audition to KVSV, Box 7, Beloit, KS 67420.

Beautiful Napa Valley, California, 45 miles from San Francisco, seeking individual with air ability for both adult contemporary music show and hosting afternoon news block. Females are encouraged to apply. Cassette and resume to Tom Young, 1124 Foster Rd., Napa, CA 94558. 707—252-1440.

HELP WANTED TECHNICAL

Chief engineer for top rated combo. Southwest metro market. Strong experience with directional AM and Class "C" FM transmitters, studio and audio. Excellent salary, benefits. Reply to Box A-83.

KKLQ AM/FM (Q106), San Diego, looking for hard-working, energetic engineer. Strong RF background and contemporary format experience needed. Resume & references to: 8525 Gibbs Dr., #204, San Diego, CA 92111. Equal opportunity employer.

HELP WANTED NEWS

Afternoon news anchor wanted: 100,000 watt market leader seeks an experienced anchor/reporter. Strong delivery and top notch writing skills a must. Send tape and resume to Dan Robison, News Director, WCOS FM/AM, Box 748, Columbia, SC 29202. EOE.

Broadcast meteorologist: NY area's largest weather forecast company has immediate opening for experienced forecaster with strong on-air delivery. Rush audio cassette & resume to P.O. Box 1122, Flushing, NY 11354.

Managing editor. Wisconsin Public Radio seeks energetic reporter/newscaster with strong on-air presence, leadership and organizational skills to oversee Madison-based newscast team. Prepare/present newscasts/reports for broadcast statewide; assist in preparing materials for network newsbureau use; coordinate assignments with magazine unit. Bachelors degree preferred. Requires previous supervisory experience with professional-level staff; issue-oriented news judgement; personable, conversational delivery; focused, fluid broadcast writing style; ability to quickly analyze and edit copy for content and broadcast style. Salary: $23,000 annual rate. Application deadline: December 18, 1987. For required application, write or call: Mary Mead, WHA Radio, 821 University Avenue, Madison, WI 53706. 608—263-2170. Equal opportunity employer.

News director for S.E.N.Y. AM/FM. Experience and good delivery a must. No beginners. Reply Box A-82.

HELP WANTED PROGRAMING PRODUCTION AND OTHERS

Vice president: Programing and research: Northeast start-up radio venture. Evaluate acquisitions, implement formats, advise system management. Requires strong research background and programing experience in many formats and all-sized markets. Must have excellent industry reputation. Energy, ability to listen and communicate, willingness to take risks. Resume to Box A-50. Strictly confidential.

Radio programer. Must be creative, promotional minded and have at least 3 years experience. Excellent benefits with growing company in southwestern West Virginia and eastern Kentucky. EOE. Reply to Box A-76.

SITUATIONS WANTED MANAGEMENT

General manager/sales manager small market. Presently AM/FM general manager. 19 years experience. Looking for new challenge. Box 446, Seymour, TX 76380.

Medium market general manager seeks new challenge. 17 years radio, 10 years management. Great track record with profits, programing, sales and people. Under 40, family man, ready to relocate. Box A-77.

GSM major CA market. looking for GM position. Radio pro who has done it all. Prefer Calif., Replies held in confidence. Box A-75.

Available now-broadcast pro with 18 yrs. experience, seeking full charge management of small/medium market FM or combo in the Rocky Mountain region. Strong experience in all facets of the business. Call Jack, 214—723-2605.

General manager: Experience in station turnarounds. Looking for new opportunity in top 100 market...preferably Southeast. Strong on sales. Programing. Station visibility. Dynamic people person...Catalyst for enthusiasm! Call Jack 305—465-2736.

SITUATIONS WANTED SALES

Top 50 AM sales specialist! Looking for AM with growth potential. Call Don 301—742-1345.

SITUATIONS WANTED ANNOUNCERS

17 year Cincinnati on air drive time veteran! Background includes program management and drive time in various formats including stereo country, A/C, rock and CHR. Available now. Please call Scotty Jackson (Jerry Anderson) 606—824-6515.

Easy listening, memory music stations. 25 years experience, deep pipes, final career move. Neil - 518—383-0239.

Immensely versatile and talented DJ with creative copywriting and production skills seeks a progressive market format. I'm young, ambitious, highly experienced with vast amounts of untapped potential, which can definitely attract listeners and revenue. Call Kevin after 6pm EST 516—481-9004.

Hard-hitting conservative: Extremely controversial. Attack "sacred-cows" where it hurts - 11 years experience major market. Box A-71.

SITUATIONS WANTED NEWS

Reporter, black male, medium market experience, college grad, excellent writer and aggressive with a desire to enterprise. 1—313—241-9667.

Reporter/anchor at small station seeks larger market. City Hall, local news, and reporting experience as a stringer for national radio network(s). All I ask is that you hear my aircheck. Box A-70.

13 year veteran of news and sports seeks a crack at a top 60 market station. Excellent writing skills and calm, authoritative delivery. Call 509—335-6546 or 509—332-2370.

News director/editor/anchor. Management pro. All formats. Credible. Authoritative. Medium/major market inquiries only. Dave Brannen: 614—891-7373.

SITUATIONS WANTED PROGRAMING PRODUCTION AND OTHERS

Morning drive entertainer, manager, salesman, play by play. All around radio talent seeks morning opportunity with possible sales/management combo. Box A-21.

13 years radio/TV plus agency. Programing, operations, production, air. Some sales; Jennings-trained. Prefer opportunity Northeast. Box A-51.

Cleveland/Pittsburgh: Jerry "DJ" Strothers. Production & promotion wizard! Station owners call: 1—800—327-5786, all others: 412—244-TV72.

Programing made easy and cost efficient for as little as $250 a month. Major programer and production/music pro will handle all programing music/airchecking-critique by phone and mail. Now all stations can sound and compete for major dollars and ratings. The future is here now. Reply Box A-74. Be a charter member before we go public; all formats.

TELEVISION

HELP WANTED MANAGEMENT

General manager. Multi-media Corporation is seeking a general manager for its top-ranked VHF independent station located in the Pacific Northwest. Candidate must have proven station management experience, with strong understanding of sales, programing and promotions. Please send resume to Box A-53. Equal opportunity employer.

Sales manager. Seeking general and local sales manager for network affiliate. Must have proven track record. Rare career opportunity. Send resume to: Personnel Director, 2242 North Great Neck Rd., Virginia Beach, VA 23451.

Development director for public television station WVPT. Responsible for generating 30% of station revenue through membership, suction, underwriting and other projects. Will lead a support staff of four. Qualifications include demonstrated fundraising success, good management skills, and the ability to work effectively with business people, volunteers and interns. Salary DOE. WVPT is located in one of Virginia's fastest growing cities in the heart of the Shenandoah Valley. Send resume by November 30 to Arthur E. Albrecht, Persident, WVPT, 298 Port Republic Rd., Harrisonburg, VA 22801. EOE.

National sales manager. #1 independent in the top 20 market seeking an aggressive, dynamic, results-oriented individual. Must have strong presentation and communication skills. Prior national television sales management strongly desired. Minimum three years television sales experience to be considered. Send resume and cover letter to: Personnel, c/o WPGH-TV, 750 Ivory Ave., Pittsburgh, PA 15214. No phone calls. EOE, M/F.

Director of development and marketing: Senior management position responsible for all development, marketing, and public information for community licensed PTV station. Individual should have experience in public broadcasting fundraising techniques including membership, underwriting, special events, auction, direct mail and telemarketing. Strong budgeting, marketing and management skills are essential. KNPB/Channel 5 is located in Reno, Nevada, an alpine desert community at the foothills of the Sierra Nevada Mountains, close to Lake Tahoe and a few hours from San Francisco. Send letter of interest and resume to: Linda Tabakin, Box 14730, Reno, NV 89507. Salary open. Excellent benefits. Material must be received by December 14. AA/EOE.

Scheduling manager for engineering department. Minimum 2 years experience in scheduling large crews required. Production management, public TV and labor contract experience preferred. Resume, references and salary history by 11/30/87 to: KQED, Personnel, 500 8th St., San Francisco, CA 94103. EOE.

General sales manager for west Texas TV station. Must be aggressive, energetic and able to effectively motivate sales team. Send resume to GSM, P.O. Box 27206, Houston, TX 77027. EOE.

Promotion manager: Dynamic 2 year old indy needs hands-on promotion manager. Experience with 3/4" and 1" production, script writing, media buying and sales promotion contests are necessary. College degree preferred. Long hours - short pay - great opportunity. Rick Lowe, GM, KRRT-TV, San Antonio, TX 512—684-0035.

General sales manager: Needed for southern network affiliate. Must have 2-3 years prior television sales experience. State present salary. Box A-81.

National sales manager. NBC affiliate, Sunbelt top 60. Seeking a strong sales oriented person to handle this function. Must have 3-5 years television sales experience. Send resume to Box A-65.

WTOG-TV is seeking a hands-on "go-getter" as business manager. Applicants must have an accounting degree plus 5 years experience, preferably in a service industry company. If you are looking for a growth opportunity, send your complete resume and a letter telling us why you're the person for the job. Send to: Edward G. Aiken, Vice President/General Manager, WTOG-TV, 365-105th Terr., NE, St. Petersburg, FL 33716. An equal opportunity employer, M/F.

HELP WANTED SALES

General sales manager. Northeast affiliate in quality city. Outstanding compensation plan with six figure earning target. Resumes to Box A-55. EOE, M/F.

Network affiliate seeking aggressive account executive with proven track record to handle established list. Also seeking trainee for rare career opportunity. Send resume to: Personnel Director, 2242 North Great Neck Rd., Virginia Beach, VA 23451.

Position available for local account executive at KXLY-TV. Experienced salesperson to handle local accounts. Two years experience preferred. Salary plus commission, and benefits. EOE. Send resume by November 27 to: LSM, KXLY-TV, West 500 Boone Ave., Spokane, WA 99201.

Local sales manager: Immmediate opportunity for innovative leader who would enjoy the challenge of developing new business in the 36th market. Be a part of an exciting new indy - quality programing - highest rated franchise in the NHL - promotion oriented. Send resume and references ASAP to L. Lynch, GSM, WNYB-TV, 699 Hertel Ave., Buffalo, NY 14207.

Local sales manager. WIS-TV is taking applications for the position of local sales manager. Applicants should have sales manager experience. WIS-TV is a premier broadcasting station with a solid reputation in the southeastern United States. This is an excellent opportunity but it is also very challenging. WIS-TV is a station of the Cosmos Broadcasting Corporation. Please send resumes which will be held in strictest confidence to C. Joseph Tonsing, General Sales Manager, 1111 Bull St., Columbia, SC 29201. EOE.

Sunbelt sales manager: WXTX-TV, Columbus, Georgia, near Atlantic or Gulf beaches, much nearer Atlantic, major group and Fox/Independent. Responsible for local sales, traffic, and creative services. Ideal candidate will be degreed, stable, minimum four years local sales experience, strong leadership and people skills and possess an aggressive lean restless hunter nature. Resume to Box 12188, Columbus, GA 31907.

Account executive. Spot sellers need not apply! If you are interested in creating marketing plans that satisfy sunny California advertisers' needs, send resume to Personnel Department, KMPH-TV-26, 5111 E. McKinley Ave., Fresno, CA 93727. Independent and sports franchise sales experience is preferred. Broadcast sales experience required. Applications will be accepted untill December 15, 1987. No phone calls, please. An EOE, M/F/H.

Midwest affiliate seeks experienced account executive. Excellent compensation and benefits. Vendor support, co-op knowledge desirable. Send resume and income requirements to Box A-62. EOE.

HELP WANTED TECHNICAL

Assistant chief engineer for CBS affiliated UHF. 3-5 years transmitter experience. Resume and salary requirements to Roger Topping, WIFR-TV, Box 123, Rockford, IL 61105. EOE.

Master control operator, must have 1-2 years MCO experience. Resume with salary requirements to Roger Topping, WIFR-TV, Box 123, Rockford, IL 61105. EOE.

Chief engineer: Top 50 market network affiliate is seeking a chief engineer. Along with total supervision of day to day engineering areas of the station, position will be involved in special projects, capital expenditures and long range planning. Ability to effectively manage people as well as machines is a requirement. Experience as a chief engineer or assistant chief engineer is required. Send resume, with salary history to Box A-48.

CMX editor/technical director—PBS station is seeking an experienced fulltime CMX editor/technical director with CMX 340 or 3100 experience preferred. Will operate on-line edit booth consisting of Sony 1100 and 2000 VTRs, Chyron CG, Graham Patten audio mixer, and processing equipment. Strong, technical and aesthetic abilities required. May also perform technical director, video tape operator, and other engineering as assigned. Minimum 3 years of documentary editing experience preferred. NABET Union position. Send resume and references by December 1, 1987 to: Eric Dauster, Manager of Engineering Operations, KQED-TV, 500 Eighth St., San Francisco, CA 94103. No phone calls, please. EOE.

Needed: Entry level broadcast maintenance engineer. Must have knowledge of basic electronics. Opportunity to learn studio and transmitter maintenance. Send resume to: J.R. Middleton, Drawer D, Hardin, MT 59034.

Chief engineer: Must possess solid technical skills and be able to communicate effectively with staff and management. Send resume to Dave Tillery, Operations Manager, KQTV-TV, P.O. Box 247, St. Joseph, MO 64506. EOE.

Radio/TV engineering manager, #71768. Duties: Supervise engineering department for WSFP-TV & WSFP-FM in Fort Myers, FL. Minimum qualifications: Bachelor's degree in electrical or electronic engineering & 1 year experience in electronic design, repair and construction; or high school diploma or equivalent and 5 years experience as above. Salary $785.60-864.16 bi-weekly. Apply to University of Florida, Division of Personnel Services, Tampa, FL 33620. 813—974-2970. USPS employment application and all supporting documents must be received by 12/04/87. Equal opportunity employer/affirmative action.

Maintenance technician: Installation and repair of studio and transmitter equipment. Some design, planning, and training responsibilities. Rotating shifts including nights and weekends. Requires associates degree in electrical technology or equivalent formal training, plus experience in electronic repair/troubleshooting. FCC license or SBE certification. Send resume: Manager of Human Resources, WMHT-TV/FM, Box 17, Schenectady, NY 12301. EOE.

University television services: Assistant director and chief engineer for a production center which primarily produces programing for Alabama Public Television. Experienced television broadcast engineer to oversee all engineering needs of UTS including hands-on aspects of construction, installation, and maintenance. Will also assume managerial responsibilities as assistant director of UTS. Must be able to lead production facility in such areas as the selection of a new video recording format and conversion to stereo audio in the near future. Education required: E.E. degree or technical education in electronics. Experience required: Significant experience in installation and maintenance of equipment currently in use at UTS, such as Ampex VPR-2 and VPR-80, Chyron VP-2, and frame storer with digital effects. Responsibility for the technical operation of a facility and long-range engineering planning. A record of significant managerial and supervisory experience. License required: General class FCC radiotelephone license. Application deadline: December 2, 1987. Target date for position to be filled is February 1, 1988. Send resume to: Employment Office, Box 6163, The University of Alabama, Tuscaloosa, AL 35487. The University of Alabama is an EOE/AA employer.

Master control operators: Rotating shifts including nights and weekends. Prior TV master control experience required. Send resume: Manager of Human Resources, WMHT-TV/FM, Box 17, Schenectady, NY 12301. EOE.

Chief engineer: Great televison station for the right person. Must be experienced, technically sound, good with people. Respond to: Duane Harm, KWTV, Box 14159, Oklahoma City, OK 73113.

Assistant director of engineering. Top 25 market network affiliate seeking experienced people-oriented engineering management professional. Design, planning, computer and budgeting skills should be as finely honed as your operations skills. BSEE or equivalent and seven years experience required. Include on a seperate sheet a brief statement of what you think is necessary to put a station in the forefront technologically and to make station a vital contributor to broadcasting and its future. Equal opportunity employer, M/F. Send resume to T. Bentsen, Director of Engineering, WBAL-TV, 3800 Hooper Ave., Baltimore, MD 21211.

Maintenance technician. Aggressive New England independent station seeking a maintenance technician. If you are self-motivated with an extensive technical background, looking for a challenging opportunity to join a fast-growing team, please send your resume in confidence to Box A-85. EOE.

HELP WANTED NEWS

Special projects producer: Produce special segments for newscasts, special event coverage, and news specials. Prefer extensive reporting and newscast producing experience. Send resume, references, and non-returnable video samples: Ken Middleton, News Director, WTSP-TV (St. Petersburg/Tampa), Box 10,000, St. Petersburg, FL 33733. EOE. No calls please.

News director: Top market seeks aggressive manager. Must be able to combine top level competitiveness with superb people skills. We have all the tools along with the best staff in the region. Send resume, letter of philosophy, references and salary requirement to Box A-52. All replies will be handled confidentially. This position will be filled as soon as we find the right person so if you're that person, apply now! EOE, M/F.

Assignment editor: Our best is moving up so we're looking for an energetic aggressive person to guide our talented staff. If you're the best and want to join the best, then call today. Billye Gavitt 405—843-6641. EOE, M/F.

Feature reporter/anchor: If you have a love and talent for feature reporting, and also a subscription to Sports Illustrated, you may be the right person for us. We are seeking a strong feature reporter to fill a major role on our newsteam, reporting and anchoring our coverage of sports and recreation. Send resume, tape and references to Michael Sullivan, News Director, WCBD-TV, P.O. Box 879, Charleston, SC 29402. No beginners or phone calls, please. EOE, M/F.

Meteorologist/weathercaster: Immediate openings for experienced and entry level forecasters with authoritative presentations. Rush tape & resume to Jeff Wimmer, P.O. Box 5452, Flushing, NY 11354.

Southeastern top 80 network affiliate expanding news staff. Accepting tapes from aggressive reporters, photographers, producers. Tapes will be held for future consideration. No phone calls, please. Attn: News Director, WDEF-TV, 3300 Broad Street, Chattanooga, TN 37408.

Producer We need a newscast producer. We're looking for someone with excellent news judgement, superior writing and quality people skills. We've got state of the art technology and some of the best people in the business. We need someone who can put them together to produce a top-notch newscast. Resume to Box A-72. EOE.

Photographer. ENG photog for Capitol Hill News Service. Min. 1 yr. exp. 202—224-1278.

Anchor. Midwestern number one affiliate where news comes first. We're looking for a solid, experienced anchor committed to quality and community involvement. An E.O.E. Box A-73.

News anchor: Seeking seasoned reporter/anchor with solid writing & producing skills. Will join female co-anchor for 6 & 10 casts at aggressive midwestern small market CBS affiliate. Computerized newsroom. No beginners. Resume and salary hopes to Box A-66. EOE.

Reporter. Mature individual who can cover beat and break stories. Minorities encouraged. Non-returnable tape to: Craig Alexander, News Director, WTVQ, Box 5590, Lexington, KY 40555. EOE.

TV news: Chief correspondent...for nightly cable program. Experienced in radio/TV, heavy assignment editor duties, able to write well. Serve as instructor in broadcast newswriting. Salary mid thirties. Contact: New York Institute of Technology, Old Westbury, NY 11568; attn: A.F. Piazza.

Production company is now taking applicants for a full-time 5 and 10pm news director. Must have two years experience in technical directing with Ampex and DVE experience. Send resume and tape of sample work to Kenneth Hastert, P.O. Box 2229, Topeka, KS 66601.

Host/producer: For WBTV, Charlotte's PM Magazine to partner with veteran Bob Lacey on a show #1 for its 8 year history. Strong producing skills, love of travel, no contractual obligations past 2/88, a must. Send tape and resume to: Marion Meginnis, WBTV, One Julian Price Pl., Charlotte, NC 28208. No calls. An equal opportunity employer.

Reporter-special projects: Prepare special reports for newscasts, special event coverage, and news specials. Send resume, references and non-returnable videotape: Ken Middleton, News Director, WTSP-TV, Box 10,000, St. Petersburg, FL 33733. EOE. No phone calls, please.

Producer: Television news producer wanted for KEYT-TV in Santa Barbara. Must be an excellent writer, a good manager of people, and creative producer. Must have prior TV news experience in this field. College degree preferred. Send letter, resume and tape to News Director, KEYT, Drawer X, Santa Barbara, CA 93102. EOE.

HELP WANTED PROGRAMING PRODUCTION & OTHERS

Network affiliate seeking production director, editor and innovative copywriter to staff expanding sales service department. Must have two years minimum experience. Send demo tape with resume to: Personnel Director, 2242 North Great Neck Rd., Virginia Beach, VA 23451.

Producer/director. Tulsa's news station is lookig for an experienced newscast director. The position requires at least 2 years of experience directing news and a college degree. This individual will be involved in determining the graphic look of a first rate newscast. Please send resumes only to: Bud Brown, Creative Services Director, KOTV, P.O. Box 6, Tulsa, OK 74101. An equal opportunity employer.

Station strong and getting stronger. Needs promotion/marketing manager to keep station positioned for creative and aggressive '88 and beyond. Write G.M., Box 3257, Port Arthur, TX 77643. KJAC-TV. A Price Communications station.

Assignment editor. WPBT, public television in South Florida has an immediate opening for an assignment editor. Assumes responsibility for assigning stories and coordinating coverage for "The Nightly Business Report", a nationally syndicated public television program. Works with full-time and part-time bureaus to generate fast-breaking news as well as features. Identifies resources in major cities and assists in booking of program guests. Minimum of 2 years in TV news covering business and the economy and college degree with major course study in journalism and/or business economics required. We offer a competitive starting salary and excellent benefits. Send resume, along with salary requirements to: Administrator/Human Resources, WPBT/Channel 2, P.O. Box 2, Miami, FL 33261-0002. Equal opportunity employer, M/F/H.

Commercial editor/director/manager for high-volume ABC affiliate. 3/4" editing, client relations and graphic skills necessary. Salary depends on experience. Send resume, credits and tape. KTXS, Box 2997, Abilene, TX 79604. EOE M/F.

Documentary producer. Leading mid-Atlantic, major producing regional network seeks an experienced documentary producer-director-writer-editor to produce five to six significant, award-winning, regionally focused, issue oriented video documentaries per year. It is expected that each program will have potential to be recut for later national distribution. Three to five years as documentary producer needed with complete knowledge of small format video production and edit equipment. Closing date for submission of resume and sample tape, December 8. Equal opportunity employer. Contact: Michael B. Styer, VP, Broadcasting, Maryland Public Television, 11767 Bonita Avenue, Owings Mills, MD 21117.

SITUATIONS WANTED MANAGMENT

A number 1, a number 2, both employed but not having fun. Can also bring an experienced team, GSM, chief engineer, etc. if necessary. We don't work miracles! We just work! Independent or network. Below the top sixty, SE preferred. Excellent professional, personal and financial references. Write Box A-57.

Cable television regional/general manager seeking opportunity to use skills in industry to advantage of both of us. 25+ years radio/TV, 8+ years cable TV. Let's talk! Walt Tirschwell, 415—591-0288.

SITUATIONS WANTED TECHNICAL

Chief engineer with over ten years experience. General License, SBE Senior Certification, Certified Electronics Technician. Please call or write Dennis Maddox, 615—877-1235, 215 Trenton Street, Chattanooga, TN 37415.

Chief engineer, thoroughly experienced in studio, transmitter and management. Will relocate, call Bill Taylor 601—366-7526.

Exp. audio recording engr., BSEE, former radio broadcast chief, seeking opportunity in television or related industry. G.B. 805—541-3105.

SITUATIONS WANTED NEWS

Beautiful, black female ex-journalism teacher for on-air reporting position. Former intern: top 20 news. Relocate? Sure, any market. Tape. Lynn 314—725-2321 p.m.

Radio reporter/anchor with 2 years experience in 11th-largest market desires move into TV news or sports. Broadcast journalsim degree cum laude, experience shootin/editing video. Tape available. Dan 216—365-9891.

Energetic black male seeks chanllenging opportunity with news organization. Reporting, anchoring, media management experience. Aggressive and dependable too. 513—871-0867.

Sports producer: Recent college graduate, looking for that "first break", seeks an entry level sports producer position. Danny 818—340-8136.

Experienced as top 40-market executive producer, assignment editor and top 100 as news director. Production, people and journalistically skilled. Harry Bowman 803—886-8302.

Award winning meteorologist, AMS seal, in small market looking to move to larger market in the East. Box A-67.

Experienced sales/production professional with extensive motion picture gear and resources seeks FT/PT position with TV/film sports unit. Mid Atlantic. Call Al 215—641-1954.

Award winning 40s market reporter, producer and writer seeks new challenge in news, corporate video or documentary field. Box A-90.

SITUATIONS WANTED PROGRAMING PRODUCTION & OTHERS

Production manager with eight years experience and degree in TV/film seeks position with progressive, growing facility. Highly creative, extensive hands-on experience in all phases of production. Effective management skills include building teamwork and loyalty, cutting costs while increasing productivity. Let me go to work for you. Box A-89.

MISCELLANEOUS

Primo People: Hosts, interviewers, entertainment critics and reporters we need you. Send tape and resume to Steve Porricelli, Box 116, Old Greenwich, CT 06870-0116. 203—637-3653.

ALLIED FIELDS

HELP WANTED INSTRUCTION

Two new tenure track positions will be opened for the 1988-89 academic year. Assistant Professor is preferred unless qualifications merit appointment at a higher rank. Doctorate required, A.B.D. acceptable if near completion. College teaching and professional experience are highly desirable. The ability for each candidate to teach in a number of specialized areas, such as broadcast promotion and programing, broadcast journalism, broadcast management and photography, would be very desirable. A record of, or potential for, substantial academic research achievement is a prerequisite for faculty at Texas Tech University. Engage in university and professional service. Competitive, based on qualifications. Summer teaching possible if candidate possesses doctorate. Send inquiries, vita and three letters of reference by January 15, 1988 to: Professor Ashton G. Thornhill, Search Committee, Chair, Department of Mass Communications, P.O. Box 4710, Lubbock, TX 79409.

Help Wanted Sales

SALES MANAGER WANTED FOR KOOI

Station is market leader (#1 35+.MDNM/) in Tyler, Texas, MSA/TSA. Area's tallest tower at 1468' HAAT. 100 KW/ERP. Coverage of all principal East Texas cities with exclusive Contemporary Easy Listening format. Shares superb facility with sister station KEBE in Jacksonville. Fully equipped sales offices in Tyler. Applicant must have successful medium market sales management background - Texas preferred. Send resume and earning history/requirements to:

Dudley Waller
P.O. Box 1648 Jacksonville, TX 75766

EARLY DEADLINE NOTICE

Due to the Thanksgiving Day holiday, classified advertising for the November 30 issue is due at noon November 20.

NATIONAL SALES MANAGER

We are seeking a dynamic individual with a minimum of 8 years radio industry experience to help us sell the industry's highest-quality audience research services. As National Sales Manager, you will head up our sales department; responsibilities will include training, developing, and motivating our staff of account executives to effectively cover our markets nationwide. Superb sales, marketing, and management skills are required. Strong presentation and negotiation skills are essential. Travel will be required. We offer an excellent salary and compensation package to the right candidate. Applicants currently residing in the Chicago area are preferred. Contact Michelle Erikson at 312—280-8300, or send resume and salary history to Kurt Hanson, President, Strategic Radio Research, 211 E. Ontario, Chicago, IL 60611.

STRATEGIC RADIO RESEARCH

Help Wanted News

TALENTED TV TALKER!!!

Sunbelt, small market VHF affiliate is looking for a morning co-host to handle interview and weather duties on its top-rated early program. This is a great opportunity for the right person!! Send resume and salary requirements to Box A-60. EOE, M/F.

GREAT REPORTERS!!!

Our winning news team is growing again. We are looking for more strong reporters to join our award winning staff. If you have at least two years experience in a commercial television news operation, can "hit the street running", and handle any assignment the desk may throw at you....let us know!!! No beginners and no phone calls, please. Send your tape, resume, and salary history to Walter Saddler, News Director, WJTV(CBS), P.O. Box 8887, Jackson, MS 39204. EOE, M/F.

WEATHER EXPANSION!!!

Our outstanding weather team needs an additional member. This key player will support our primary weather anchor with live remotes three days a week and handle weekend weather duties. We are a VHF, group-owned, affiliate in the sunny South. Our computerized weather tools are second to none! If interested, send your resume and salary history to Box A-59. EOE, M/F.

Help Wanted Technical

ENG MAINTENANCE ENGINEER

News Dept. is seeking ENG Maintenance Engineer. Responsible for six HL-79 cameras, 3/4" recorders, editing systems, single truck live system, remotes including some sports events. Will work closely with News Director on overall operations aspect of News Dept. as part of management team. Three years experience expected.

Send resume to:

David Lowell
News Director
KFDM-TV
P.O. Box 7128
Beaumont, TX 77706

Equal Opportunity Employer

TELEVISION

Help Wanted Programing, Production, Others

CREATIVE SERVICES DIRECTOR

We're looking for a creative, take-charge individual to head up our creative services unit.

Person will be responsible for all station promotional efforts, our overall station design "look," and our sales promotion efforts. Person must be experienced in media buying, analyzing ratings books, and working with outside agencies.

If you are a team leader/player, a strong communicator, and a "people person," rush your tape, resume, and salary requirements to:

David Earnhardt
WTVF
474 James Robertson Pkwy.
Nashville, TN 37219

5 WTVF

No phone calls, please.
M/F. EEOC.

DIRECTOR OF ADVERTISING AND PROMOTION

WCCO-Television, CBS affiliate, seeks top notch, highly motivated and experienced person to head promotion department. Must be an aggressive idea person with proven skills in promotion, advertising and marketing. Responsible for all aspects of news, entertainment and station promotion. Department head level position. Need extensive background in media. Send resume to: Creative Services, 90 S. 11th, Minneapolis, MN 55403.

WCCO TV
Minneapolis St. Paul
Equal Opportunity Employer

TV SYNDICATION SALES

Grow with a growing company

Medstar Communications is one of the fastest growing companies in the televised medical, news and health information industry.

We are looking for an individual with television sales experience to sell our various programs to local TV stations.

We'll only consider candidates with sales experience — ideally syndication sales or local station sales.

Competitive salary plus commissions. Company-paid benefits include: Blue Cross/Blue Shield, major medical, dental, life, disability, retirement plan, and health club membership.

If you qualify, send your resume and salary history to: Personnel Assistant, Medstar Communications, Inc., 5920 Hamilton Boulevard, Allentown, PA 18106 (no phone calls please). And grow with a growing company.

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101 WAYS TO CUT LEGAL FEES & MANAGE YOUR LAWYER

A Practical Guide for Broadcasters and Cable Operators

In this candid, practical guidebook, communications "superlawyer" Erwin Krasnow (former General Counsel for the National Association of Broadcasters) strips away the mystique surrounding the legal profession to show broadcasters and cable operators how to:

- **Select the right lawyer**
- **Enter into the best fee arrangement**
- **Get the most out of a lawyer**
- **Control legal costs**
- **Monitor and evaluate a lawyer's performance**
- **Remedy problems with lawyers**

Order your copy of this valuable book today. At $29.95, it will pay for itself many times over.

MAIL THIS COUPON TODAY!

☐ YES! I want to benefit from the cost-cutting, performance-boosting ideas in *101 Ways To Cut Legal Fees & Manage Your Lawyer.*

Send me ___ copies @ $29.95 each

My check or money order payable to Broadcasting is enclosed.

Name ____________________

Organization ____________________

Street ____________________

City ________ State ________ Zip ________

Mail to:

Broadcasting Book Division

1705 DeSales Street, NW, Washington, DC 20036

Or charge by calling toll-free 1-800-638-7827

DIRECTOR

WNEV-TV, CBS affiliate in Boston, needs director for live daily magazine-format Kids' Show. Contribute to concept, manage talent, pre and post production, blocking and visualization. Requires demonstrated knowledge and ability in children's television production. Three to five years' directing experience a must. College degree preferred.

Send resume and reel to: Robert D. Glover, Producer, WNEV-TV, 7 Bullfinch Place, Boston, MA 02114.

NO PHONE CALLS PLEASE

We are an Equal Opportunity Employer

CABLE TELEVISION CONSULTANT

The Town of Cary, N.C. Ad Hoc Committee for Cablevision Review is seeking a qualified consultant to review, analyze, and advise the Committee on the technical, financial and legal aspects of the Cable TV Operation and Franchise Agreement with a cable TV company. Contact Peggy Price at (919) 469-4006 for an RFP and information. Proposals due by December 11, 1987.

THIS PUBLICATION AVAILABLE IN MICROFORM

University Microfilms International

300 North Zeeb Road, Dept. P.R., Ann Arbor, MI 48106

Situations Wanted News

Reporters available in:

MEDICINE, TECHNOLOGY SCIENCE, ENVIRONMENT

Survey after survey shows that your audience wants to know more about these vital areas. But as you know, specialists who can report technical stories with verve and clarity for a general audience are scarce. Now there are a few such reporter/producers available.

WGBH in Boston, a major producer of science programming including *NOVA*, has prepared six of the nation's best science writers to be broadcast journalists. They've had extensive experience in both radio and television, taught by some of the best in the business. Their work has appeared on broadcasts such as *All Things Considered*, *The MacNeil/Lehrer NewsHour*, WGBH's *The Ten O'Clock News* and *Science Gazette*. Their resumes and sample reels speak for themselves.

These are **not** students, but aggressive, seasoned reporters who left secure print positions to enter broadcasting. They will be available in November. For further information please contact:

David Kuhn, Director of Science Fellowships
WGBH, 125 Western Avenue,
Boston, MA 02134, (617) 492-2777

FREELANCE
ENG/EFP CREW AVAILABLE

Pacific Northwest (Seattle) based but eager to travel. Extensive broadcast news and corporate/industrial experience.

BETACAM . 3/4"SP . 1"

Contact: David Oglevie 206—281-7074

ALLIED FIELDS

Help Wanted Instruction

Temple University
Radio-Television-Film

The Radio-Television-Film Department of Temple University invites applications for tenure track faculty positions combining expertise in the following areas: documentary film/video production, television production, writing for the media, broadcast news, communication theory, and mass media studies.

Candidates should have prior professional and/or teaching experience, with a commitment to both undergraduate and graduate instruction. Rank and salary for all positions are dependent upon qualifications and experience. Women and minority candidates are encourage to apply. A letter of application, current resume, and names, addresses, and telephone numbers of three references should be sent to: Professor Herbert S. Dordick, Chair, Radio-Television-Film Department, Temple University, Philadelphia, Pennsylvania 19122.

Applications must be received by December 11, 1987 for guaranteed consideration.

Help Wanted Sales

REAL ESTATE

FIRE IN THE BELLY!

Opportunity for aggressive person with burning desire for high rise/high income career in commercial office and retail leasing. If you possess strong negotiation and communication skills, we will provide the resources and environment for success! For confidential interview call:

Howard Dolch Exec. V.P.
212—867-5555

LANSCO

Employment Services

JOB HUNTING?

If you need a job, you need MediaLine. We give you job listings in news, weather, sports, production, programming, promotion, and engineering. For $37.50 you get a daily report for 6 weeks. **1-800-237-8073** (In Missouri 314-442-3364). MediaLine, P. O. Box 10167, Columbia, MO 65205-4002.

MediaLine
THE BEST JOBS ARE ON THE LINE

Programing

Lum and Abner Are Back

...piling up profits for sponsors and stations. 15-minute programs from the golden age of radio.

PROGRAM DISTRIBUTORS ■ P.O. Drawer 1737
Jonesboro, Arkansas 72403 ■ 501/972-5884

Miscellaneous

VENTURE CAPITAL
DEBT FINANCING
For broadcasters
Sanders & Co.
1900 Emery St., Ste. 206
Atlanta, GA 30318
404—355-6800

ATTENTION

BLIND BOX RESPONDENTS

Advertisers using Blind Box Numbers cannot request tapes or transcripts to be forwarded to BROADCASTING Blind Box Numbers. Such materials are not forwardable and are returned to the sender.

Business Opportunities

ENTREPRENEURS & INVESTORS

Three performance oriented broadcasters seek substantial backing to find and acquire radio station group in markets 40-125. We boast ownership and extensive management experience in all phases of radio operations including solid people, planning, problem solving, sales, budget/cost control, FCC, and team building skills. We are dedicated family men and street smart professionals of the best character, ethics, and integrity. In the climb up we have learned that success requires capital, strong leadership, and the best people...plus choosing the battlefield and competitors carefully. We are very selective in this venture and expect you to be. This is a rare opportunity for the serious investor who still believes in people and the good old American work ethic. If this all sounds good and you agree there are many exciting mountains out there to climb and dragons to slay then lets get together and talk. Box A-58.

For Sale Stations

Nationwide Media Brokers
Chapman Associates

NORTHEAST
Top 50 market AM; substantial real estate and state of the art equipment. Contact:
RON HICKMAN
201/579-5232

TOP 125 MARKET
$200,000 + Cash Flow
$1,850,000/terms
THE MONTCALM CORPORATION
311 Norton Bldg.
801 Second Ave.
Seattle, WA 98104
206—622-6236

NETWORK AFFILIATE TV

Top 100 market TV station. Ownership leaving the industry and wants a qualified multi station buyer. Station billings at reasonable level but cash flow will not support current high leverage. Excellent equipment and plant. Priced und $20,000,000. Box A-56.

Top 5 Market full-time AM.
Perfect for ethnic/religion.
Asking $2.1 million. Contact:
Jack F. Satterfield
Gammon & Ninowski
Media Investment
215—525-8767

MAJOR MARKET AM'S
Washington, Philadelphia, Denver, St. Louis, Seattle, Nashville, Salt Lake City, Jacksonville

Barry Sherman & Associates, Inc.
1828 L Street, NW Suite 300
Washington, DC 20036 (202) 429-0658

Nationwide Media Brokers
Chapman Associates

CALIFORNIA
Medium market combo with cash flow. Asking $1.5 million with $600,000 down. Contact:
JIM MERGEN
818/893-3199

CALIFORNIA

Two year old Class B FM with all new equipment on excellent mountain top site. Serves some 127,000 people in two-county recreational area. Lakeside studio property included. Offered at $600,000 with $150,000 down. Has everything for the right owner/operator.

BILL EXLINE — ANDY McCLURE

William A. Exline, Inc.
4340 Redwood Hwy., Suite F-230
San Rafael, California 94903
415—479-3484

CHICAGO! CHICAGO!
Your kind of town! The 3rd Market! Suburban AM. Only station in county of 750,000. 1,100,000 in coverage! One of a kind situation. Asking $1,750,000 cash!
SNOWDEN Associates
919-355-0327

AM	BIRMINGHAM MAT.	$125,000
AM	N. FLORIDA	$165,000
AM	CENT. FLORIDA	$650,000
3 AM'S	SOUTHEAST	$1,650,000
AM/FM	COASTAL FLA.	$895,000

DOYLE HADDEN 305—365-7832

Full C in strong mkt of over 400,000. Negotiable.

Texas FM's and combos from $325K to $2Mil.

Med. Mkt. Network TV - $10Mil, solid mkt.

Profitable combo in beautiful La. mkt - $1.2Mil-terms.

Ark. combo-170,000 pop. excellent terms.

Miss. combos-great values for the $.

John Mitchell or Joe Miot
MITCHELL & ASSOCIATES
Box 1065, Shreveport, La. 71163
318—868-5409 318—869-1301

Nationwide Media Brokers
Chapman Associates

MIDWEST AM/FM
Profitable small market combo priced at 2x gross: $600,000 with terms available. Contact:
BILL LYTLE
816/941-3733

CARIBBEAN BEACON STATION FOR LEASE

690 Khz, 15,000 watts full time. 50,000 watts available. We operate facility, you provide programming by tape or satellite. Covers Virgin Islands, St. Martin, Antigua, St. Kitts, etc.

CALL GARY HAYES,
CARIBBEAN BEACON
1—800-542-5333 303—665-3767

FAR WEST/FULLTIME
This regional AM has been on the air for 60 years. Best facilities and real estate. Good history of cash flow. Cash - $300,000. Terms - $350,000.
SNOWDEN Associates
919-355-0327

R.E. Meador & Assoc.
MEDIA BROKERS
AM-FM-TV APPRAISALS
P.O. BOX 36
LEXINGTON, MO 64067 816-259-2544
KANSAS CITY, MO. 816-455-0001

ARIZONA AM/FM
Class 4 & C2, 20yr, Hist., E. AZ Mts., fast growing regional commerce center in popular year-round vacationland. Owner seeks retirement. $895K ='s 7X cash flow, incl. real estate, no existing debt, $300K dn. workable. Contact Ken Rivers of Spill Invest. 602—537-4300, Evenings 602—367-5946.

Atlanta to Chattanooga ADI UHF C.P., sell or lease. Reply to: 4724 Maple Brook SE, Marietta, GA 30067. Serious reply only.

- Powerhouse daytimer in eastern Ohio $415,000. Terms.
- Cable system in southcentral PA. 9,300 subscribers. Ask for Jim Dick.
- AM/FMs including Class C's, TVs, cable and CPs. Call to get on our mailing list.

Broadcast Communications Division
BUSINESS BROKER ASSOCIATES
615-756-7635 — 24 Hours

CALIFORNIA COMBO
Under-priced at $4.7 million/cash
THE MONTCALM CORPORATION
311 Norton Bldg.
801 Second Ave.
Seattle, WA 98104
206—622-6236

$70,000, NO DOWN PAYMENT

Buys you fulltime AM in southern Virginia. You'll need $25,000 for working capital and to repair equipment damaged in natural disaster which we failed to insure for. Contact: Box A-69.

BROADCASTING'S CLASSIFIED RATES

All orders to place classified ads & all correspondence pertaining to this section should be sent to: BROADCASTING, Classified Department, 1705 DeSales St., N.W., Washington, DC 20036.

Payable in advance. Check, or money order only. Full & correct payment MUST accompany ALL orders. All orders must be in writing.

Deadline is Monday at noon Eastern Time for the following Monday's issue. Earlier deadlines apply for issues published during a week containing a legal holiday, and a special notice announcing the earlier deadline will be published above this ratecard. Orders, changes, and/or cancellations must be submitted in writing. NO TELEPHONE ORDERS, CHANGES, AND/OR CANCELLATIONS WILL BE ACCEPTED.

When placing an ad, indicate the EXACT category desired: Television, Radio or Allied Fields; Help Wanted or Situations Wanted: Management, Sales News, etc. If this information is omitted, we will determine the appropriate category according to the copy. NO make goods will be run if all information is not included. No personal ads.

Rates: Classified listings (non-display). Per issue: Help Wanted: $1.00 per word, $18.00 weekly minimum. Situations Wanted : 60¢ per word, $9.00 weekly minimum. All other classifications: $1.10 per word, $18.00 weekly minimum.

Rates: Classified display (minimum 1 inch, upward in half inch increments), per issue: Help Wanted: $80 per inch. Situations Wanted: $50 per inch. All other classifications: $100 per inch. For Sale Stations, Wanted To Buy Stations, Public Notice & Business Opportunities advertising require display space. Agency commission only on display space.

Blind Box Service: (In addition to basic advertising costs) Situations Wanted: $4.00 per issue. All other classifications: $7.00 per issue. The charge for the blind box service applies to advertisers running listings and display ads. Each advertisement must have a separate box number. BROADCASTING will not forward tapes, transcripts, writing samples, or other oversized materials; such materials are returned to sender.

Replies to ads with Blind Box numbers should be addressed to: (Box number), c/o BROADCASTING, 1705 DeSales St., N.W., Washington, DC 20036.

Word count: Count each abbreviation, initial, single figure or group of figures or letters as one word each. Symbols such as 35mm, COD, PD, etc. count as one word each. Phone number with area code or zip code count as one word each.

The publisher is not responsible for errors in printing due to illegible copy—all copy must be clearly typed or printed. Any and all errors must be reported to the classified advertising department within 7 days of publication date. No credits or make goods will be made on errors which do not materially affect the advertisement.

Publisher reserves the right to alter classified copy to conform with the provisions of Title VII of the Civil Rights Act of 1964, as amended. Publisher reserves the right to abbreviate, alter, or reject any copy.

Fates & Fortunes

Media

Paul Raymon, VP and general manager, Gillett Communications of Atlanta, named president.

Allan E. Howard, VP and general manager, KXTV(TV) Sacramento, Calif., joins KHOU-TV Houston as president and general manager.


Howard


Keller

Phillip J. Keller, president and general manager, KOTV(TV) Tulsa, Okla., joins KXTV(TV) Sacramento, Calif., as president and general manager.

Robert Helmers, station manager, WOI-TV Ames, Iowa, named president and general manager.

Richard F. Appleton, senior VP-television, Price Communications Corp., group owner of television and radio stations, New York, named executive VP-broadcasting.

Harry P. Cushing, executive VP and general manager, Telesat Cablevision Inc., Pompano Beach, Fla., named president.

Peg Kelly, general sales manager, WNBC(AM) New York, named VP-general manager.

John F. Berentson, president, Televisionary Consulting Group, New York, joins Financial News Network, New York, as senior VP, retail enterprises.

Skip Moss, general manager, WCAY-TV Nashville, joins WCIX(TV) Miami, as VP and general manager.

Michael J. Fiorile, VP and general manager, WEYI-TV Flint-Saginaw-Bay City, Mich., joins WLOS(TV) Asheville, N.C., in same capacity.

Scott Bacherman, VP, TM Communications Library Division, provider of broadcast service for radio and TV, Dallas, joins WLKW-FM Providence, R.I., as VP and general manager. **Jeff Salkin**, account executive, WLKW-FM, named general sales manager.

Dan Wastler, general sales manager, KFKF-AM-FM Kansas City, named VP-general manager.

Bob Lima, operations manager, WVMT(AM)-WQID(FM) Biloxi, Miss., joins WMPO-AM-FM Orlando, Fla., as VP and general manager.

Andy Lee, station manager, KVUE-TV Austin, Tex., joins WTVG Inc., Toledo, Ohio, as VP and manager.

Richard W. Linford, director of analysis and special projects, Bonneville International Corp., broadcast group with 14 radio and television stations, Salt Lake City, named VP for analysis and special projects.

Appointments at Daniels & Associates Inc., Denver: **Jack Bradshaw**, general manager, Gainesville (Fla.) Cablevision, to Greeley (Colo.) Cablevision in same capacity and **Vicki Bates**, general manager, East Suburban Cablevision, Houston, to system manager, Kona-Kohala Cablevision, Kailua-Kona, Hawaii.

Larry S. DuBois, account executive, KWOD(FM) Sacramento, Calif., joins On-Fone Marketing-Erik St. John and Associates there as director of operations.

Dave Block, production manager, KRMD-AM-FM Shreveport, La., named operations manager.

Johnathon Lichter, media researcher and planner, Vitt Media, New York, joins Kelly, Scott and Madison Inc., Chicago-based national media management firm, as media planner.

Doris Saloom, secretary to president, WKBN-AM-FM Youngstown, Ohio, named assistant to president.

Marketing

Appointments from Ayer, New York, to Ayer USA, newly formed entity, New York: **Jerry J. Siano**, chairman, to same capacity; **Patrick J. Cunningham,** executive VP and creative director, to chief creative officer; **David H. Means,** executive VP and manager, allied services, to managing director of national operations; **Stanley B. Mattison,** senior VP and director of business development, to director of administration. He is replaced by **Robert Catlin,** former senior VP and executive account director; **Anthony C. Chevins**, vice-chairman, retires.

Don H. Rimsky, VP, Young & Rubicam, New York, named assistant to CEO.

John Putney, management supervisor, Tracy Locke, Denver-based ad agency, named senior VP and senior management representative; **Cindy Hughes**, VP, account supervisor, named VP, management supervisor.

Neil Bishkin, senior manager, audit department, Peat, Marwick, Mitchell & Co., Houston, Joins Metro Traffic Control Inc., Houston-based traffic reporting program service, as VP-controller.

Walter K. Gilbride, president, Crowley Broadcasting Inc., Fort Lauderdale, Fla., forms Walter K. Gilbride & Associates, television and syndication marketing company, Lexington, Mass.


Dolese

Claude Dolese, local sales manager, KRMD-AM-FM Shreveport, La., named general sales manager.

Craig Dubow, local and national sales manager, KUSA-TV Denver, joins KVUE-TV Austin, Tex., as general sales manager.

Ian Brookbanks, VP account director, HDM Dawson Johns & Black, Chicago, named senior VP-management director.

Robert Friedman, VP-marketing and promotional development, Music Television Network, New York, named senior VP, marketing and promotion.

Susan Boone, local sales manager, WKBN(AM) Youngstown, Ohio, named general sales manager, WKBN-AM-FM

Tom Raponi, local sales manager, KCNC-TV Denver, joins WNYT(TV) Albany, N.Y., as director of sales.

Appointments at Viacom Cablevision, Pleasanton, Calif.: **Tom DeMarinis**, marketing manager, Viacom Cablevision of Long Island, named director of marketing; **Mark Gershman**, commercial marketing manager, Cox Cable South Carolina, Myrtle Beach, S.C., to commercial marketing manager, Viacom Cablevision of Marin.

Meredith Breitbarth, marketing manager, Viacom Network Enterprises, New York, to director of marketing, Viacom Satellite Networks, home TVRO marketing unit of Showtime-The Movie Channel, New York; **Rosie Pisani**, manager, promotion, Showtime-The Movie Channel, New York, named director, marketing campaigns.

Patricia McGarvey, marketing coordinator, Prism, Bala Cynwyd, Pa., named marketing administrator; Daniel Ronayne, sales representative, Pinkert Detroit Steel Co., Detroit, joins Prism as affiliate marketing manager.

Leni Salz, local broadcast buyer, RJR Nabisco, New York, joins Lintas:New York as media director of local broadcast.

Lynne Scheureer Rish, marketing and promotions manager, Telemundo Group Inc., New York, named manager of marketing affairs.


McGuigan

John A. McGuigan, VP, project group director, Adyanswers Media-Programing Inc., St. Louis, joins McConnaughy Barocci Brown as director of media services.

Mel Diamond, advertising sales manager, Satellite Music Network, Dallas, named director of special projects. He is succeeded by **Barbara Crooks**, former executive VP, radio rep division, John Blair & Co., New York.

Rick Thomas, account executive, CBS Radio Representatives, New York, joins WBZ(AM) Boston as local sales manager.

Dan Gorby, general sales manager, WKSI(FM) Greensboro, N.C., joins WMYI(FM) Hendersonville, N.C., as local sales manager.

Bill Pullium, national sales manager, KTXL(TV) Sacramento, Calif., named local sales manager; Jerry Martin, account executive, Petry Television, New York, joins KTXL as national sales manager.

John R. Iannuzzi, account executive, WMGM-TV Wildwood, N.J., named local sales manager.

Pattie Kelly, former sales manager, KTTY(TV) and KJQY(FM) San Diego, joins KROY(FM) Sacramento, Calif., as sales manager.

Eric M. Ibara, manager in manufacturing consulting group, Price Waterhouse, Los Angeles, joins Disney Channel, Burbank, Calif., as manager, sales analysis.

Appointments at Katz American Television, New York: **Russ White**, VP, national sales manager, adds duties as New York office manager; **Swain Weiner**, New York team manager, named national sales manager, succeeded by **Jonathan Smith**, former sales executive; **Harry Stinson**, sales executive, Atlanta to sales manager, Atlanta.

Mary Peiser, account executive, MMT Sales, New York, joins KRRT(TV) San Antonio, Tex., as national sales manager.

Jill Vedder, assistant division manager-advertising coordinator-wholesale, United Dairy Farmers, Cincinnati, joins W.B. Doner and Co., Detroit, as senior account executive.

Marie Lequillow, benefits manager, Chock Full o'Nuts Corp., New York, joins Katz Communications Inc. there in same capacity.

Monica Tedori, account executive, KOIT-AM-FM San Francisco, joins KGO(AM) there in same capacity.

Appointments at KAUT(TV) Oklahoma City: **Lynn Bush**, account executive KKLR-FM Oklahoma City; **John Poff**, account executive, KLBK-TV Lubbuck, Tex., and **Bill Perry**, account executive, KTEN(TV) Ada, Okla., joins KAUT(TV) in same capacity. **Dwayne Helt**, account executive, KAUT(TV), named developmental sales manager.

Jennifer B. Scott, account executive, WINK-TV Fort Myers, Fla., joins WFTX(TV) Cape Coral, Fla., in same capacity; **Susan Hargreaves**, account executive, WTTV(TV) Bloomington, Ind., joins WFTX in same capacity.

Jan Moppert, marketing and public relations manager, Water Town USA, water theme park, Shreveport, La., joins Cranford Johnson Robinson Associates, Little Rock, Ark., as account executive; **Claire Nicholson**, graduate, Louisiana State university, Shreveport, La., joins Cranford as account coordinator.

Programing

Barry A. Brune, group VP in charge of North American franchise support, MicroAge Computer Stores Inc., Tempe, Ariz., joins Tempo Enterprises Inc., diversified media company based in Tulsa, Okla., as president and chief operating officer.

Tom Cuddy, program director and operations manager, WPRO-AM-FM Providence, R.I., joins ABC Radio Network, New York, as VP, entertainment programing.

Ginny Overbagh, VP-western operations, American Television and Communications Corp. (ATC), Denver, joins The Disney Channel, Burbank, Calif., as VP-western region; **Susan Stitt**, senior consultant, Arthur Andersen and Co., Costa Mesa, Calif., joins Disney as manager, business systems.


Cuddy


Overbagh


Perkoff

Rachel Perkoff, general manager, Global Satellite Network, Los Angeles, named VP-general manager.

Alan Letz, director of home video and pay television, Harmony Gold, Los Angeles, named VP of home video and pay television.

Bill Mechanic, senior VP, video, Walt Disney Pictures, Burbank, Calif., named president of International Theatrical Distribution and Worldwide Video, succeeding **Harry Archinal**, who retires.

Robert D. Fead, president, Pacific Arts Video, Los Angeles, joins Famous Music Publishing Companies, unit of Gulf & Western's Paramount Pictures Corp., Hollywood, Calif., as president and chief operating officer.

W. Robert Rich, founder and executive VP, Screenvision Cinema Network, New York, resigns.

Richard W. Dalbeck, VP-finance, mergers and acquisitions, Thrifty Corp., subsidiary of Pacific Lighting Co., Los Angeles, joins Lorimar Telepictures Corp., Culver City, Calif., as executive VP and chief financial officer; **Morton Dean**, anchor, Independent Network News (INN), New York, signed to co-host "TV Guide," syndicated show scheduled to debut next September, Los Angeles.

Christopher Gordon, salesperson, D.L. Taffner Ltd., New York, joins Palladium Television Distribution, New York, as executive VP.

Carlos Barba, VP-programing and promotion, Telemundo Group Inc., New

York, named senior VP-programing and promotion.

Jared Jussim, VP, studio legal affairs, Columbia Pictures, New York, named senior VP, studio legal affairs.

Paul D. Beckham, VP of administration, Turner Broadcasting System Inc., Atlanta, named senior VP-finance and administration.

Larry J. Dieckhaus, Midwest publicity and promotion director, 20th Century Fox, Chicago, joins Buena Vista Television's *Siskel & Ebert*, Los Angeles, as executive producer.

Gae Morris, executive producer for *Attitudes*, Lifetime Cablevision Network, New York, named executive producer; **Ilene Litvak,** freelance producer, director, writer, named manager, on-air promotion.

Frank De Rose, senior producer, on-air promotion, USA Network, New York, named manager, on-air promotion; **Chris Gross,** writer-producer, named senior producer.

Marc Wallace, freelance producer-director, Showtime-The Movie Channel, New York, named senior producer-director; **Tom Neville,** director, named VP, research and planning, Viewer's Choice, subsidiary of Showtime.

Ray Randall, program director, KEBC(FM) Oklahoma City, joins KRMD-AM-FM in same capacity.

Tom Hooker, communications group manager, Spectradyne Inc., supplier of in-room video services to lodging industry, Dallas, named director of product development; **Ralph Carabetta,** manager of scheduling, to director of pay-per-view programing.

Mark Lapidus, operations manager, WMJR(FM) Warrenton, Va., named program director.

Ellen Weinberg, affiliate marketing manager, Prism, Bala Cynwyd, Pa., named product manager.

Genevieve M. Piturro, manager of promotion and publicity, All American Television Inc., New York, named director of creative services.

Jim Humphries, regional director, Hit Video, Houston, joins The Weather Channel, Atlanta, as West Coast regional manager.

Brock Kruzic and **Chris Lancey,** account executives, Group W Productions, Los Angeles, named central division managers.

Rich Lewy, promotion coordinator, Ohio University's Telecommunications Center, Athens, Ohio, named membership manager, New Hampshire Public Television, Durham, N.H.

Mike White, freelance cameraman, Jacksonville, Fla., joins Video Tape Associates, Atlanta, as director-cameraman for business communications staff.

News and Public Affairs

Av Westin, VP of program development, ABC News, Washington, named head of new unit responsible for all prime time, long-form programing including *Closeup* documentaries and *The Jennings-Koppel Report*.

Richard Klos, producer, WXFL(TV) Tampa, joins WDEF-TV Chattanooga, as news director.

Charlie Davis, morning news anchor, WXTC(AM) Charleston, S.C., named news director, WXTC-AM-FM.

Robin Neal Kaler, news reporter, WDWS-AM-FM Champaign, Ill., named news director.

Appointments at KTVO(TV) Kirksville, Mo.: **Suzanne Hudson,** graduate, DePaul University, Chicago, joins KTVO as bureau chief; **Bill Masure,** reporter, KOMU-TV Columbia, Mo., to same position; **Max Varger,** graduate, Indiana University, Bloomington, Ind., to reporter, Quincy, Ill.; **Kristen Lewis,** reporter, KOMU-TV Columbia, Mo., to bureau chief, Ottumwa, Iowa; **Ken Fields,** reporter, KOMU-TV Columbia, Mo., to reporter; **Lisa Olliges,** graduate, Lindenwood College, St. Charles, Mo., to weekend anchor; **Chris Hunt,** reporter, WGEM-TV Quincy, Ill., to assignment editor; **Kurt Sweeney,** reporter, to news director.

Goler

Wendell Goler, correspondent, drive-time anchor and producer, AP Network News, Washington, to White House correspondent.

Sandy Rivera, morning news anchor and co-host of *Weekend Closeup*, KHOU-TV Houston, adds duties as host, *AM Houston*; **Stephen Ruppe,** news director, KATC(TV) LaFayette, La., joins KHOU-TV as weekend assignment editor.

Timothy Smalls, reporter, Alikar News Service, Philadelphia, joins WBAI(FM) New York, as anchor-reporter.

Karen Marinella, news director and co-anchor, Cape Cod Communications, South Yarmouth, Mass., joins WMTM-TV Auburn, Maine, as reporter and weekend co-anchor.

Sue Parcell, anchor, WDAF-TV Kansas City, Mo., joins WTOL-TV Toledo, Ohio, as co-anchor 6 p.m. and 11 p.m. news.

Mark Strehl, chief meteorologist, KMTR-TV Eugene, Ore., joins WCCO-TV Minneapolis as weekend meteorologist.

Marlene Sanders, anchor, *Newsbreak*, CBS Television Network, New York, joins Modern Maturity Television, Washington, as Washington special correspondent.

Sky goodbye. Rupert Murdoch's European satellite service Sky Channel has lost its long-time head, Patrick Cox, who resigned to pursue other, unidentified, interests.

Cox, deputy chairman and chief executive officer of the five-year-old service, will stay on until the end of the year, according to representative Fiona Waters. Sky Managing Director Jim Styles will continue running day-to-day operations as he has since taking over the position from Cox last September, while the channel considers a management restructuring to absorb Cox's responsibilities.

The departure comes shortly after Murdoch's News International moved to quash rumors of an imminent sale of its controlling interest in Sky parent Satellite Television Plc. by a new rights issue last month to raise approximately $40 million for the channel's budget through the end of 1988. The issue raised News International's controlling percentage from 82.3% to 89.3%.

Cox said in a prepared statement: "The pioneering role of Sky is now almost complete and it is time for me to move on to other areas of European broadcasting. I will be examining a number of such opportunities in the coming weeks and will announce my next move in due course."

According to Sky's latest figures, the channel, which four years ago reached just 400,000 homes in Norway, Finland and Switzerland, now reaches 10,576,774 homes via 2,776 cable and SMATV networks in 19 countries. That total is a 37% increase over Sky's universe since the beginning of the year, when the channel reached 7.7 million homes. Recent audience research shows that 9.6 million people view the channel every week, 12.9 million over four weeks, Sky said.

Karin Pratt, associate producer, *Face the Nation*, CBS Television Network, Washington, named producer.

David Duitch, newswriter, WNBC-TV New York, joins WKYC-TV Cleveland as executive producer, news broadcasts.

Kathy Matz, producer of 11 p.m. news, WFLD(TV) Chicago, named managing editor, 7 p.m. news.

Appointments at WUSA(TV) Washington: **Barbara Cox**, producer, KOCO-TV Oklahoma City, to producer six p.m. news; **Paul Malkie**, producer, 6 p.m. news, to executive producer, 11 p.m. news; **Dana Rudman**, assignment editor, WRC-TV Washington, joins WUSA in same capacity.

David Ewing, editing supervisor for NBC's *Today*, Washington, named tape editor for *West 57th*.

Bill Flanagan, business reporter, KDKA-TV Pittsburgh, to general assignment reporter.

Appointments at Associated Press, New York: **Marc Rapport**, day supervisor, Detroit, named news editor for South Carolina, based in Columbia; **Rose Ann Robertson**, national editor, to Nebraska news editor, based in Omaha; **Kristi Umbreit**, newsperson based in Knoxville, to correspondent in charge of Knoxville bureau.

Paul Irvin, hazardous-materials specialist, Washington fire department, joins WRC-TV Washington as assignment editor.

Technology

Joseph F. Swyt, president, Sierracin Corp., Los Angeles-based computer software company, joins Chaparral Communications Inc., San Jose, Calif.-based manufacturer of satellite TV equipment, as president and chief operating officer.

Appointments at Burnup & Sims Inc., Fort Lauderdale, Fla.: **Edward L. Grant**, VP-business development to senior VP; **Margie M. Madden**, corporate secretary, adds title of VP; **Linda Rine**, assistant VP to VP-insurance; **Linda Terlecki**, office manager, to assistant VP-office manager.

F. Thomas Kull Jr., director of operating service group's computer facility and **Charles F. Russel**, engineering director, Dow Jones & Co., New York, named VP's of operating services group.

David Bower, salesman, Sony Broadcast, New York, joins Dynamic Technology Ltd., London, as general sales manager.

Kevin Cronin, graduate, Southern Illinois University, Carbondale, Ill., joins WIFR-TV Rockford, Ill., as master control operator.

David Felland, broadcast operations manager, Twin Cities Public Television's KTCA-TV and KTCI-TV Minneapolis-St. Paul, joins WMVS(TV) and WMVT(TV) Milwaukee as manager of broadcast engineering services.

James Gracie, engineering manager, PECA Inc., Bensalem, Pa., joins Prism, Bala Cynwyd, Pa., as director of transmission.


Engle

Joe Engle, national sales manager of RF Products, NEC America, Wood Dale, Ill., named director of sales, broadcast equipment division.

Sheila Holmes-Ross, director for North American Sales, Vertigo Corp. of Vancouver, B.C., joins Digital F/X as regional manager for sales.

Promotion and PR

Mary Debus, VP, Doremus Porter Novelli, Washington, named senior VP.

Cynthia Beerbohm, senior media planner, McCann-Erickson, Detroit, named senior media planner; **Nancy Barber**, freelance consultant, Lasting Impressions, Royal Oak, Mich., joins McCann as media supervisor.

Richard Elliot Hammer, director of creative services, Coca-Cola Telecommunications, Burbank, Calif., joins The Lippin Group, Los Angeles, as senior account supervisor.

Kelly Sullivan, promotions director, Northwestern University, Chicago, joins Sportsvision, Oak Park, Ill., as public relations director.

Suzanne M. Tavani, public relations manager, Meritor Financial Group, Philadelphia, joins Lewis, Gilman & Kynett Inc., Philadelphia, as public relations account executive.


Binenfeld

Bruce M. Binenfeld, promotion manager, WDZL(TV) Miami, joins KPTM(TV) Omaha in same capacity.

Kelley Davis, freelance public relations specialist, joins WKBD-TV Detroit as public relations-promotion coordinator.

Yvette E. Fisher, account executive, HDM Dawson Johns & Black, Chicago, named account executive.

Deaths

Myron Drake, 71, Arizona newscaster, died from complications from cancer surgery Nov. 5 at his home in Phoenix. Except for three-year hiatus with KPHO-TV Clinton, Ariz., and KJJJ(FM) Phoenix, Drake worked for KTAR(AM) Phoenix from 1938 until he died. He served as news director from 1961 to 1964 and from 1956 to 1970 also worked for KTAR-TV, now KPNX-TV Mesa, Ariz. Drake then worked as on-air news anchor for KTAR(AM) until his death. Survivors include his wife, Camille, and two sons.

Nellie A. Parsons, 71, retired executive secretary, KROD-TV El Paso, died at El Paso's Sierra Medical Center Oct. 15 after a brief bout with lung cancer. Beginning with EL Paso's KEPO(AM) (now KHEY) in 1935, she went to KTSM(AM) El Paso and in 1955 joined KROD-TV (now KDBC[TV]) El Paso, retiring in 1985. During her 50 years of broadcasting, she served as copywriter, traffic manager and executive secretary.

Ampex's Kennedy: Keeping a step ahead

As director of long-range planning for Ampex's recording systems, M. Carlos Kennedy claims no crystal ball. But he does describe his job as an exercise in studying and shaping the future—to anticipate what technologies will be developing, and what others might need to be developed, over the next three-to-five years and decide what directions Ampex should take to market a successful product and maintain the company's industry position. "Carlos has played a key role in the television industry during his career," says Ampex Chairman Charles A. Steinberg.

Kennedy specializes in videotape recording research, which is now centering on digital recording—what he calls "the wave of the future." At some distant point, Kennedy expects Ampex's development of an all-digital broadcast facility, including digital small formats, to replace the now-dominant Betacam SP made by Sony and Panasonic's MII. In the meantime, Ampex is also working on the perfection of analog technology.

High-definition video technology is a little further away, "but it is also something to keep in mind," Kennedy says. He agrees with the Ampex position that while HDTV productions are now a reality, it is still too early to plan equipment introductions for broadcast applications. "Technically, we'd love to be in that business. It's just a question of when is the right commercial time for Ampex," he says.

Part of Kennedy's job is taken up by traveling the world to equipment demonstrations and exhibitions, meeting Ampex customers to determine their technological wants and needs. Another part is technical committee meetings. Kennedy is actively involved in national and international standard-setting organizations such as the Advanced Television Systems Committee, the International Electrotechnical Commission and the European Broadcasting Union. In January he will begin the second half of a two-year term as president of the Society of Motion Picture and Television Engineers.

Along with his world traveling for Ampex, Kennedy has logged thousands of air miles on behalf of SMPTE. In the last year he has been part of delegations to Japan, Holland, the United Kingdom, Switzerland, Korea, the People's Republic of China and the Soviet Union, among others.

SMPTE is important to the extent that it is contributing to the melding of the TV and motion picture industries, he says. It's no longer "we and they, it's us. And I think in large part that SMPTE on the technology side has made that possible."

M. Carlos Kennedy—director, long-range planning, recording systems division, Ampex Corp., Redwood City, Calif., and president, Society of Motion Picture and Television Engineers; b. Nov. 10, 1928, Huntington, Ind.; BS, electrical engineering, Purdue University, West Lafayette, Ind., 1952; electrical engineer, Eastman Kodak Co., Rochester, N.Y., 1952-56; television camera design engineer, ITT Corp., Fort Wayne, Ind., and San Fernando, Calif., 1956-58; senior design engineer and later VP, engineering, Dage Corp., Michigan City, Ind., 1958-68; manager, camera and systems engineering, Ampex Corp., Elk Grove Village, Ill., 1968-69; product manager, Instavideo line, Ampex, Mount View, Calif., 1969-1972; senior product manager, industrial video products, Ampex, Redwood City, 1972-73; long-range product planner, industrial video and professional audio products, 1973-75; present position since 1975; m. Frances Wood, Jan. 26, 1952; children: Karla Kay, 34; Martin Charles, 31; Kerri Kim, 29.

SMPTE's standards activities, he says, are of central importance to broadcasting because "the standards we are working on literally become world standards." Much of the society's influence can be traced to its egalitarian attitude, he says, contrasting it with one of its counterparts, the EBU, which is made up of broadcasters only, with manufacturers attending meetings by invitation. "In our case," Kennedy says, "all members, whether they're users, manufacturers or just interested technically knowledgeable people are all equal...We offer the platform for standardization and that effort is international in scope."

Kennedy's first job out of Purdue University, where he earned an electrical engineering degree in 1952, was as an industrial engineer for Eastman Kodak. But he soon decided to transfer into the company's electronics lab, where one of the projects was the development of TV cameras to be fitted on some of the first supersonic bombers. "That's where I first got my interest in television," he says. But at that time, he adds, Kodak was a conservative company unwilling to make a major expansion into electronics and "as a young engineer, I wanted to go out and be more aggressive in the electronics field." So he joined ITT in 1956, where he designed industrial TV cameras.

According to Steinberg, Kennedy "was one of the first to envision the role of helical recording in the home and he was instrumental in a lot of the work that resulted in the one-inch helical recording television standard." (Helical scan technology is the practice of recording video information diagonally onto tape on adjacent tracks and is the basis of all modern video cassette formats.) Kennedy's first work in one-inch, helical development began in 1963 while he was an executive with the Dage Corp. At that time he led efforts to develop an industrial helical standard through SMPTE. That early attempt failed, "but was the forerunner of the committees that ultimately standardized the Type C format," he says.

Kennedy joined Ampex in 1968, where he became involved in the development of its Instavideo helical recorder and the Type A industrial recorder. "There was always the belief by a number of people at Ampex, although for a long time they were in the minority, that helical recording had a role to play in the broadcast industry," he says. That minority was opposed by engineers who felt that tape only half the width of then-dominant quad tapes would not be adequate. "The feeling by some of our experts was that helical tracks were so much narrower than quads," he says, that recording "would be difficult to do on a quality level that made sense." But the tide turned with the invention of automatic track scanning, which made it possible even while playing a poorly made magnetic tape, "to play it back by having the head [of the VTR] follow the imperfect tracks. That probably was the most important factor that turned Ampex toward helical recording in a major way," he says.

There are equally important issues facing those working today to advance videotape technology, Kennedy says. Those issues "will be a continual challenge for the design engineers as we evolve into the digital, small-format era."

In Brief

NBC President Robert Wright has been **holding ongoing business discussions with Ted Turner** on possible co-ventures, as press reports had it last week, but network also has had similar talks with other cable industry companies as part of its continuing interest in cable, according to NBC's Thomas Rogers, VP, policy planning and business development. Rogers said **company is looking at participation with broad number of services,** both existing and others not yet formed, using NBC programing in news/information, sports and entertainment. Rogers declined to name cable services involved in talks, but acknowledged "synergies" between Turner and NBC, particularly in TV news business, where NBC is looking to amortize huge cost structure that outstrips current ability to air news product. If there are new elements in talks with Turner, Rogers said they likely originated with Turner's search for ways to pay pending debt fees.

□

National Cable Television Association board, meeting in La Quinta, Calif., last week, **voted to increase its operating budget by 16%** for fiscal year 1988—from $7.5 million to $8.7 million. Extra $1.2 million will come mostly from dues generated by upgrade of two programing associate memberships to full memberships and addition of four programer memberships at board meeting in September. Much of $1.2-million increase is expected to go into NCTA's programing promotion and public relations efforts. NCTA also formed blue-ribbon committee to explore possibility of industry-supported research-and-development effort to advance cable technology. Selected to head committee was TCI President John Malone. **Board also took step to limit influence of any one entity.** Under new bylaws adopted by board, entity may own (50% or more) or control management of no more than three companies represented on board. TCI's hegemony now extends over four seats: its own (Malone), and those of Heritage Communications (NCTA Chairman James Cownie); United Artists Communications (Marvin Jones) and Bresnan Communications (William Bresnan). But all current board members are grandfathered until end of their terms. Board voted to oppose bill introduced by House Telecommunications Subcommittee member John Bryant (D-Tex.) that would empower cities to settle cable channel repositioning disputes. It also decided to loan Wisconsin Cable Association $15,000 to cover bills incurred in its successful campaign to persuade state public utility commission to allow cable systems in state to offer nonvideo service without regulation. Board heard an update from its staff on First Amendment cases, but, according to a spokesman, it has yet to find a First Amendment case it can use to establish municipalities' right to limit franchises. It also heard reports on efforts to eliminate telco-cable crossownership prohibitions, signal leakage, possible changes in tax laws affecting cable, National Cable Month, the FCC's copyright and syndicated exclusivity proceedings and constitutional challenge of must-carry rules. NCTA's HDTV committee, meeting day before board, saw demonstration of HDTV system by Home Box Office and ATC.

□

FCC amended its rules and cleared way last week for severa daytime stations to begin operating full time. Stations operating or regional channels and 940 khz and 1550 khz will be allowed to oper ate at 500 watts or less at night in cases of interference with existinc AM fulltimers. Commission will also cease authorizations of new daytime-only AM's on 940 and 1550. Stations will be reclassified as either Class III or Class III-S. In same ruling, commission reducec minimum power for Class III AM's on regional channels to 250 watts. Unlimited stations also will not have to follow old requirement of city of license coverage during nighttime operation.

□

Dr. William Glenn, inventor of New York Institute of Technology's two-channel HDTV system, compatible with NTSC TV receivers held meeting last week with 15-20 representatives from broad casting companies and associations. Executives from CBS, ABC NAB, INTV, Group W and several other groups were invited to NYIT' Fort Lauderdale, Fla., lab. According to one attendee, Greg DePries of Association of Maximum Service Telecasters, Glenn asked broad casters for $6 million over next three years to help perfect NYIT sys tem. "He had a timeline...showing he'll be ready for a field demon stration of his system sometime in the first quarter of 1989," DePries said.

□

Senate Judiciary Committee is expected to approve next weel legislation aimed at curbing violence on television programs fo children. Bill (S. 844), sponsored by Senator Paul Simon (D-Ill.) woulc encourage voluntary action by television companies. It would ex empt members of industry from antitrust laws for 36 months so the could develop voluntary standards. Judiciary committee's antitrus subcommittee approved bill earlier this month. Full committee wa scheduled to act on matter last week but did not have quorum. Nex full committee meeting scheduled for Dec. 3. Aides predict bill will be cleared for floor action.

□

U.S. district judge in Las Vegas has slashed libel judgment enter

'Family Feud' soon to be sold to NBC stations

Expected sale stirs rumors about fate of network's first-run sitcom checkerboard schedule

After a successful syndicated run on the NBC-owned stations in the late 1970s and early 1980s, *Family Feud* is expected to return to the O&O's beginning in fall 1988. A decision could come as early as this week. The expected sale by LBS Communications to the seven NBC stations fueled rumors in the syndication community that the group will cancel its first-run sitcom checkerboard, but Wes Harris, vice president of programing for the NBC O&O's said that the future of the checkerboard on five of the seven stations, remains undecided.

Syndicators and stations are monitoring the progress of the checkerboard to determine its viability in syndication as well as its impact on the half-hour sitcom marketplace (see story page 49).

The sale of the Goodson-Todman Production (formerly syndicated by Viacom) to the NBC-owned stations is for either early fringe or access time periods. Harris said that in addition to filling in for the checkerboard, should it be canceled, the buy of the LBS program opens up the possibility that six of the NBC stations will move the network news from 7 p.m. to 6:30 to create an hour of access from 7 to 8 for syndicated fare. NBC's WKYC-TV Cleveland is the only owned station with an hour of access.

NBC has not announced a date for a decision on the checkerboard. When it was announced last year, Harris said that the NBC stations would give the checkerboard a chance to prove itself before reaching an conclusions.

Changes in the line-up of sitcoms in the checkerboard could be made as early as December, Harris said. NBC now has two or three available shows to substitute in the checkerboard for shows that do not meet NBC's expectations. He declined to identify those shows.

Recently released demographic ratings for the checkerboards on the NBC-owned stations were disappointing in some cases and mixed in others, according to NBC research (BROADCASTING, Nov. 16). The October ratings book is considered by researchers to be less important than the November book because of comparatively lower HUT (homes using television) levels, and the shorter track record shows have had since their debuts.

Harris said that the checkerboard results in the October ratings books were "complicated" and "need further analysis." But he added that "on balance first-run sitcoms are here to stay. I think what I'm seeing is that shows that work will continute to be sustained."

Last week's buy of *Feud* by the NBC stations was accompanied by the news that the station group had turned down tainer Wayne Newton won against NBC from $22.8 million to $5.3 million. Judge Myron Crocker ruled that evidence did not support Newton's claim that NBC news broadcasts linking him to organized crime figures had hurt his reputation or income. But Crocker affirmed jury's conclusion that network had defamed Newton and had shown reckless disregard for truth. Newton's lawyer, Morton Galane, called judge's decision "a big victory for Wayne Newton." NBC attorney Floyd Abrams said network would continue to appeal verdict. NBC had asked Crocker to reconsider verdict as well as award.

□

Soviet leader Mikhail Gorbachev has made clear his displeasure with CBS News coverage. **Soviet official last week informed CBS Moscow bureau chief Wyatt Andrews that Gorbachev would not grant interview to network during his visit to U.S.** for summit with President Reagan. Official cited CBS documentary on Soviet war against rebels in Afghanistan, as well as questions Dan Rather asked during press conference Soviet leader held in Paris in October 1985. Rather had asked why Soviets did not allow unrestricted emigration of Jews. He also asked how many political prisoners were in Soviet Union. Gorbachev said he had answered both questions and had nothing more to add. CBS last week said Howard Stringer, CBS News president, had telexed letter to Gorbachev expressing shock and disappointment at Gorbachev's refusal to grant one-on-one interview. However, if Gorbachev wants to grant that kind of interview, many news organizations, including ABC, NBC and CNN, have requests pending.

□

Budget compromise between administration and Congress late Friday (Nov. 20) was **greeted with cautious optimism by National Association of Broadcasters,** which interpreted conclusions as ruling out any transfer tax against industry. NAB spokesman said, however, that anything could yet happen at House and Senate level: "It's not yet an out-of-the-woods situation."

□

GTG Entertainment will begin production of half-hour show with working title *Encore* this spring **for CBS.** Show is part of multi-series, non-exclusive deal between CBS and GTG. GTG will produce 13 episodes of series which stars Dick Van Dyke and his son Barry playing roles of father and son. Jay Sandrich, director of shows including *The Cosby Show* and *The Golden Girls* will direct pilot. Donald Todd, creator of *ALF*, created *Encore* and will be executive producer.

Paramount gave *Star Trek: The Next Generation* go-ahead for another season in first-run syndication last week. So far this season the Gene Rodenberry production ranks fourth among all first-run syndicated programs with a 10.1 national Nielsen rating for its four weekly telecasts (beginning weekend of Oct. 5). ***The Next Generation*** is produced by Paramount's network television division at more than $1 million per episode. It is carried by 227 stations, many of them affiliates. ***Star Trek's*** debut in syndication this year was accompanied by news that number of affiliates in its lineup, especially ABC affiliates are using program to pre-empt Saturday prime time network programing on regular basis.

□

U.S. and Cuba have agreed to resume talks aimed at reducing technical interference that has long been source of complaint by American AM stations, particularly in Southeast. U.S. and Cuba, in statements released simultaneously in Washington and Havana on Friday, said negotiations conducted in secret in Mexico City had succeeded in "delinking" radio issue from talks on resuming 1984 Mariel migration agreement. Two sides have agreed to resume immediately implementation of migration agreement, under which Cuba has agreed to take back almost 3,000 undesirables who arrived in U.S. in 1980 Mariel boat lift, while U.S. processes applications of those eligible to enter country. Cuba ended talks in May 1985 after U.S.'s Radio Marti began broadcasting news and entertainmnent programs to Cuba. Statement said talks on radio interference will be conducted "in strict accordance with international law, including applicable radio law and regulations." U.S. maintains that Cuban stations causing interference are in violation of international law. State Department official said resumption of Mariel agreement will not compromise Radio Marti operations. Agreement will have "no consequences" for Radio Marti, which, he said, has been doing "an excellent job."

□

NATPE International reports that floor space for 25th annual program conference in Houston (Feb. 25-29) is sold out. Washington Post Co. chairman Katharine Graham is keynote speaker. Other speakers include FCC Chairman Dennis Patrick, Linda Ellerbee and Phil Donahue.

□

Federal Communications Bar Association will honor FCC Chairman Dennis Patrick with informal dinner/reception on Dec. 8 at Washington Marriott hotel. For information: (202) 429-3845.

GTG Marketing for a group deal on *USA Today*. Each NBC station can purchase the show on its own if it chooses to do so. The CBS-owned stations also declined to buy *USA Today* as a group ("Closed Circuit," Nov 16). GTG is now, or soon will be, making presentations in the top five markets.

Casualty list at TV networks

CBS cancels 'Law and Harry McGraw'; changes other programs; NBC considers three low-rated shows

Critical November sweeps claimed their first casualty last week and prompted some schedule reshuffling by TV networks. In first programing move as new president of CBS Entertainment, Kim LeMasters announced cancellation of the floundering new Univeral series, *The Law & Harry McGraw*, 58th in last week's Nielsen ratings. The last show will air on Dec. 22.

CBS will also add a new one hour series called *High Mountain Rangers* produced by series' star Robert Conrad's A. Shane Co. The network also will bring back *Simon & Simon* for a seventh season and will undertake a major revamping of its third-place Monday night lineup.

Under the revised schedule, the new CBS News program *48 Hours* will debut Tuesday, Jan. 19, from 8 to 9 p.m.; *Simon & Simon* from Universal reappears 9 to 10 p.m. Thursday beginning Dec. 3; and *High Mountain Rangers* premieres at 8-9 on Saturday, Jan. 2.

Other CBS scheduling changes: *Kate & Allie* will move to 8 p.m. and *Frank's Place* to 8:30 p.m. on Monday, Dec. 7, shifting their rotation in the hour; *Houston Knights* moves from 8 to 9 p.m. on Tuesdays to 9 to 10 p.m. on Saturdays beginning Jan. 2., with its final Tuesday broadcast on Dec. 29 (CBS did not announce programing for the time period on Jan. 5 and 12); *Wiseguy* moves from 9 to 10 p.m. Thursday to 10 to 11 p.m. Monday on January 4, with the final broadcast in its current time slot last Thursday (Nov. 19). *Cagney & Lacey*, a staple from 10 to 11 p.m. Mondays for the past several years, moves into the 10 to 11 p.m. period Tuesday, Jan. 5, in the slot being vacated by *The Law & Harry McGraw.*

NBC, meanwhile, late last week was contemplating the fate of at least three low-rated programs: *Private Eye*, which finished 55th in the Nielsens for the week ended Nov. 15; *J.J. Starbuck*, 45th, and *Rags to Riches*, 54th. Network Entertainment President Brandon Tartikoff has said that he wanted to see how the shows performed last week before making any cancellation decisions.

At ABC, the programing division will shift its Saturday night rotation on Dec. 5, with *Ohara* moving to 8 p.m. and Sable to 9 p.m.

Editorials

Reversing the mirror

The Times Mirror-sponsored Gallup studies of public opinion about the news media and their performance continue to discover a public that is, as remarked here before, both quirky and full of ambiguities. The latest study, released last week, turned up a larger majority (68%) of respondents believing that news organizations "went too far" in reporting the Gary Hart-Donna Rice affair and 65% with the same opinion about reports that Pat Robertson's first child was conceived out of wedlock. It is difficult to square those responses with those to another question in the same survey.

This question was asked: "Some say that close scrutiny of political candidates by news organizations is not worth it because it discourages too many good people from running for President. Others say that press scrutiny is worth it because it lets voters really know who is and who is not personally qualified to be President. Which comes closer to your view?" A substantial majority (59%) said press scrutiny was worth it; 32% felt otherwise; 9% didn't know.

The first Gallup study of this kind for Times Mirror, discussed in BROADCASTING's issues of Jan. 20 and 27, 1986, found other seeming contradictions in public attitudes. In that sample, 55% said media try to cover up mistakes, but 79% thought media care about the quality of their work. For media the latter is a more gratifying figure than the former.

Maybe these findings are less conflicting than they look to be at first glance Clearly a popular majority believes news media ought to turn the light on presidential candidates and, presumably others seeking office. That belief is not necessarily at odds with the belief that disclosures can go too far. Nor is it necessarily inconsistent for people to think that media conceal mistakes but to recognize that media may do so while caring for their work.

Whatever is to be deduced fron these surveys, editors must continue to present what experience and tradition teach them to present: the news, even if it discomfits the public. Maybe 68% of the people would rather not have learned about the Hart-Rice interlude, but concealment would not have complied with a 59% vote for press scrutiny of candidates. If messenger and message occasionally disturb the national tranquility, the messenger's job must go on. It is a job that still commands a favorable report from 80% of the people.

Chickens and eggs

The National Association of Broadcasters has asked the FCC to put its weight behind the AM audio processing standards adopted by the National Radio Systems Committee. The standards are intended to reduce interference and increase frequency response. AM broadcasters have been somewhat reluctant, and understandably so, to embrace the standards. Maybe 10% of 5,000 AM stations on the air have converted to the new standards or say they intend to convert.

What's keeping the others from spending the inconsequential $700 or so it costs to burnish up their sound? For one thing, limiting the fidelity to 10 khz at the studio, as the standards require, means decreasing fidelity to an audience with standard AM receivers, a risk many broadcasters may not wish to make without some insurance that their competitors are doing the same. They are also put off by the absence of wideband receivers that will accommodate better sound. The manufacturers, which can correct the last part of that equation, are reluctant to commit to the production of wideband receivers without the widespread adoption of the 10 khz limit. Stalemate.

Both sides would benefit from a standard imposed on broadcasters by the FCC. As the NAB argued, manufacturers would be given the incentive to build wideband sets if the broadcast quality were there. It is a playing-field impasse that cries for a judicial call by an impartial referee. This page yields to no one in its admiration of the marketplace, but in this case, let the FCC decide.

Delicate balance

There are at least two ways to read this week's "Top of the Week" story about the equities cable operators are taking in the program services they carry. The first is to cheer the abundance of new, cable-exclusive programing this system has created. The second is to raise a new alarm over cable "monopoly."

At bottom, in this page's view, it's a question of the willingness in the marketplace. Fair market value is established, they say, when you have a willing buyer and a willing seller. So long as the program entrepreneurs share equity because it's a mutually beneficial arrangement, all's well and good. When coercion enters the picture, one might expect the Justice Department to be close behind.

The broadcasting industry experienced its own run-in with this phenomenon back in the heyday of the TV networks. Once was, in prime time and otherwise, many series turned out to be co-productions, with the networks as partners, participating not only in the network run but often in the syndication that followed. It wasn't long before reluctant partners from Hollywood went to see the Antitrust Division, and just a little later that the networks entered into a consent decree that has effectively frozen them out of program equities for two decades.

The Fifth Estate doesn't need a rerun of that scenario. The current surge of development is in line with cable's oft-promised intention to concentrate on programing once it had established its national network of physical plant. Moreover, it is giving cable the programing plus it needs to attract even greater penetration. The industry wins, the public wins.

What cable must not do is use its power to extort equity or deny market entry. Down that road lies disaster.

Drawn for BROADCASTING by Jack Schmidt

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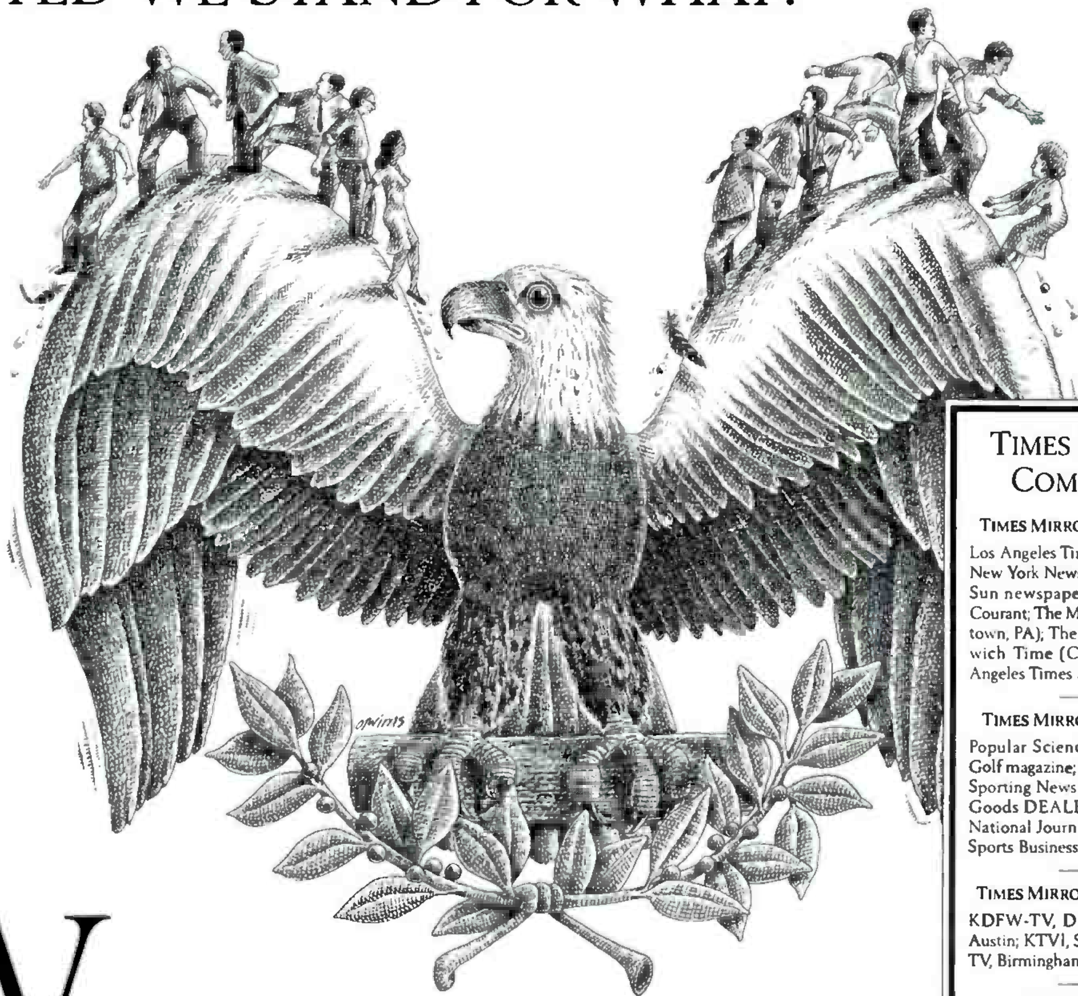
UNITED WE STAND FOR WHAT?



What are the values and beliefs that Americans stand for today? We asked Gallup to find out.

Gallup talked to 4,244 people, face-to-face, in interviews that typically lasted 70 minutes, and identified nine values and beliefs that define—and divide—political opinion.

Religious faith. 80% of the American electorate say they're conscious of the presence of God.

Social justice. 62% believe government should guarantee every citizen food and shelter.

Militant anti-communism. 56% believe communists are responsible for a lot of the unrest in the U.S. today; 54% think the best way to ensure peace is through military strength.

American exceptionalism. 68% think the U.S. has a boundless ability to solve its problems.

Alienation. 52% say they have no say about what government does; 73% say elected officials in Washington quickly lose touch with the people.

Financial pressure. 43% say they often don't have enough money to make ends meet.

Attitudes toward government. 63% think government is inefficient and wasteful.

Attitudes toward "big business." 77% think too much power is concentrated in too few large corporations.

Tolerance/intolerance. 48% think it's all right for blacks and whites to date each other; 50% say books containing dangerous ideas should be banned from public school libraries.

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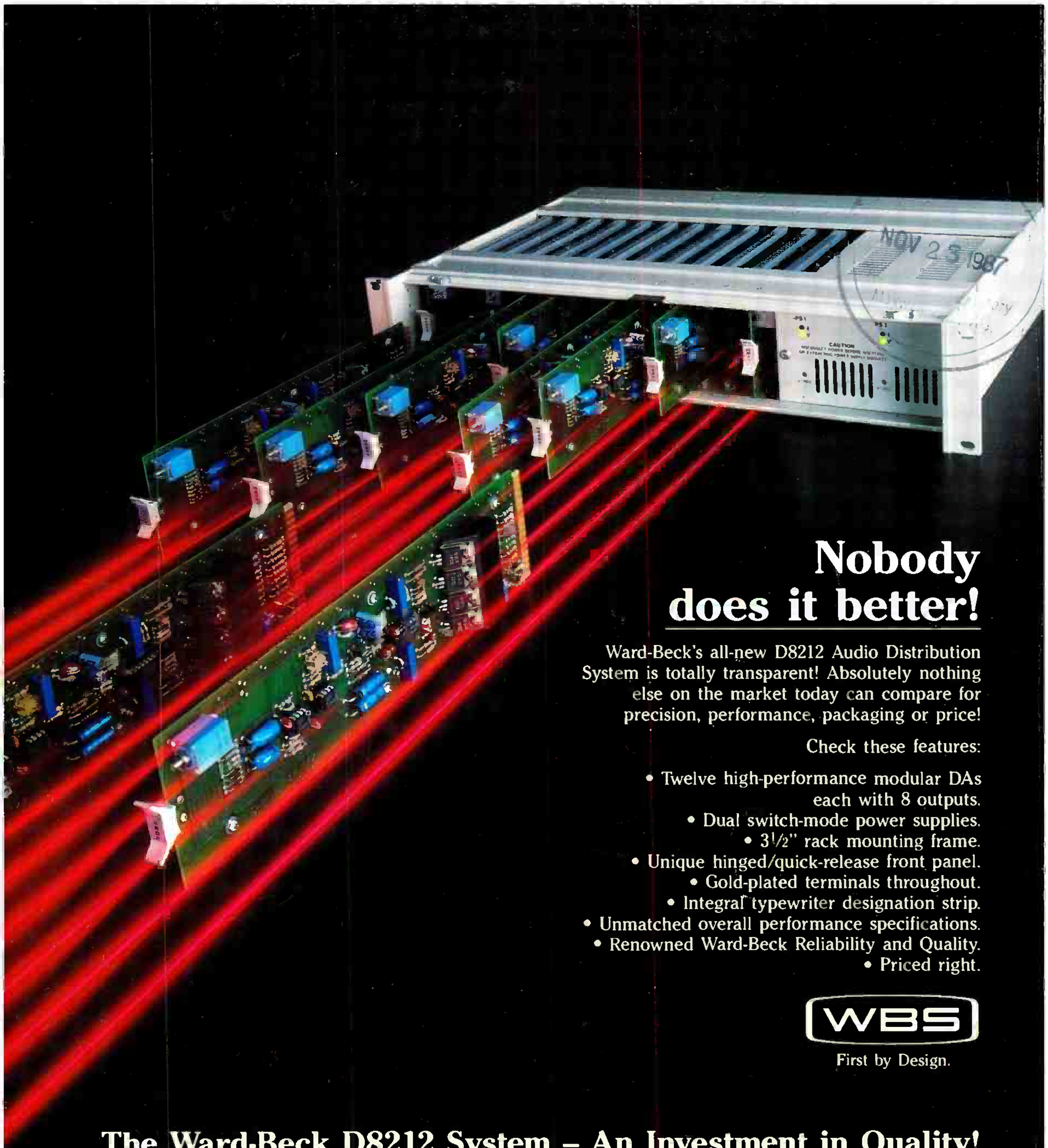

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