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Broadcasting & Cable

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Time Warner On a Cable High

**SPECIAL TO THE
WESTERN SHOW**

**Can Cable
Make Good
on its Promises?**

**Washington
Zeros in on
Program Access**

Time Warner's
Gerald Levin and
Joseph Collins

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TOP OF THE WEEK : 6
BROADCASTING / 62
CABLE / 90
TECHNOLOGY / 109
Telemedia
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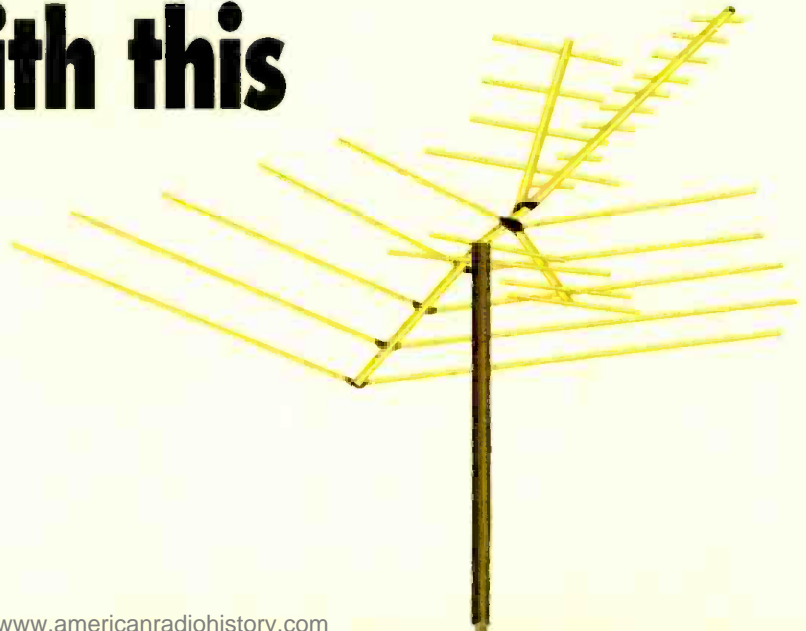
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Fast Track

Must Reading from

**Broadcasting
& Cable**

December 8, 1997

TOP OF THE WEEK / 6



Former ABC engineering wizard Julie Barnathan is dead at age 70. / 10

Cable rates rising Just as congressional scrutiny of cable rates is intensifying, those rates will be going up. Basic rate increases of 10% or more are common around the country, with US West Media Inc.'s MediaOne unit and Time Warner Cable posting some of the highest increases. / 6

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Computer companies make the cases to cable Computer companies are scrambling in the final weeks of the year to lock up their place in cable operators' digital set-top-box plans, with top executives shuttling among cable players to press their case. / 14

No changes soon to crossownership rule The FCC has no plans to repeal its restriction against common ownership of a newspaper and TV station in the same market before Tribune Broadcasting is required to sell either WZL Miami or the Fort Lauderdale Sun Sentinel. / 32

COVER STORY

Time Warner on a cable high

Gerald Levin has changed his—and Time Warner's—attitudes toward cable, as investors drive cable stocks to new highs and cable gets more competitive on the Internet. / 36 *Cover artwork by Nam-Andrew Kim*



Cable's promises: Can it make good?

Cable has been promising alliances with computer companies, accelerated modems, cable telephony and better service since the early 1990s. Cable's offerings at the Western Show may show whether the industry is ready to stand and deliver. / 42

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CBS grabs households in November sweeps

NBC maintained its dominance in the all-important 18-49 demographic, but CBS earned bragging rights in the November sweeps race—securing its first household win for the rating period since 1994. / 62

Westlake will head Universal TV Universal Studios has reorganized its television arms and named Blair Westlake chairman, Universal Networks and Worldwide Television Distribution. / 62

Nixon vs. networks Newly released tapes and other records from the Nixon administration show a White House bent on boosting its image in the media through a series of legal threats. / 64

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SBC Communications selling wireless cable

SBC Communications is actively shopping its Pacific Bell Video Services digital wireless cable operation in Los Angeles and Orange counties. / 90



Al Roker and singers from the group Rockapella introduce on-time-guarantee spots from NCTA. / 90

Liberty will digitize Telemundo Liberty Media plans 10-12 Spanish-language channels over co-owned Tele-Communications Inc. digital cable tiers early next year, with another 12 possible in 1999. / 92

Cable booster NCTA President Decker Anstrom boasts that cable beat out broadcast TV for market share in 1997 and is proving the superiority of its infrastructure for multimedia. / 94

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Mount Sutro hits DTV snag Construction of the 760-foot Mount Sutro tower has been halted as objections from residents of a nearby neighborhood appear to have led to delay of zoning approval. / 109

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Pursuing a safety 'Net Internet providers met with government officials and watchdog groups in Washington last week over a strategy to protect children from offensive Websites. / 112

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FOX KIDS SWEEPS ASIDE THE COMPETITION WITH ITS 20TH CONSECUTIVE WIN!



#1 SATURDAY MORNINGS
among K2-11, K6-11 and P6-17

#1 SHOW
ULTIMATE GOOSEBUMPS
(5.5 rating, K2-11)

#1 WEEKDAYS
among K2-11, K6-11 and P6-17

#1 WEEKLY SERIES
NINJA TURTLES: THE NEXT MUTATION
(3.7 rating, K2-11)



Source: NTA Average Audience estimates, 10/30/97-11/22/97, Saturdays 8A-12P, Monday-Friday 7-8A, 3-5P, all Fox Kids Network programming and broadcast networks (ABC, CBS, WB). Subject to qualification which will be supplied upon request.

FCN Logo: TM & © FOX.

Cable ramps up rates

Industry cites program, rebuild costs for double-digit boost in some bills

By John M. Higgins

Just as congressional scrutiny of cable rates is intensifying, many subscribers around the country will see double-digit-percentage increases in their basic cable bills.

Systems and government regulators report that basic rate increases of 10% or more are common around the country, with US West Media Inc.'s MediaOne unit and Time Warner Cable Inc. posting some of the highest increases. Many other systems are passing through basic hikes in the 7%-9% range.

The new rates continue cable's trend of increasing prices far in excess of the rate of overall inflation. U.S. Bureau of Labor Statistics data show that cable bills—including pay subscriptions and fees other than basic rates—rose 6.9% during the 12 months ended October, more than triple the gain of the urban consumer price index.

Some basic hikes are coming in at more than double the cable inflation rate. MediaOne subscribers in New England will see rates jump 13%-17%. Many Time Warner subscribers in Manhattan, Massachusetts and California will see their bills jump about 10%. Rates for Cablevision Systems Corp. subscribers on Long Island, N.Y., are increasing 7% on average; they've gone up 9.8% in one system.

But big hikes are far from universal. Comcast Corp.'s Sterling Heights, Mich., operation recently raised rates just 2.2%, and some Cablevision Long Island customers will see no increase at all.

A Jones Intercable system in La Grange, Ill., notified local regulators that under FCC rules it is entitled to raise rates to more than \$71 per month.

The actual increase it will pass through to subscribers in January: just 2%, to \$27.41 per month.

Tele-Communications Inc.—which became a lightning rod by increasing rates an average 13.7% in June 1996 for many systems—is delaying hikes for a couple of months for systems that had been scheduled for increases in January. TCI executives say the increases will be more moderate, clos-

officials. "I'm really fed up with what goes on here. I think what they need is a little competition," Nidetch says.

Industry executives blame price increases on their programming costs, which also are rising far faster than the inflation rate. In addition to facing higher costs for channels they already carry, systems are spending heavily to improve the product, executives note. Systems passing through rate hikes generally add three to sometimes a dozen channels to basic and enhanced basic packages. (Some subscribers aren't impressed, complaining that the new channels aren't much use to them.)

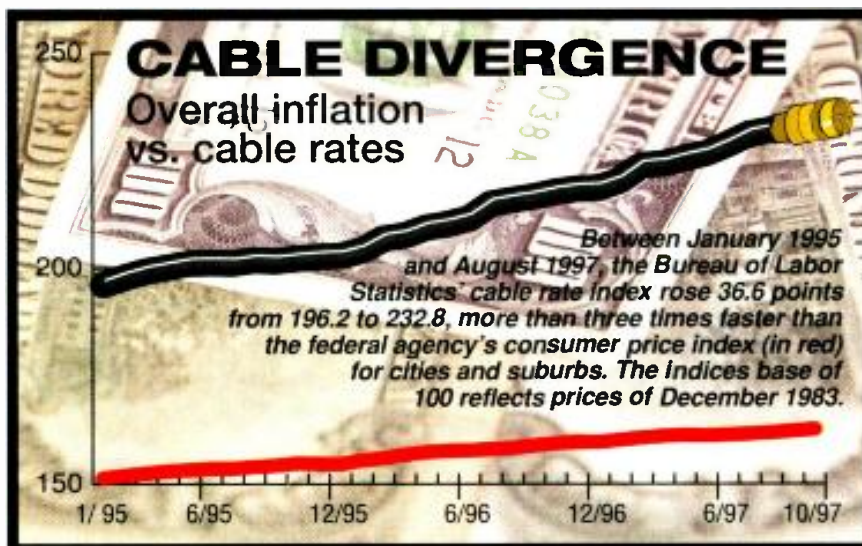
Many operators also are aggressively rebuilding systems to increase channel capacity, signal quality and reliability and to allow the introduction of new products, like high-speed Internet access.

Ron Cooper, executive vice president of operations for MediaOne, says that the average basic rate increase the MSO has scheduled for January is 9.3%. But many MediaOne systems are bolstering their packages by adding networks like Animal Planet and Classic Sports Network or The Disney Channel—usually an \$8-or-so pay service.

"We're adding programming as we complete rebuilds," Cooper says. "Our customers are getting more channels, more multiplexed pay, PPV, better signal quality. The bottom line is, this still represents a good value."

"In most instances we are delivering stronger value," says Decker Anstrom, president of the National Cable Television Association. "That's an important test for customers to look for and an important test for policymakers to look for."

Competition was supposed to be



er to 5% on average.

Still, it's the hikes at the high end of the scale that are drawing attention.

Deborah Reynolds, a Time Warner Cable customer in McLeansville, N.C., says that she plans to drop the service when a 9% increase drives her family's basic rate up to \$29.83.

"The service is not worth it as it is," she says, adding that her system frequently zaps out when it rains. "It's just progressively gotten higher and higher, and the service has gotten worse and worse."

Myra Nidetch, a San Diego County customer of Cox Communications, says she won't drop. As a theater lover and former New Yorker who retired to California, she'd miss watching arts channel Bravo.

But she was annoyed enough about a 6.9% basic increase that hit three weeks ago to complain to local cable franchise

exploding by now, spurred by the 1992 Cable Act and the 1996 Telecommunications Act, which was aimed at encouraging video warfare.

Rep. Peter Defazio (D-Ore.) has drafted legislation to toughen rate regulation. His spokeswoman, Kathie Eastman, says that the recent increases point to the failure of the 1996 Telecommunications Act, which was supposed to foster competition that would keep prices in check. "This proves that this bill was a disaster for consumers and that the cable companies are new-era robber barons," Eastman says.

"I am extremely disappointed that cable providers in my district are raising their rates," says Rep. Maurice Hinchey (D-N.Y.), who is co-sponsoring the DeFazio bill. "This action is very harmful to people in my district, most of whom are reliant on cable even for [broadcast] network channels."

Still, neither a Congress controlled by regulation-shy Republicans nor a new FCC is expected

to push through cable price controls.

Competition might help. In Boston and Brookline, Mass., Cablevision's rates are increasing just 2.5%. There, Cablevision faces competition from start-up RCN Corp. and power utility Boston Edison, but an MSO executive insists that competition had nothing to do with the modest increase, noting that the company boosted rates just 3.5% last year without the competition.

In the Boston suburbs, Time Warner's systems are passing through a 10%-13% increase. In virtually every case, FCC regulations would permit a slightly higher rate hike, says Time Warner's local vice president of government affairs, Nick Leuci.

However, exempted from the hikes are customers in Somerville, where RCN is building a system. "We are in the researching stage to understand the pricing and programming strategy that RCN has employed," Leuci says. Understanding that strategy is difficult

RISING SUMS

Announced cable system rate hikes

System	MSO	Old rate	New rate	% incr
Manchester, N.H.	MediaOne	\$22.09	\$25.83	16.9%
Concord, N.H.	MediaOne	\$23.72	\$27.52	16.0%
Watertown, Mass.	MediaOne	\$23.97	\$27.54	14.9%
Milton, Mass.	MediaOne	\$27.93	\$32.05	14.7%
Needham, Mass.	MediaOne	\$25.36	\$28.90	13.9%
Quincy, Mass.	MediaOne	\$26.77	\$30.43	13.6%
Durham, N.H.	MediaOne	\$26.92	\$30.46	13.2%
Memphis	Time Warner	\$31.09	\$34.79	11.9%
San Antonio, Tex. (rebuilt)	Time Warner	\$28.11	\$31.30	11.3%
Manhattan	Time Warner	\$28.13	\$31.22	11.0%
Indianapolis	Comcast	\$27.47	\$30.42	10.7%
San Diego County	Time Warner	\$28.47	\$31.41	10.3%
Baltimore	Comcast	\$29.89	\$32.84	9.9%
San Diego	Time Warner	\$30.93	\$33.96	9.8%
Lebanon, Pa.	Time Warner	\$24.89	\$27.30	9.7%
Marlborough, Mass.	MediaOne	\$25.67	\$28.14	9.5%
Eastham, Mass.	MediaOne	\$28.11	\$30.74	9.3%
Greensboro, N.C.	Time Warner	\$27.24	\$29.83	9.0%
Mundelein, Ill.	Jones Intercable	\$24.88	\$26.83	7.8%
La Grange, Ill.	Jones Intercable	\$25.46	\$27.41	7.7%
Washington Twp., Ohio	MediaOne	\$28.25	\$30.19	7.0%
San Diego	Cox	\$28.95	\$30.95	6.9%
San Antonio	Time Warner	\$27.08	\$28.70	5.9%
Kettering, Ohio	MediaOne	\$28.25	\$29.71	5.0%
Beloit, Wis.	Time Warner	\$27.72	\$29.15	5.0%
Waukesha, Wis.	Time Warner	\$25.02	\$26.25	5.0%
Broward County, Fla.	Comcast	\$28.61	\$30.00	4.9%
Charleston, S.C.	Comcast	\$29.80	\$30.70	3.0%
Sterling Heights, Mich.	Comcast	\$27.63	\$28.29	2.2%

Average increase—9.2%

Source: Company, regulator and local press reports

Programming costs: cable's catch-22

Ask any cable operator why they can't control cable rates and the same answer will come back: programming costs.

For years, the license fees that cable operators pay for programming from the likes of USA Network and ESPN have been escalating much faster than inflation. Operators say the pace isn't slowing.

At least part of the increase in cable subscription fees comes from stacking more product onto the enhanced basic tier. That's encouraged by the FCC's rate regulations, which allow operators to pass through programming costs to subscribers.

Fees range from a few cents per subscriber per month for a small start-up network to 30-50 cents for more established networks to \$1.50 for some regional sports networks. The fees generally tick up one to three cents each year until it's time to renegotiate the carriage deal. Then rates can really spike.

Last year ESPN's monthly rate to some operators jumped from about 50 cents to about 80 cents, a 60% increase. The network had been seeking \$1.

After acquiring two local sports teams in Philadelphia, Comcast SportsNet put a rival sports network out of business and sought a rate of \$1.50 per month.



Increasing fees for sports are putting upward pressure on rates.

Regional sports network Fox Sports West has launched a second Los Angeles channel and has pressed operators to pay up. In Detroit last September, Fox Sports outbid incumbent PASS for rights to the Pistons and Tigers. That put PASS out of business and has Fox Sports seeking to double its fee, to almost \$1.50 per sub.

By converting from a superstation to a conventional cable network, WTBS(TV) Atlanta is seeking to more than double operators' cost, to 25 cents per sub.

"I don't get to vote on this," says Telecommunications Inc. President Leo Hindery. "About 65% of my rate increase last year was [related to] product cost."

An analysis by Morgan Stanley's Richard Bilotti shows that programming

is TCI's single largest cost item. Total basic, pay, pay-per-view and advertising revenue averages \$39.33 per subscriber. Programming eats up \$9.53, or 24.2%.

Looking only at basic programming, TCI's costs this year have jumped from 31.7% of basic revenue to 35.8%. Cox says its programming costs will jump 12% next year, with 58% related to the TBS conversion.

—John Higgins

Holy %#@!, it's



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Introducing the first complete package of distinct
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M2



MTV Ritmo



MTV Indie



MTV Rocks



VH1 Soul

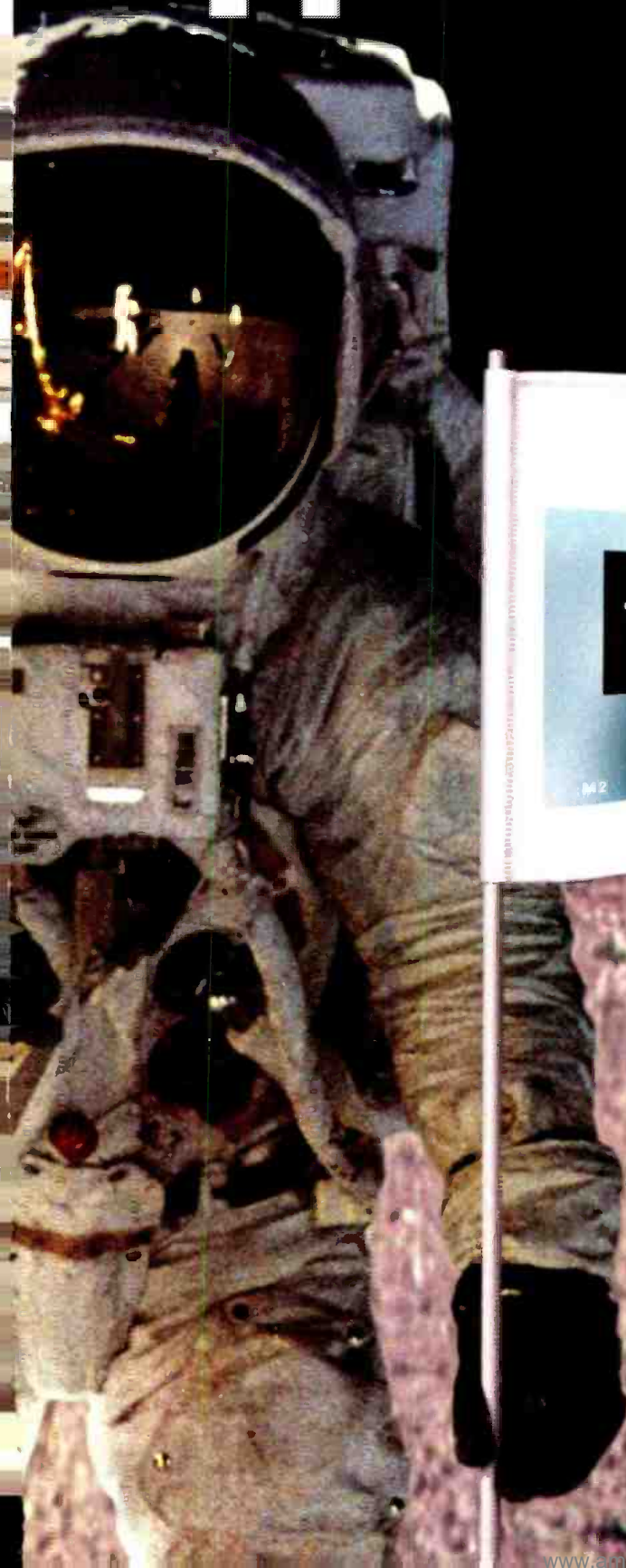


VH1 Smooth



VH1 Country

happening again!

A white flag with a black banner across the center. The banner contains the text 'The Suite' in white. Above and below the banner are several colored rectangular blocks in shades of blue, orange, green, red, and purple. Below the flag, the text 'FROM MTV AND VH1' is printed in black.

The Suite

M2 MTV RITMO MTV 3NDIE VH1 COUNTRY VH1 SMOOT-I

FROM MTV AND VH1

because RCN is bundling cable and local phone service together.

In Columbus, Ohio, where Time Warner faces competition from telco Ameritech Corp.'s cable overbuild, the system isn't raising rates at all this year.

A twist on rate regulation is driving some of the highest increases, at Time Warner and MediaOne. Both operators have cut "social contracts" with the FCC, settling outstanding rate disputes by agreeing to upgrade their systems.

In exchange, the companies get to pass through programming cost increases and boost monthly subscriptions an extra \$1 each year to pay for rebuilds.

One media analyst says the social contracts were "brilliant" for the companies, allowing them to charge much more and recover the cost of investments they probably would have made anyway.

Subscribers can be provoked by even a relatively moderate increase. In San Diego, city cable administrator Marc Jaffee says that Cox's 6.9% increase, to \$30.95, has drawn four or

five times as many customer complaints as last year.

That's because of the way that the hike affects the two elements of basic cable. Cox's rate for enhanced basic alone actually dropped 50 cents, from \$18.45 to \$17.95. But the low-end broadcast basic package—just local TV stations, C-SPAN and home shopping—jumped 23.8%, from \$10.50 to \$13.

The small cluster of subscribers who take only broadcast basic—often retirees on fixed incomes—are particularly annoyed. "Subscriber response is a lot more than last year," says Jaffee, who has received 150 complaints so far, compared with 30-35 last year.

An official in San Diego County says that 40 people showed up three weeks ago at a public cable hearing following a similar increase by Cox systems in unincorporated areas.

Some rate increases are much stiffer than what's happening in San Diego. MediaOne customers in Manchester, N.H., face a 16.9% basic increase, to

\$25.83. In nearby Concord, MediaOne is passing through a 16% hike, to \$27.52, while Durham customers will see rates rise 13.2%, to \$30.46.

But those systems are in the midst of a rebuild, expanding capacity. For example, Manchester customers have received Bravo, Comedy Central, Fox News Channel, MSNBC, Classic Sports, Disney and Animal Planet in recent months.

In suburban Boston, MediaOne is boosting prices 14.7%, to \$32.05, in Milton; 13.6%, to \$30.43, in Quincy, and 9.3%, to \$30.74, in Eastham.

But customers will get eight new channels on basic, including The Disney Channel.

MediaOne's Cooper says that subscribers will not be irate when they see added product and strong customer service and that even high increases won't provoke Congress. "We are taking great pains to be good communicators on this, so people in the legislative and regulatory arenas understand why." ■

—Page Albiniak contributed to this story

Julius Barnathan, 1927-1997

Julius Barnathan, a 38-year ABC veteran when he retired in 1992, died of lung cancer Dec. 1 at his home on Long Island, N.Y. He was 70.

Born on New York's Lower East Side in 1927, Barnathan went straight from high school into service as a combat airman in World War II. After the war, armed with a degree in math and economic statistics from Brooklyn College and a master's degree from Columbia, he joined ad agency Kenyon & Eckhardt in 1952. He moved to ABC as supervisor of ratings in 1954.

Before retiring from the network to run his own consulting firm, Barnathan had overseen several key areas for the network. As head of ABC broadcast operations and Engineering, he helped bring an array of projects out of the lab and into the studio, including the first color slow-motion and super slow-motion machines. Other postings included stints as head of research, head of the owned-TV stations, head of affiliate relations and general manager of the network.

On being inducted into BROADCASTING & CABLE'S Hall of Fame in 1994, Barnathan cited the development of closed-captioning as his proudest accomplishment. Long before Congress mandated the inclusion of closed-caption decoders in TV sets, Barnathan was pioneering and championing the technology. Among his other honors were Emmys for Olympics coverage, NAB's Engineering Award and the Society of Motion



Barnathan at the 1984 Olympics.

Picture and Television Engineers Presidential Proclamation Award.

"It's the end of an era," said News Corp. Vice President Andy Setos after attending Barnathan's funeral last Thursday. Setos first met Barnathan in 1970, when Setos was an ABC engineering intern and Barnathan urged him to pursue a career in broadcast engineering. "His consummate contribution to the industry is unique, both in its scope and in its depth," Setos said.

Bob Zitter, HBO senior vice president of technology operations, remembers Barnathan as a great teacher. "He was to me, in the classic sense, a mentor," says Zitter, who worked with Barnathan in ABC operations in the early '70s.

"There are only a few giants in this business, and only a couple on the technical side," Zitter says. "Julie led the way. Just look at the things that are commonplace in the industry today that he developed, like slo-mo video and hand-held cameras."

Barnathan is remembered fondly by one of his main rivals in the engineering arena over the years, CBS Senior Vice President for Technology Joe Flaherty. "He was a key figure in the technology of broadcasting, my best competitor and a good friend," says Flaherty. "The business is going to miss him, and from my viewpoint it won't be as much fun."

Barnathan is survived by his wife, Lorraine; three children, and three grandchildren.

—John Eggerton, Glen Dickson

Intel plans DTV experiments

Will use low-power signals in Santa Clara to test data broadcasting

By Richard Tedesco

Intel Corp. wants to see how digital TV looks on a computer.

Playing with the technology in its Silicon Valley backyard, the company plans to use an experimental FCC license to send digital PBS signals—along with such added data as interactive educational material—to personal computers. Intel hopes to learn how various data broadcasting techniques work with actual broadcast signals, says Serge Rutman, Intel senior staff architect.

"The list of what we're going to fiddle with is long," says Rutman. In its application to use channels 6, 12, 28 and 62 in Santa Clara, Calif., the company cites the possibility of 3-D broadcasts and interactive education. "We will be trying to make sense of what can work technically," Rutman adds.

To study the delivery of DTV signals to computers, the company will use television signals supplied by PBS. Intel plans to pull the signals of KQED(TV) San Francisco and WETA-TV Washington from a satellite, add supplementary information and rebroadcast the signals to computers on the experimental channels. Intel's experiment will also use signals from noncommercial KTEH(TV) San

Jose, Calif.

While Intel studies the digital signals, PBS also plans to explore new uses for its Infinite CD platform, developed with Intel, which permits users to link to Website content through a CD-ROM. PC users now can use the push technology built into the hybrid format to order PBS videotapes. PBS could use the technology to "push" additional content on particular subjects to interested viewers.

In a wide-ranging briefing at its San Jose campus last week, Intel officials announced plans to launch several data broadcasting market tests during the first half of 1998. It will make authoring tools available for that purpose early next year.

The company also plans to have a reference design for PC receiver cards by then, and it expects some of its data broadcasting trials to turn commercial.

Intel is working with all of the major broadcast networks, according to Avram Miller, Intel vice president of business development. The company also plans to have its hardware in network computers produced by the Oracle unit, NCI. It's working with Zenith Electronics on the receiver cards and plans to work with Panasonic as well.

On the cable side, Intel expects to play a role in developing digital set-tops with Microsoft Corp. and has filed a set of specs with CableLabs for a digital set-top design.

But it backed away from the stance it adopted with Microsoft and Compaq Corp. at NAB last year, which pushed a vision of digital TV transmissions in the PC-friendly format of progressive scan.

"That proposal was a smashing failure because it was looked at as attacking HDTV," says Ron Whittier, Intel senior vice president. Another Intel official concedes that the three computer giants had been "naive" in their approach to broadcasters. Microsoft declined to comment.

Supporters of the broadcast standard welcome Intel's decision. "This is a nail in the coffin of [the computer industry] proposal," says Gary Shapiro, president of the Consumer Electronics Manufacturers Association.

Compaq Senior Vice President Bob Stearns says his company still backs a progressive scan system. He adds that Intel's approach would not fare well outside the PC world. "That may be fine for watching TV on a small-screen PC, but it wouldn't work for a widescreen TV," Stearns says. ■

Intel has a vision with Nickelodeon

Intel's view of the future puts Nickelodeon and Lifetime in the Intercast picture next year.

Intercast enables PC users equipped with \$100 tuner cards to receive TV signals on their PC. It also enables them to access data embedded in the signals, which carry information that complements or enhances the video programming. NBC is currently offering NFL games and the *Tonight Show* in the format.

With the help of Intel, Nickelodeon early next year plans to test NickVision, an Intercast-like service that would allow young users to participate in interactive educational and entertainment activities while watching Nick on their PCs. The children would be able to freeze images from Nick video



Intel will be adding material to Intercast from Nickelodeon and Lifetime that can be accessed on PCs. It has been offering sports from NBC.

content, manipulate them, store them on a hard drive and send them to friends through a "tee-vee-e-mail" application, according to Bill Boyle, Intel strategic programs manager in its content group.

The users would have access to NickVision Dumpsite, stocked with games and video content not seen on TV. They would also be able to hyperlink to Websites for content related to specific shows.

At a press conference last week, Intel demonstrated the potential of digital satellite transmission, showing an Intercast

version of Weather Channel with moving weather satellite imagery and an NCI application: a program guide with a real-time video window.

—Richard Tedesco

Look who's

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DETROIT	WJBK	FOX
MINNEAPOLIS	KARE	NBC
KANSAS CITY	KSHB	NBC
GRAND RAPIDS	WOTV	ABC
SAN ANTONIO	KENS	CBS
LAS VEGAS	KNTV	ABC
CHAMPAIGN	WAND	ABC
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H O L L Y W O O D

Set-top scramble in Silicon Valley

Computer companies make the cases to cable

By Price Colman

Computer companies are scrambling in the final weeks of the year to lock up their place in cable operators' digital set-top-box plans, with top executives shuttling among cable players to press their case.

PC executives' hopes for quick deals have already fizzled as operators have paused to more closely assess the technology and financial terms. But with or without major MSO deals to announce, Silicon Valley and Seattle players are expected to dominate the buzz at this week's Western Cable Show. There they will try to make a big splash with a host of product demonstrations and major alliances, at least among hardware and software companies.

In the past two weeks, computer industry rivals Bill Gates and Larry Ellison have called on cable industry big guns John Malone and Gerald Levin. Microsoft Chairman Gates met with Time Warner Inc. Chairman Levin Thanksgiving week and followed up last Monday with a meeting with Tele-Communications Inc. Chairman Malone. Oracle Corp. Chairman Ellison also made a trip before Thanksgiving to court Malone.

It isn't clear how the two companies fared with either operator. But cable executives say the key wrestling match now is over the cost of the advanced digital converters, which PC hardware, software and cable converter manufacturers are struggling to get down below \$300 on average.

That hasn't stopped speculation that there will be a Microsoft/Comcast-type deal—up to a \$1 billion equity investment—or a similar-size deal in which the computer player somehow finances its cable partner's purchase of set-tops.

Sources familiar with the situation say the cable and computer guys are still figuring out how the other half lives.

"People who come from the PC hardware and software environment view the world as Internet-centric," says a source. "They see embedding the TV into the Internet. People in the TV world see it exactly the other way around."

"During numerous interactions in



Computer rivals Bill Gates (l) of Microsoft and Larry Ellison of Oracle are courting cable over boxes.

the last several months between the two industries, in all different disciplines—engineering to financial to strategic—different views have begun to meld a little bit."

Some small links have been forged so far: WorldGate and Charter; Wink and Charter; and Scientific-Atlanta plus PowerTV, WorldGate and a player yet to be named. But those are primarily pilot projects, mere toe-in-the-water deals.

A deal that had box-watchers buzzing was last week's @Home/Microsoft alliance to offer an @Home-branded version of Microsoft Internet Explorer 4.0. @Home, partly backed by rival browser company Netscape, has consistently rebuffed Gates's attempts to squeeze in as a partner. The Microsoft/@Home alliance, which one Wall Street analyst likened to "Saddam Hussein going to visit George Bush," had the analyst wondering whether the deal was an early sign of a broader deal with @Home partners TCI and Cox.

Still, the really big hardware deal—the Microsoft or Oracle or Sun Microsystems operating system in a box bought by TCI, Time Warner, MediaOne or Comcast—hasn't happened yet.

The stakes in the set-top game could be far higher—potentially, tens of billions of dollars annually in new revenue from products and services that would be delivered in digital form not only to the nearly 66 million cable TV households but also to the more than 30 million TV homes that aren't cabled.

If the potential rewards are huge, however, so is the risk. No one knows yet whether consumers will embrace the idea of cross-pollinating PC and TV, creating a TV set enabled to send and receive e-mail, surf the Web and do online shopping.

Meanwhile, early Internet-TV efforts have shown mixed results. WebTV, an early entrant in the race, has encountered lukewarm consumer acceptance so far. Only about 150,000 WebTV set-tops and services have been sold.

Microsoft had planned to do a big retail Christmas push with WebTV hardware but ran into supply problems.

Microsoft isn't alone in the Internet-TV arena. Oracle, through its Network Computers Inc. spin-off, is targeting similar markets, as are WorldGate and Wink.

One of the main challenges cable operators face with Internet-TV and the accompanying set-top boxes is that the technologies are all slightly different. What works on one system won't necessarily plug and play in another. That's exactly what Cable Television Laboratories, the cable industry R&D consortium, is trying to avoid with its OpenCable initiative.

The idea is to establish open standards for set-tops and thus encourage a wide range of hardware and software developers to supply components or build boxes. More participants means more competition, which in turn means downward pressure on prices. Right now, boxes cost \$400-\$450. Cable operators want to get the price down to a point that would be acceptable to consumers—near \$200, say—so that consumers can buy the boxes and keep cable operators from having to finance the boxes themselves.

A couple of other important facets to OpenCable: The objective is to make the set-tops, which would include cable modems as well as converters, interoperable. Translation: A box that works on a TCI system in Denver would also work on a Time Warner system in New York or a MediaOne system in Los Angeles. That means that if a customer moves, the box can move too. It also opens the door to a consumer retail strategy for boxes, selling them in Circuit City, Radio Shack or any other consumer electronics store.

As TCI President Leo Hindery noted in mid-November, the horse race really started when Cable Television Laboratories' executive board—the cable industry's top guns—put OpenCable on a fast track. But the computer contenders are heading for the stretch. ■

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Sinclair dips into \$1 billion purse for Max Media

Baltimore broadcaster pays \$255 million for station group

By Steve McClellan

Sinclair Broadcast Group's agreement last week to buy Max Media may be the start of another buying spree for the Baltimore-based group owner, which has up to \$1 billion in acquisition capacity for 1998. In addition to growing its TV portfolio past the 20% coverage level, Sinclair Broadcasting President Barry Baker says he intends to be a long-term player in the radio business. The properties added via the Max Media deal will give Sinclair 43 TV stations covering 19.4% of U.S. households, as well as 75 radio outlets.

According to Bear Sterns analyst Victor Miller, the deal will make Sinclair the eighth-largest operator of TV stations, based on overall household reach, and the eighth-largest radio group, based on revenue. Miller reaffirmed his buy recommendation for Sinclair. Strength in both radio and TV, he says, "spells ultimate flexibility for the company" in access to TV programming, cost benefits associated with scale and diversification of revenue and cash flow.

Last Thursday, Sinclair Broadcast Group's stock shot up 10%, to \$39.50, as Wall Street applauded the company's announced deal to acquire Virginia Beach-based group owner Max Media's nine TV and seven radio stations for \$255 million. Salomon Smith Barney broadcast analyst Paul Sweeny, who estimates that Sinclair is paying 11.3 times 1998 broadcast cash flow, reaffirmed his buy recommendation for Sinclair.

"I believe Sinclair is best

positioned as a consolidator in the television business," he says. Because of its size and clout with program syndicators and other suppliers, Sinclair can operate stations more profitably than any operator it acquires, according to Sweeny. Baker plans to use the company's borrowing capacity to buy more stations in 1998.

Asked if the company is a long-term player in radio, Baker responded. "Yes, we are. We continue to find great opportunities in radio, and our radio cash flow has been up double digits in the last two or three quarters." While he has had "plenty of offers" for the radio division, Baker says, "we believe radio and television in the same market really enhances our prospects for success in both areas." The Max Media deal will give Sinclair

six co-owned FM stations and a TV station in the Norfolk market. Sinclair will seek a waiver to keep all six FMs, two more than the FCC per-market limit.

Baker says the company also will seek waivers in markets where TV Grade A contour overlaps occur. There's a three-station overlap in Ohio, with stations in Cincinnati, Columbus and Dayton. Stations in Asheville, N.C., and the Tri-Cities area of Tennessee also overlap.

The Max Media deal gives Sinclair three more UPN affiliates—in Syracuse, N.Y.; Paducah, Ky., and Charleston, S.C.—representing combined coverage of about 1% of U.S. homes.

They will bring Sinclair's UPN affiliate total to nine stations, excluding the five that are switching to The WB in January. There are still two to three years remaining on the Max UPN contracts, Baker says, although Bear Stern's Miller reports that the Max Media UPN deals run through 2001.

Sinclair is talking to both UPN and The WB about the possibility of renewing or switching those nine UPN affiliates. Baker says. UPN and Sinclair are still waging a war of words in Baltimore and Los Angeles courts regarding Sinclair's announced switch of five UPN affiliates to The WB. (UPN sued Sinclair for breach of contract. Sinclair countersued for restraint of trade.) "Our intention is to be Warner Brothers affiliates in five markets on January 15," Baker says.

Max Media was founded by Gene Loving and John Trinder in 1991 after they sold the TVX station group (which Loving founded in 1975) to Paramount. In 1993 they sold Sinclair their Norfolk, Va., TV station, WTVZ.

Max Media is financed in large part by private capital funds, including Virginia-based Colonnade Capital. Reached last week, Colonnade's Allen B. Rider confirmed that Max Media had considered a number of acquisitions as well as a possible merger with another broadcaster. But ultimately, he said, the decision was made to take advantage of Sinclair's attractive bid to "cash in our chips." Loving says he and Trinder plan to explore other opportunities in communications, and Rider says he will back them. ■

SINCLAIR BROADCAST GROUP INC., BALTIMORE (David D. Smith, president/28.1% owner)

43 TVs/Full Coverage 19.4% of U.S.
Affiliates: Fox, 13; WB: 11; UPN: 9;
ABC: 5; NBC: 4; CBS: 1

Station/Market rank	Affili
KLGT-TV* Minneapolis/14	WB
WPGH-TV Pittsburgh/19	FOX
KOVR-TV Sacramento, Calif./20	CBS
KDNL-TV St. Louis/21	ABC
WBFF-TV Baltimore/23	FOX
WTTV-TV* Bloomington/Indianapolis/25	UPN
WLFL-TV Raleigh/Durham, N.C./29	FOX
WSTR-TV Cincinnati/30	WB
KSMO-TV Kansas City, Mo./31	UPN
WCGV-TV Milwaukee/32	UPN
WSYX-TV Columbus, Ohio/34	ABC
WLOS-TV* Asheville/Greenville/Spartanburg, N.C./35	ABC
KAAB-TV San Antonio, Tex./38	FOX
WTVZ-TV Norfolk, Va./39	FOX
KOCB-TV Oklahoma City/44	WB
WTTQ-TV Birmingham, Ala./51	WB
WKEF-TV* + Dayton, Ohio/53	NBC
WCHS-TV* Charleston, W.Va./57	ABC
KUPN-TV Las Vegas/61	UPN
WEAR-TV* Pensacola, Fla./62	ABC
WFGX-TV** Pensacola, Fla./62	WB
WSMH-TV Flint, Mich./63	FOX
WKDY-TV Lexington, Ky./67	FOX
KDSM-TV Des Moines, Iowa/69	FOX

Station/Market rank	Affili
WSYI-TV* + Syracuse, N.Y./72	FOX
KBSI-TV* + Paducah, Ky./	FOX
Cape Girardeau, Mo./79	
WPTZ-TV* North Pole, N.Y./	NBC
Burlington, Vt./91	
WEMT-TV* + Tri-Cities, Tenn./Va./93	FOX
KETK-TV* + Tyler-Longview, Tex./107	NBC
WYZZ-TV Peoria/Bloomington, Ill./110	FOX
WMMP-TV* + Charleston, S.C./117	UPN
WDBB-TV Tuscaloosa, Ala./187	WB

Local Marketing Agreements

Station/Market rank	Affili
WPTT-TV Pittsburgh/19	WB
WNUV-TV Baltimore/23	WB
WRDC-TV Raleigh/Durham, N.C./29	UPN
WTV-TV Milwaukee/32	WB
WFBC-TV Asheville, N.C./Greenville/Spartanburg, S.C./35	WB
KRRT-TV San Antonio, Tex./38	WB
WABM-TV Birmingham, Ala./51	UPN
WNYS-TV* + Syracuse, N.Y./72	UPN
WDKA-TV* + Paducah, Ky./	UPN
Cape Girardeau, Mo./79	
KLSB-TV* + Tyler-Longview, Tex./107	NBC

Time Brokerage Agreement

WFFF-TV* Burlington, Vt./91	FOX
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Notes: *is buying; **has an option to buy;
+Max Media stations

Source: Sinclair Broadcast Group Inc.

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ABC's spins November

By Lynette Rice

It was champagne and caveat over at ABC last week.

The champagne: The network won more nights of the November sweeps than any other network in the 18-49 demo and total viewers. The rather large caveat: It finished third in households (9.3 Nielsen rating/15 share) and third in the key 18-49 demo (5.5/7).

For a network used to publicity this season, ABC was noticeably absent from the end-of-sweeps media blitz Nov. 25—dubbed National Spin Day by some reporters. But last week ABC was ready to take its prime time performance for a spin.

The new programming team of Stu Bloomberg and Jamie Tarses began the season with a plan to halt last season's double-digit ratings decline (did someone say stop the bleeding?).

Last week they pointed to November as a sign of survival. Season to date, ABC remains the number-two network in 18-49 and leads in that key demo on Monday, Tuesday, Wednesday and Friday. So far, the beleaguered network has managed to make good on predictions it would dominate four nights—mainly on the strength of *Monday Night Football* and *20/20*, although helped by freshman hit *Dharma & Greg* and the budding *Wonderful World of Disney*.

"We're very excited about where we're headed," Tarses says.

That excitement notwithstanding, of the four major networks ABC so far has dropped the most shows—*Timecop*, *Total Security*, *C-16*, *You Wish* and *Over the Top* (it also began the year with 12 new shows, more than any other network). The future remains uncertain for its struggling freshman dramas *Nothing Sacred* and *Cracker*.

In short, difficult decisions remain. ABC has yet to announce how it will fill the holes left in Saturday's lineup by the cancellation of *Total Security* and *C-16*. There's also the question of what to do on Thursday should *Nothing Sacred* move—possibly to Saturday—and how to fill the hole left by *You Wish* on Friday.

"We've eliminated some of the problems," says Tarses. "Clearly, we have long-range problems, but season to date we're doing fine." ■

Closed Circuit

WASHINGTON

Putting a price on digits

At their Dec. 18 meeting, regulators may start setting the rules for subscription broadcast services in the digital age. FCC officials are hoping to launch a proposal to collect fees for subscription services that stations offer over their digital TV channels. The collection of fees for such services is required by the 1996 Telecommunications Act. Sources say the FCC's proposal to establish the fee plan carries three suggestions, but little in the way of detailed methodology. One proposal would base the fees on revenue that would have been generated in a spectrum auction. Another would base the fees on the profits that broadcasters reap from subscription services; a third plan would base the fees on gross revenue.

NEW YORK

Taking on Turner

Engineer Peter Sclafani and former FCC attorney Laurence Bloom are offering cable operators the chance to continue carrying superstation WTBS(TV) Atlanta as a distant broadcast signal after Turner converts the station to a basic network Dec. 31. United Network Transport says it will deliver the station via satellite to operators for about five cents per subscriber per month. Operators would still have to pay an additional 10 cents in copyright royalties. Turner is asking for 26 cents for the converted superstation. UNT started contacting operators in late November and will keep the offer open until Dec. 15. If not enough operators have shown interest by then, Bloom says, UNT "won't continue." But if the response is sufficient, it will begin transmitting on Dec. 20.

SAN FRANCISCO

Searching for encoders

KRON-TV San Francisco Chief Engineer Craig Porter says the lack of HDTV encoders may prevent the NBC affiliate from beginning

HDTV broadcasts on Nov. 1, 1998, as planned. According to Porter, NBC has agreed to transmit digital programming compressed at a "mezzanine" level (probably 45 Mb/s) that will allow local branding at the station before encoding at 19.3 Mb/s for broadcast. "But the problem I'm finding is a lack of HDTV encoders," says Porter. "I'm not sure there will be one in 1998. I don't have a vendor yet that can deliver a true HDTV encoder." Porter adds that KRON-TV also doesn't have "any specific information from the network on what they're going to send us"—HDTV, SDTV or a mix of both. "The content people are not even awake."

WASHINGTON

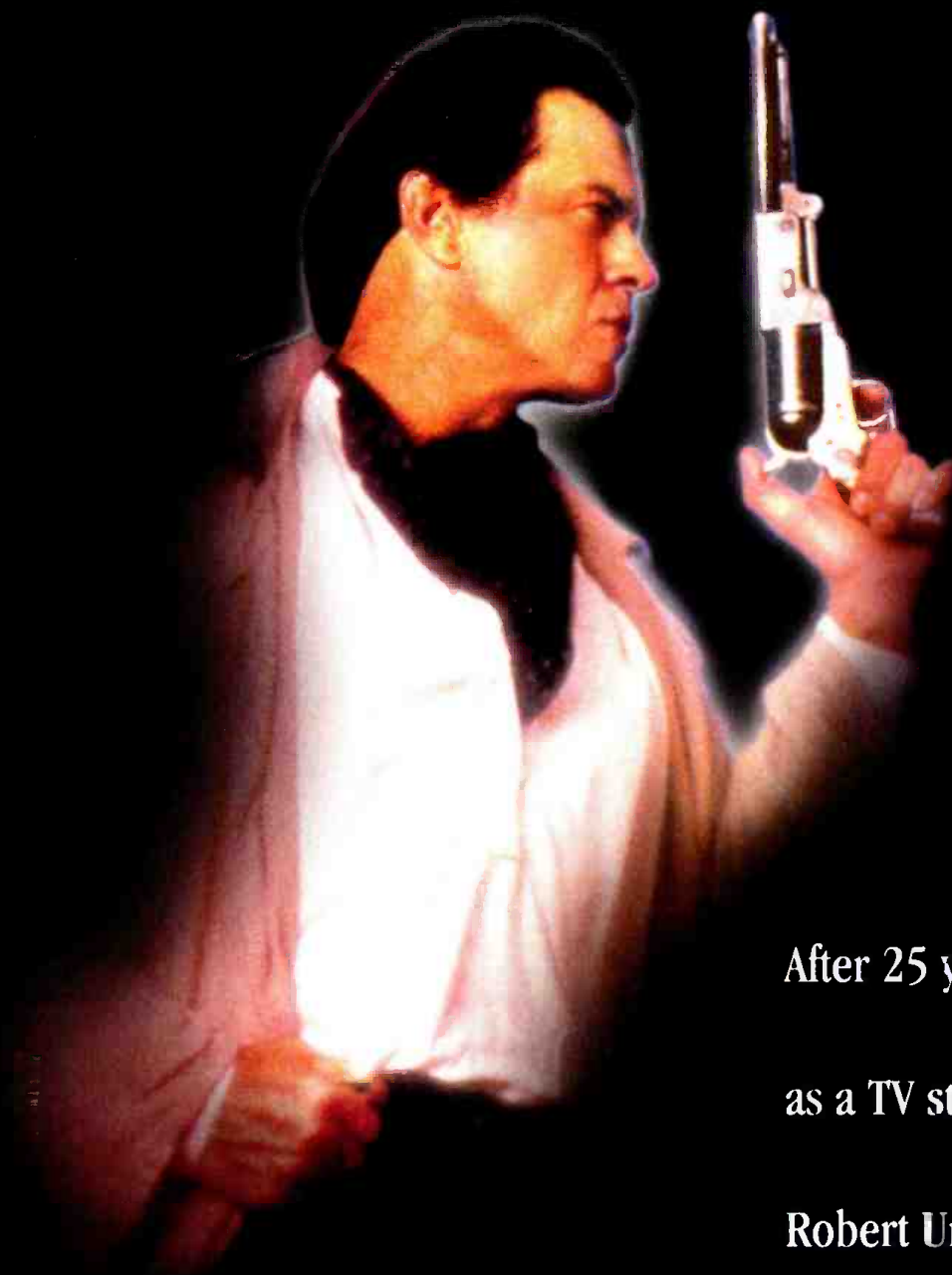
Courtesy call

HSN Inc. Chairman Barry Diller sat down with House and Senate Commerce Committee staffers last week to brief them on his purchase of USA Networks and other Universal assets and his new local programming service, CityVision. Diller was in town for last Friday's meeting of the Gore commission, which is examining public service obligations for digital broadcasters. Longtime Diller lobbyist P.C. Koch was on hand to introduce Diller. One Hill source called the meeting "very useful for both our purposes." Diller's current purposes are unclear, but he has been quietly pushing for relaxation of the so-called duopoly rules, so one broadcaster could own two TV stations in a market.

NEW YORK

Disney eyes movie move

Disney is looking at ways it can help its struggling broadcast network, including, sources say, giving ABC first crack at televising the studio's theatrical films. Nothing is firmed up yet, and company executives declined comment. One issue Disney has to examine, sources say, is to what extent sales of its theatricals in broadcast and cable syndication would suffer if the network gets them in an earlier window.



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as a TV star,

Robert Urich

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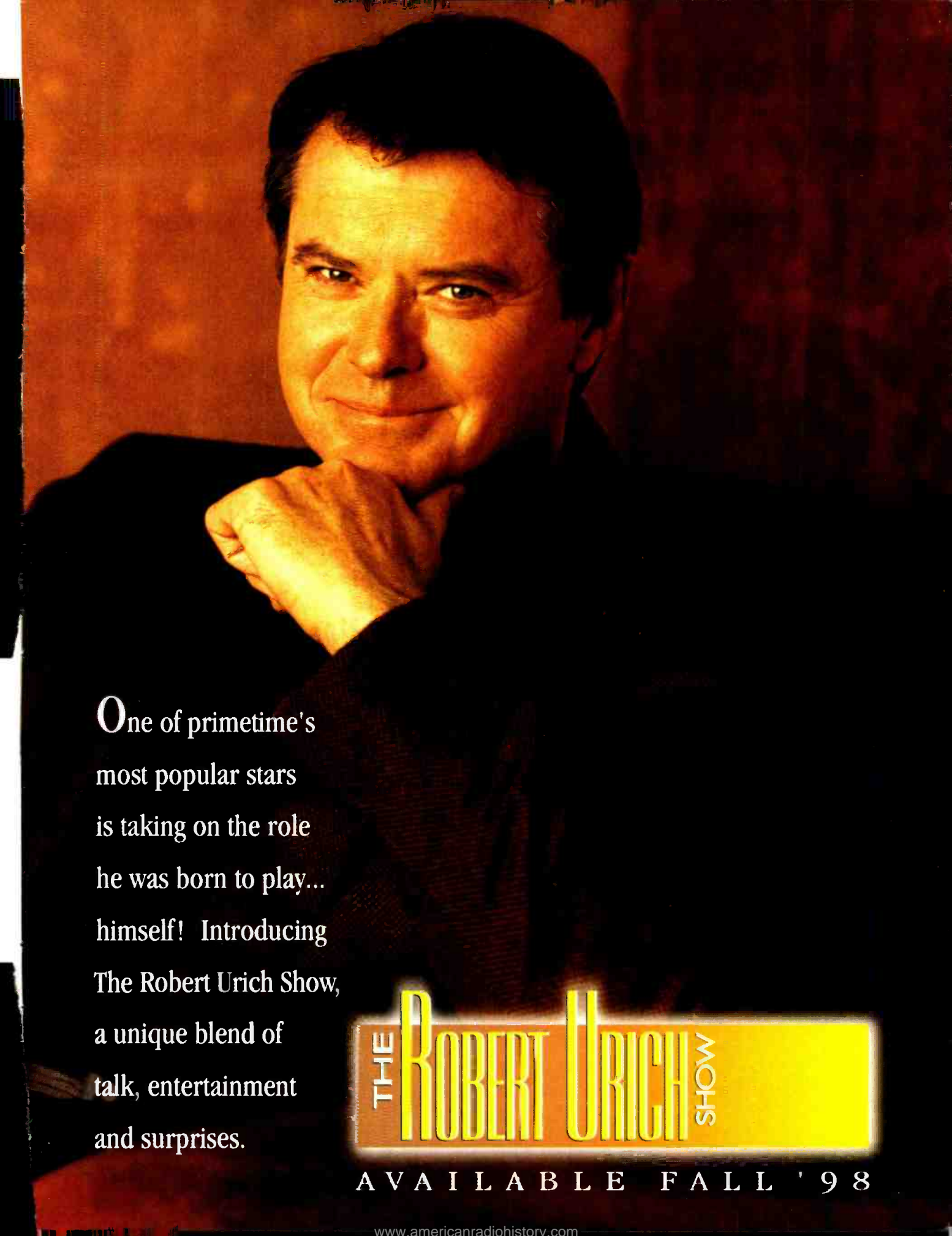
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AVAILABLE FALL '98

The ban plays on

FCC says it won't change crossownership rule by deadline for Tribune divestiture

By Chris McConnell

The FCC has no immediate plans to repeal its restriction against common ownership of a newspaper and TV station in the same market, the commission's lawyers told a court last week.

Responding to a Dec. 1 deadline set in late October by the U.S. Court of Appeals in Washington, the FCC said the rule will stay as is at least until March 22, the date by which Tribune Broadcasting is required to sell either WZL(TV) Miami or the Fort Lauderdale *Sun Sentinel*. The FCC set the requirement earlier this year as part of its approval of Tribune's \$1.13 billion acquisition of Renaissance Communications Corp. The commission gave Tribune 12 months to spin off one of the two Miami-area media holdings. Tribune challenged the requirement in court, prompting judges to ask whether

"The commission's staff has not presented any proposals to the commission to eliminate the crossownership rule or modify it in a way that would moot the issue in this case," the FCC told the court last week.

the FCC was planning to ax the rule anytime soon.

"The commission's staff has not presented any proposals to the commission to eliminate the crossownership rule or modify it in a way that would moot the issue in this case," the FCC

told the court last week.

The commission did not entirely rule out the possibility that it might review the rule "in some fashion" during the next year. The commission cited the 1996 Telecommunications Act, which requires the FCC to review all its broadcast and telephone rules every two years. Last month the FCC launched a broad review of its rules in response to the provision.

"The fact of the matter is that they are going to look at this rule in the near future," R. Clark Wadlow, a lawyer representing Tribune, said of the FCC's report.

Tribune is one of several newspaper publishers pushing for elimination of the crossownership rule. The publishers have argued that the rule is keeping them from taking full advantage of the loosened broadcast ownership restrictions enacted in the 1996 Telecommunications Act.

Earlier this year, the Newspaper Association of America petitioned the FCC to eliminate the rule. On Capitol Hill, Senate Commerce Committee Chairman John McCain (R-Ariz.) introduced a bill to drop the rule, but lawmakers did not act on the measure. ■



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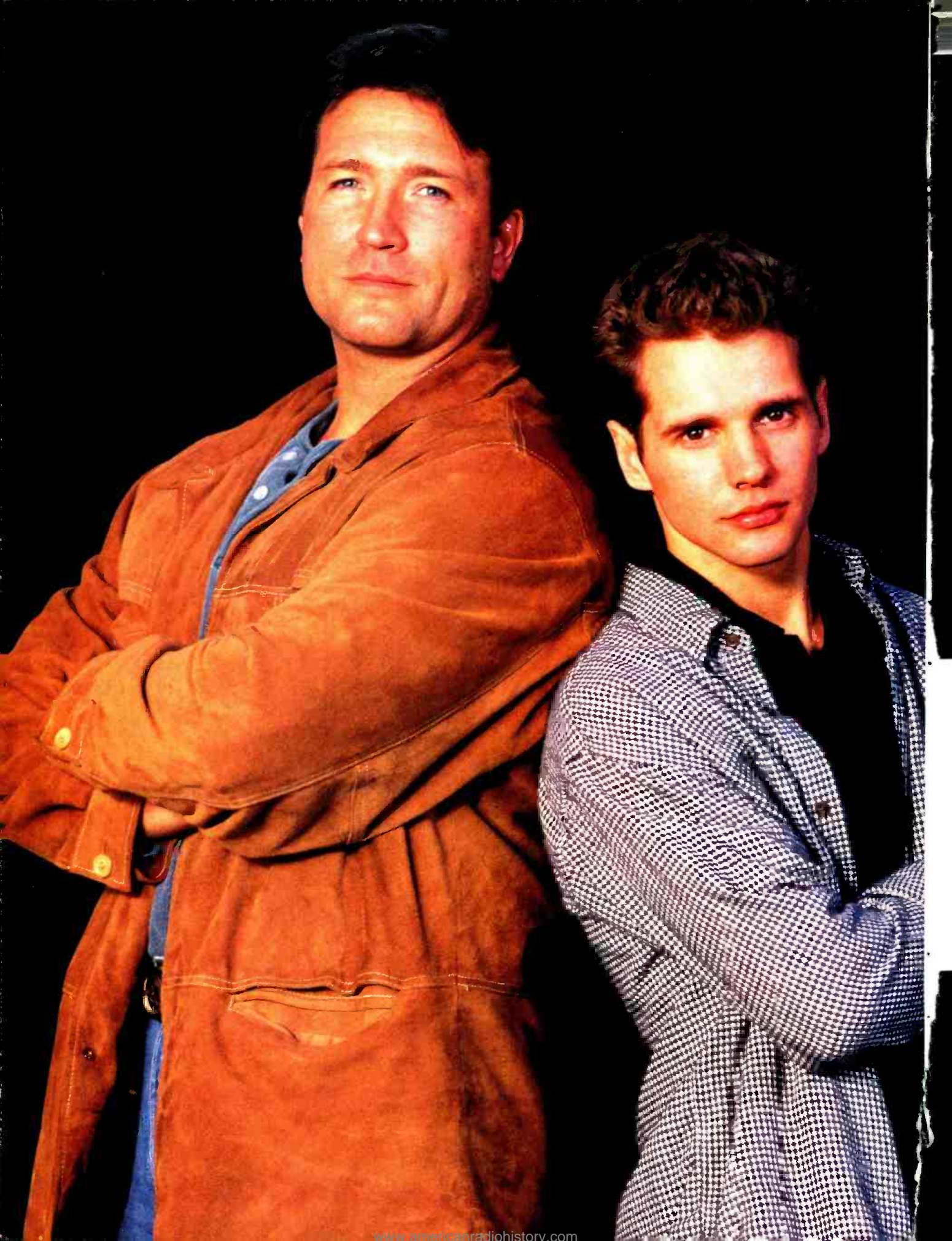
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The gifts that keep on giving

Joseph E. Seagram & Sons, The Walt Disney Co. and Time Warner are the 15th, 33rd and 44th companies on the Center for Responsible Politics' new list of the top 100 overall campaign contributors of 1995 and 1996. General Electric, which owns NBC, is number 70, and News Corp., which owns Fox Broadcasting and several cable networks, is number 79. Television industry donors are topped by the NCTA, which contributed \$560,646 to campaigns in that cycle, followed by Time Warner, which gave \$549,975, and NAB, which donated \$452,757. Walt Disney gave \$275,081, Viacom \$235,707, TCI \$234,600 and Turner \$219,765. Seagram's MCA entertainment unit, when separated from its parent, gave only \$155,375—eighth among broadcast and cable entities.

The Bizarro Universe Gore commission

It's the group that broadcasters wish made up the Gore commission. Seeing a need for more input on the issue, The Media Institute this month said it is forming its own group to study the question of broadcast public interest duties in the digital age. The group's lineup: First Amendment lawyer Robert Corn-Revere, Thomas Jefferson Center for the Protection of Free Expression Founding Director Robert O'Neil, former RTNDA general counsel J. Laurent Scharff, law professor Laurence Winer and Media Institute's Patrick Maines, Richard Kaplar and Alan Moseley. The Media Institute said the group will submit comments to the Gore commission and also will consider the public interest issue on its own.

Preserving prime time for politicians

Senate Commerce Committee Chairman John McCain (R-Ariz.) wants to meet with the broadcast networks to make sure they don't cut back any more on coverage of the presidential nominating conventions, he said last month during a speech in New York. "McCain has this fear that the networks may eventually seek to diminish the amount of coverage," says Mark Buse, Commerce Committee policy director and McCain right-hand man. McCain has been outspoken about network coverage of political events, pushing free airtime for congressional candidates in his campaign finance reform bill. Those provisions were excised; McCain still supports the idea, but his fellow senators do not. Some contributors to the Washington rumor mill say that McCain plans to be a presidential candidate himself, citing a stumping stop in New Hampshire last month to prove it.

Building a ground swell

Senate Judiciary Committee Chairman Orrin Hatch (R-Utah) is circulating a draft of the Copyright Office's suggested copyright act rewrite. The draft is serving as a "discussion starter" for staffers while Congress is in recess, says a committee spokesperson. The Copyright Office report—and the corresponding draft—suggest changing cable compulsory royalty fees to a flat per-subscriber/per-month fee.

A copyright arbitration royalty panel (CARP) would determine the amount of the fee, which would replace cable's complicated gross receipts formula. A separate royalty fee payment scheme would be decided for small cable systems. The cable industry has told Congress that small systems would be hurt financially if they had to pay what larger systems were required to pay. The bill also would allow satellite television providers to retransmit local television signals into their



Washington Watch

Edited by Chris McConnell and Paige Albinak

local markets for free. It would leave intact the current satellite CARP procedure and the Library of Congress decision to raise to 27 cents the fee for satellite retransmission of distant and superstation signals. Hatch and Democratic ranking member Patrick

Leahy of Vermont are working on their own bill, according to a Leahy spokesperson.

Pouring it on

Rep. Joe Kennedy (D-Mass.) brought his battle for an FCC inquiry on broadcast liquor advertising to the new commission yesterday. Kennedy sent Chairman Bill Kennard a letter co-signed by 24 bipartisan House lawmakers urging the chairman to move forward on the issue. Kennard indicated he wanted to announce the inquiry during his first press conference. Broadcast liquor ads have received renewed attention in Congress and at the FCC since the Distilled Spirits Council of the United States dropped its voluntary ban on the ads and Seagram's ran some broadcast ads for its products. Last summer Kennedy secured funding for two studies to gather data on the effects of alcohol advertising on children and teenagers.

Sky watch

There will be no shortage of satellite-related rapping at next year's broadcast convention. The National Association of Broadcasters and the Society of Satellite Professionals International will jointly sponsor five satellite industry panels at NAB '98's Communications and Connectivity Conference in Las Vegas April 4-9. The discussions will focus on financial prospects of the satellite industry, digital technology and which consumer services satellite companies can offer. Those attending can choose from "Wall Street's View of Satellite Business and Investments," "Internet in the Sky," "DBS/DTH Rising International Markets," "Mobile Satellite Services Brought to You Swiftly...by Land, Sea or Air" and "International Satellite Markets: Open Skies, Privatization, Competition or Chaos."

Regulators never take a day off

The FCC changeover has not slowed the commission's enforcement of children's programming rules. Last month the FCC handed out at least \$43,000 in new fines to stations exceeding the limits on commercials aired during children's programming. Stations receiving letters from the FCC included WLAJ(TV) Lansing, Mich., WKBD(TV) Detroit and WUAB(TV) Cleveland/Lorain, Ohio.

A woman with blonde hair, wearing a black leather jacket and fishnet stockings, is shown from the waist up, holding a handgun. The background is a blurred, warm-toned image of an airplane cockpit with various instruments and dials. The overall mood is dramatic and action-oriented.

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Source: *NSI WRAP Overnights Weighted Average
Nov '97 vs Oct '97 Household Rating, Regular Telecasts

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FCC holds off on digital assignment wrap-up

Commission seeks comments on MSTV, ALTV plans

By Chris McConnell

FCC officials are putting a two-week hold on efforts to wrap up digital TV channel assignments in order to collect comments on a pair of broadcast industry suggestions.

The commission last week said it will give broadcasters and other interested parties through Dec. 17 to comment on proposals by the Association for Maximum Service Television (MSTV) and the Association for Local Television Stations (ALTV) to alter the FCC's plan for assigning a digital TV channel and a power limit to each broadcaster.

"It is our intention that these filings not delay ... the implementation of DTV service to the public," FCC Office of Engineering and Technology Chief Richard Smith said in setting the new comment deadline.

The threat of delaying the launch of digital TV service worried broadcasters reviewing the MSTV plan last month.

Aimed at cutting down interference, the plan suggests making 357 changes to the table proposed by FCC officials this spring. The broadcast plan also would add 32 channel assignments between channels 60 and 69, spectrum that the FCC plans to devote to public safety operations.

Although MSTV decided to submit the plan to the FCC last month, not all in the industry agreed with the move. News Corp. did not sign onto the submission, and NBC took a pass as well.

"If there is an egregious problem, the FCC can fix it later," says one industry source. Another agrees that the threat of delay outweighs the need to revisit the commission's allocation table.

FCC officials also have been wary of

inviting a new round of comments, fearing the submissions received might force the commission to postpone its DTV work even further.

Officials have been trying to complete their review of more than 200 petitions for changes to the FCC's table. Last month, several broadcasters told the FCC they will not be able to start ordering digital TV transmission gear until the commission completes its review of the petitions and produces a final table of DTV allotments.

Although the FCC had hoped to complete its review by year's end, broadcasters now say they will be happy to see a final allotment table by late January. "We're eager to have this done," says Jonathan Blake, an attorney for MSTV. But Blake cites the interference concerns: "There are very serious problems. You can't just blink them away."

NAB's Jeff Baumann says he is confident that the two-week comment period will not slow the launch of digital TV service. "The last thing we wanted was delay," he adds.

While reviewing the MSTV plan, FCC officials also will be examining ALTV's effort to address long-standing worries by UHF broadcasters that they will not have enough power to deliver digital signals. ALTV has proposed allowing stations to boost their power, provided the power increase does not add interference. ■

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EchoStar objects to FX deals

EchoStar Communications has filed another program access complaint at the FCC, this one against News Corp.-owned FX. EchoStar says FX's exclusive deals with cable networks violate program access rules because FX is a partnership of News Corp. and TCI through TCI's Liberty Media programming unit. TCI is subject to program access rules, according to the 1992 Cable Act, because it owns both cable systems and networks. News Corp. contends that FX is not subject to the rule because News Corp. joined with Liberty Media after the program access rules went into effect. EchoStar also has filed complaints about FX sister network Fox Sports Net as well as Cablevision's Rainbow Programming.



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'The View' just kee

Women 25-54 Ratings

Nationally +20%
Oct '97 vs Oct '96

+36% sweep to date
Nov '97 vs Nov '96



ps getting better.

Women 25-54

NY
+85%

Program	Affiliation	Station	Rtg	Shr
Jerry Springer	WB	WPIX	3.0	23
View	ABC	WABC	2.4	18
Price is Right	CBS	WCBS	1.7	13
Extra/ News Ch 4	NBC	WNBC	1.1	8
Montel Williams	UPN	WWOR	0.5	4
Hunter/Newly/Dat.	FOX	WNYW	0.5	3

Improved
local news
lead-out to #1

LA
+31%

Program	Affiliation	Station	Rtg	Shr
View	ABC	KABC	2.1	16
Price is Right	CBS	KCBS	1.8	13
Little House	WB	KTLA	1.6	12
Dr Quinn	UPN	KCOP	1.2	9
Arthel & Fred	NBC	KNBC	0.8	6
Newly/Dating	IND	KCAL	0.8	6
Home Team	FOX	KTTV	0.3	2

Improves over
Regis & Kathie Lee
lead-in share

Chicago
+30%

Program	Affiliation	Station	Rtg	Shr
View	ABC	WLS	3.0	25
Jenny Jones	WB	WGN	1.6	13
Price is Right	CBS	WB8M	1.4	12
Boss/Char. Angels	UPN	WPWR	1.1	9
People's Court	NBC	WMAQ	1.0	8
Regis & Kathie Lee	FOX	WFLD	0.9	7

Outperforms all competitive
9 - 12N programs in the
market



'The View.' 4 women, lots of opinions & Barbara Walters.  daytime

Source: NSI Oct '96 sweep vs Oct '97 sweep



THE WESTERN SHOW, the California Cable Television Association's regional convention with national appeal, drew more than 26,000 cable operators, programmers and vendors in 1996. Given rising cable stock prices and optimism, it's a good bet attendance at this week's (Dec. 9-12) gathering in Anaheim will go even higher. Now in its 30th year, the Western Show will once again be the place to examine cable's technological cutting edge—modems that promise high-speed Internet access and digital set-top boxes that promise scores of new channels—as well as the latest niche networks intent on filling those channels.

COVER STORY

Time Warner reconnects

After threatening to restructure cable division, Levin now sees unit boosting stock

By John M. Higgins

For about three years, Gerald Levin was not a big fan of cable. Worried about the terrible drag of his cash-hungry cable operation on the company's stock price, beginning in December 1994 the Time Warner Inc. chairman repeatedly vowed to restructure the cable operation.

Levin sought at least to lighten up on cable, hoping to trade away pieces of the portfolio to partner US West Media Group Inc. to secure 100% ownership of Warner Bros. and Home Box Office. Celluloid was preferable to copper.

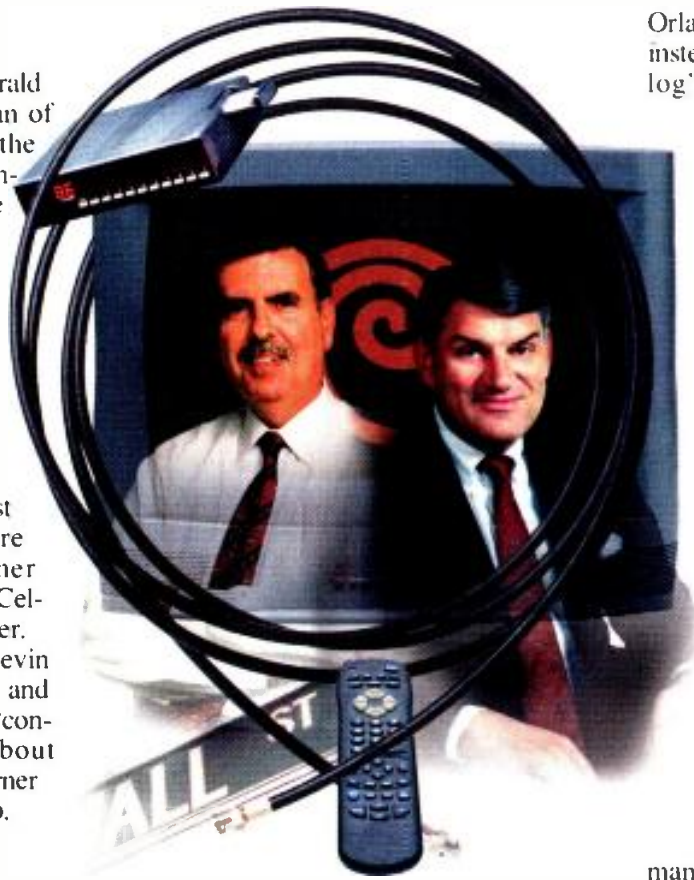
As recently as last May, Levin repeated his assertion that he and the telco unit had reached a "conceptual understanding" about restructuring their Time Warner Entertainment LP partnership.

Levin has changed his tune. Now, instead of treating cable as a stepchild, Levin is touting his 11 million-subscriber portfolio as an engine that he expects to drive the value of Time Warner's stock.

Why the about-face? Because after five years of pain from re-regulation and looming competition, cable suddenly is looking like a good business again.

It's not just that cable is hot generally; investors are driving MSO stocks to new all-time highs in the wake of the interest of Microsoft Chairman Bill Gates and other computer industry players in cable's ability to provide screamingly fast Internet access.

Time Warner Cable's financial profile looks much better than expected. The



MSO's systems are generating strong operating results, outpacing some of its well-regarded MSO peers. Time Warner executives also are seeing the end of a capital spending surge that ballooned from just \$400 million four years ago to \$1.6 billion annually for 1997, or from \$50 per subscriber annually to almost \$200.

Part of that strength stems from a handful of bets placed over the past few years by Time Warner Cable Chairman Joseph Collins that now are paying off. Particularly helpful: a somewhat contrarian decision to go very slow on deploying digital cable.

After an embarrassing, hype-filled foray into a system-of-the-future in

Orlando, Fla., the company has focused instead on medium-tech "advanced analog" converters that have generated more immediate profits.

At the same time that Time Warner was holding off on digital, Collins and Levin decided to push ahead with plant upgrades, planning to expand capacity on most systems to 750 mhz from 400-450 mhz. That has allowed systems to increase revenue from proven businesses such as pay TV and pay per-view, while persuading the FCC to grant flexible rate regulation.

In fact, the FCC granted a "social contract" that did two things: It settled nearly 1,000 pending rate disputes and allowed the company to immediately raise rates in anticipation of a rebuild.

However, securities analysts note that much of Time Warner Cable's current strength stems from a much more mundane strategy: old-fashioned basic rate hikes. With many Time Warner subscribers facing another round of hikes of 10% and more in January, some analysts fear that Time Warner could provoke a rebellion by consumers or, even worse, Congress.

The rebuilds, a longtime preference for regional clusters, some system trading and Tele-Communications Inc.'s move to shrink its own system operations will leave Time Warner the largest MSO. It has strong regional concentrations in such markets as New York City, Ohio, Central Florida, Houston and North Carolina.

While disagreeing that he was ever truly sour on cable, Levin says that his enthusiasm for the business stems not just from the promise of new revenue from high-speed Internet service or digi-

tal cable but from the health of the base business: "It's really the meat-and-potatoes business that's generating cash right now."

Collins, who expects to grow on the base business for a while, predicts that he can sustain strong growth indefinitely before new services kick in meaningfully. He points to 20%-plus increases in unregulated revenue from systems that have been fully rebuilt to 750 mhz of optical fiber-rich capacity.

"When the rebuild is done we have lots more channels to sell, lots more tiers to put on," Collins says. "Fortunately, we're not waiting for digital boxes."

"Digital" to Collins is high-speed Internet—more specifically, the company's Road Runner service. Collins and Levin insist that they have little interest in the money being tossed around by computer companies, particularly the \$1 billion in financing that Microsoft has been offering operators.

But they are keenly interested in what Silicon Valley contends it can deliver by next summer—a more intelligent, second-generation digital converter. Operators expect it to include not just video signal compression to expand channel capacity, but a cable modem and Web TV-like advanced digital capability for roughly the same price as the first generation.

The advanced-analog and rebuild strategy is no small move. "I always thought it was just a stopgap," says Morgan Stanley & Co. media analyst Richard Bilotti. "They figured out that advanced analog makes sense."

Unlike digital cable, advanced analog doesn't dramatically increase channel capacity. But it does allow a certain amount of additional interactivity, such as electronic program guides, enhanced pay per view and teletext services. Coupled with a system upgrade, Time Warner has encountered a surprisingly strong response from the systems that have launched, with most subscribers willing to pay a little more for the guide and some new programming tiers.

Advanced analog converters cost \$150-\$175 versus \$350-\$400 per digital box.

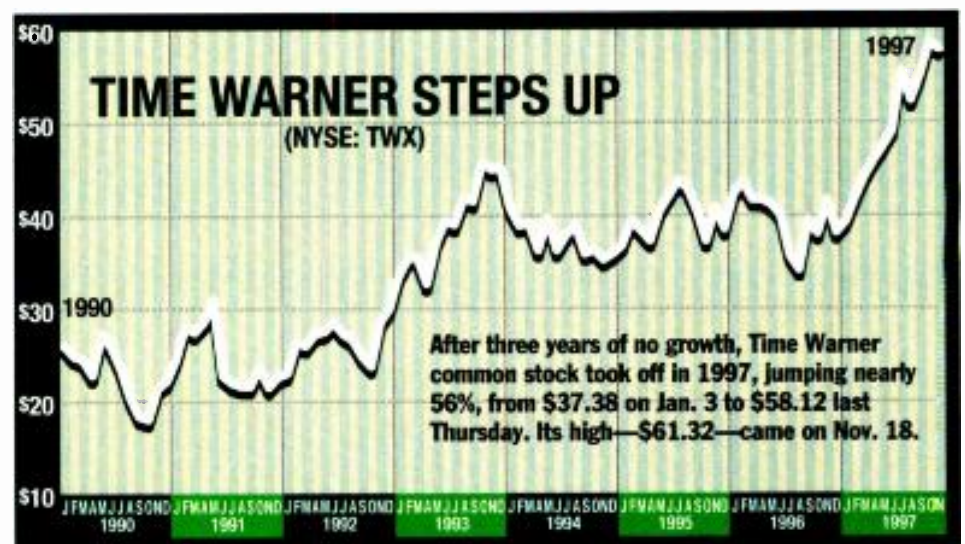
"When you're rebuilding and you're beginning to offer people 78 channels plus a box sophisticated enough to have channel navigation, that works," Collins says.

The bottom line is that the cable division is posting double-digit-percentage cash-flow growth, boosting revenue per subscriber while keeping corporate expenses in check. For the third quarter

(ended in September), cable cash flow jumped 16% despite revenue growth of just 9%. During the first nine months of 1997, cash flow rose 15% on a 9% revenue gain. That's far better than MSOs Cox Communications Inc. and US West Media Group.

Levin's initial distaste for cable stemmed from both industry malaise and his own political problems. Like other operators, Time Warner had been rocked by rate re-regulation imposed by the 1992 Cable Act.

In 1994 cable revenue went flat, while cash flow slid 4%. At the same time, looming competition from telcos and DBS meant the company couldn't back off from plans to double capital expendi-



tures to \$800 million in 1995 and later to \$1.6 billion annually to upgrade systems to expand capacity and improve systems.

Surging capital expenditures in the face of weak cash-flow growth translates into falling return on capital, the most pivotal internal financial measure.

But Wall Street had other reasons to be unhappy with Time Warner. Four years after rejecting a huge takeover price from Paramount Communications Inc. in favor of acquiring Warner Communications Inc., Time Warner had little to show for it but \$20 billion in debt. Bringing in partners to create Time Warner Entertainment shifted part of the burden from cable but also put movie studio Warner Bros. and pay movie network Home Box Office beyond financial reach.

If Time Warner could shrink its Time Warner Entertainment ownership from 74% to less than 50%, investors and lenders wouldn't penalize the parent company for about \$10 billion in debt on TWE's books.

Thus began the dance with US West.

The telco had put \$2.5 billion into TWE just a year earlier, expecting a big convergence of the telephone and cable businesses. TWE's initial Japanese backers, Itochu Co. and Toshiba Corp., readily agreed to restructure their positions.

But US West Chairman Richard McCormick and US West Media Chairman Charles Lillis held all the leverage in the negotiations. They were in no hurry to help Time Warner out and kept holding out majority control and a high valuation on the "software" assets they

would give up.

They got close to a deal a few times, but talks always stalled; at one point US West sued, attempting to muscle Time Warner into a corner over its planned takeover of Turner Broadcasting System.

But a funny thing happened as the negotiations dragged on. Frustrated with cable's slow pace in rolling out high-speed Internet access that could create new markets for computer software, Microsoft's Gates agreed last June to invest \$1 billion in MSO Comcast Corp. With the threat of competition fading and the prospects of new revenue suddenly getting a vote of confidence, Wall Street's interest in cable revived.

Meanwhile, something less dramatic but more fundamental was occurring. Time Warner Cable started putting up surprisingly strong cash-flow growth. Collins contends that the gains should be no surprise: "Around about 1995 we started to get back to double-digit-percentage growth on cash flow."

But almost anything would look good



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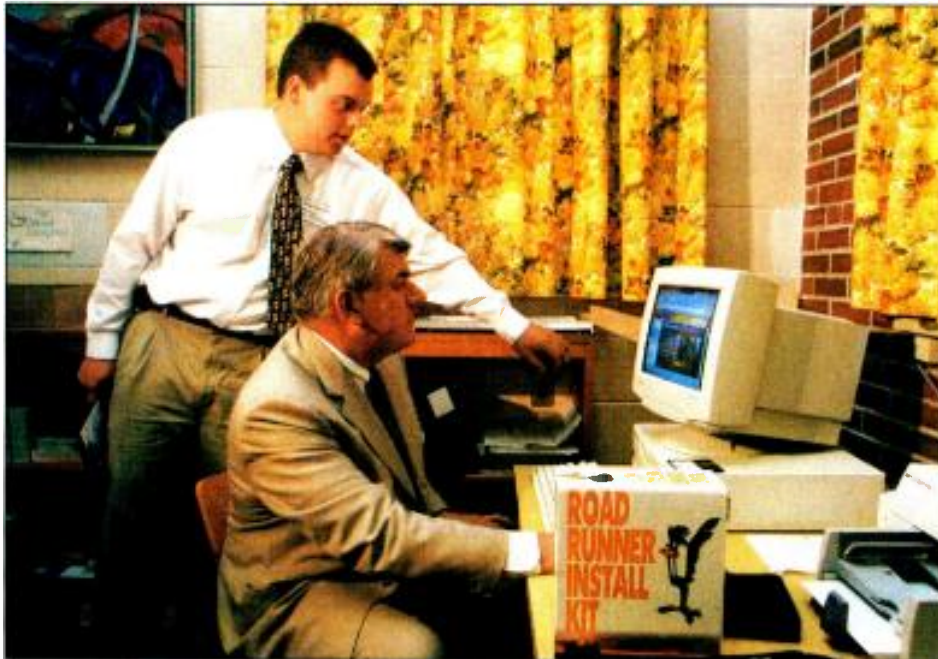
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To Time Warner Cable Chairman Joe Collins (seated), 'digital' means 'Road Runner,' TW's high-speed Internet access service.

compared with the re-reg damage in 1993-94. When those gains ran into 1997, it indicated that the growth might be sustainable.

What's driving the growth? Collins cites the system rebuilds. The upgrades are boosting 40-channel systems to 78 channels. That leaves about a third of the 750 mhz capacity open to future services, either video or Internet.

But the immediate kick comes from additional programming tiers. Basic goes from 31 channels to 55, permitting a rate increase. The number of pay channels jumps from four to 11, filled in mostly with "free" multiplex feeds of HBO and Cinemax that don't directly generate new revenue but make pay customers happier. Another 11 channels make up new product tiers, which are unregulated. And PPV goes from three channels to 10.

The surprise is that the packages are so appealing, with penetration hitting 50% in systems that have marketed the upgrade for a year or so. Mini-pay revenue per basic subscriber has jumped 19% in upgraded systems. Equipment revenue rose 24%. PPV revenue rose 32% and new channels drove local advertising sales up 26%.

Individually, none of those four items is a big ticket, generating less than \$2 per basic sub even after the gain. But Morgan Stanley's Bilotti says that the new revenue doesn't generate much new operating expense beyond initial marketing and programming costs.

"The incremental revenue is eventual-

ly at a 70% margin," Bilotti says. Collins says that the upgrade boosted cash flow per subscriber by 21% in Time Warner's Orlando system, 24% in Houston and 26% in northeastern Ohio.

But that's only part of the story. The other part is rates. While the company's securities filings don't detail how rates affect its revenue, analysts say that basic rate hikes play a big role. The MSO posted 7%-9% basic increases last January and is prepping to levy hikes at least that high this year, the analysts say.

"They jammed through effectively a couple of really good rate hikes here," says Sanford C. Bernstein & Co. analyst Tom Wolzien. "The question on rates is how sustainable the growth is and how much of what you see is due to rates."

Collins says he's not worried about either a consumer or a legislative backlash. The company generally doesn't raise rates without adding services, he says, and his goal is to keep subscribers' bills about 50 cents per channel. "Because we're enhancing all the services, it's all going up on the screen," he says. "Go back years and basic cable has always run within a few cents of 50 cents per channel. As long as you keep that constant, the customer is pretty happy."

But some analysts and money managers say the importance of the rate hikes points to a series of questions about how much of Time Warner's gains are coming from savvy management and how much stems from a combination of luck and rate hikes.

For example, should Levin be profuse-

TIME WARNER CLUSTERS

of more than 100,000 subscribers
as of Sept. 30, 1997

Division/ Cluster	Subscribers (thousands)
1 New York City	1,127
2 Tampa Bay	740
3 Florida	554
4 Raleigh/Fayetteville	403
5 Greensboro	358
6 Charlotte	351
7 Austin/Waco	344
8 Los Angeles	338
9 Milwaukee	331
10 Rochester, N.Y.	293

Note: Does not include pending acquisitions or sales.

ly thanking US West Media's Charles Lillis for balking at restructuring Time Warner Entertainment for three years?

Did Collins shy away from digital cable because he didn't like the financial prospects, or was he under too much pressure from corporate to spend the capital?

"Are they being smart or are a lot of things falling together—and is it temporary?" asks one money manager.

But other Wall Street executives are more supportive. Staying out of high-speed online service @Home to go it alone with Road Runner—and avoiding giving up 35% of the revenue—is looking smart now that @Home's parent company is being valued at \$2 billion-plus in the public market. "What's 100 percent of Road Runner worth now?" asks one money manager.

Further, if the second-generation digital boxes play out the way operators expect, Time Warner isn't going to end up stuck with millions of pieces of semi-obsolete digital equipment.

However, one analyst notes that if subscribers are clamoring for second-generation digital converters, Time Warner could be holding about \$500 million worth of truly obsolete advanced analog boxes.

Collins says his differences with other operators about digital are less significant than they appear: "This is where I think there's a lot of misconception. I think we'll all tell you we're going to the same place. I think we're going to have a lot of digital in our systems." ■



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CABLE 1998

Stand and deliver

From digital video and data to improved customer service, industry is preparing to make good on its promises

By Price Colman

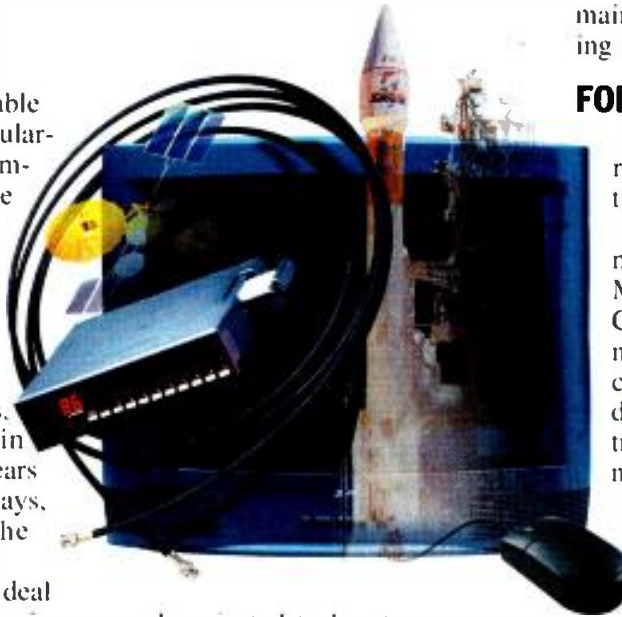
What is new for '98 in the cable industry? Alliances, particularly between cable and computer companies; accelerated cable modem and digital cable deployment; the first really serious push with cable telephony; better customer service.

Sound familiar? It should. Cable has been talking about most of this stuff since the early '90s. What it really comes down to in 1998 is put up or shut up. After years of promises, preparations and delays, cable television has reached the show-me stage.

"I think '97 was the year of the deal and of the fix, particularly the latter in our case," says TCI President Leo Hindery. "I think '98 is the year of alliances and the year of delivery. Ninety-eight is when customers will see digital video and data in spades."

"We know what we're going to have to do to be competitive in the years ahead—invest and execute," says Decker Anstrom, president of the National Cable Television Association. "I think that's the core activity for this industry. ... We need to stay focused, follow through and execute."

Infrastructure upgrades are well under way, with 46% of cable homes



passed projected to be at 550 megahertz or better by year end. Cash flow is up, as are cable stocks. Cable networks continue to make inroads on broadcasters' audience share, and cable programming continues to step up to the stage at award time.

Indeed, just about everything seems to be coming cable's way. Now, it's the industry's turn to step up and deliver on its part of the bargain.

Just what that bargain is depends on whom you ask.

For cable customers it means finally getting their due: better customer service, more and better programming and the neat new stuff—particularly high-speed Internet access. For investors, it means continued growth in cable stocks. For cable regulators, it means an easing of the acid exchanges over franchises. For cable, it means holding itself accountable: no more delays or excuses.

What's the consequence if cable

stumbles again? Jaundiced and mistrustful investors; an indifferent consumer market, and a public relations windfall for competitors.

The way things went in '97, cable's main challenge will be to avoid screwing up.

FOB? (Gates, that is)

Ironically, it took an outsider to refocus attention on cable in a way the industry itself couldn't.

The cable industry owes enormous gratitude to Bill Gates and Microsoft's \$1 billion investment in Comcast Corp. In the past 12 months, maybe in the history of cable, no other single event has done more to highlight the industry's potential and endorse its technology.

"The psyche of the industry lifted," says Comcast President Brian Roberts. "A lot of people are rebuilding, and this really

put a premium on those who have decided to make that investment."

Overnight, cable stocks went from being the red-haired stepchildren of the ongoing bull market to the budding belles of the ball. Even when financial markets rode the October roller coaster, cable stocks were relatively unscathed and most have rebounded to pre-crash levels.

When the Microsoft/Comcast deal was signed, Gates said his mission was to "galvanize" the cable industry. Upticking stocks weren't the only sign he was successful. Private investors who'd grown disenchanted with cable because of its tendency to talk big and deliver little got back into the act. All that may be no more than

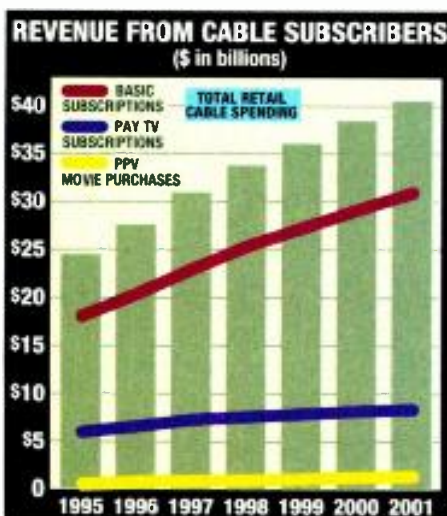
smart money following smart money, but it underscored a renewed faith in cable.

The Microsoft factor had other effects. In demonstrating that cable's conduit may be the digital pipe of choice for the evolving cyber-society,



"1998 is the year of alliances and the year of delivery."

—TCI President
Leo Hindery





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it also ignited debate about the importance of the gatekeeper: a digital set-top box that acts as a kind of traffic cop for digital bits transported on that network.

But if Gates's vote of confidence for cable was the bright side, Microphobia is the dark: Does the world's biggest computer software company have a hidden agenda to dominate

cable the way it dominates the PC universe?

TCI Chairman John Malone is concerned enough about the possibility that he issued a warning to the cable industry at TCI's annual shareholder meeting. "Bill Gates would like to be the only technology supplier for this whole evolution," Malone cautioned. "We would all be very foolish to allow

that to happen. That doesn't mean it's a go or no-go with Microsoft. What it means is that Bill has to accept the fact that he cannot have quite the dominance in supplying our industry that he

CABLE'S STOCKS AND PROFITS PICTURE

A year ago last week, John Malone chided the cable industry—Tele-Communications Inc. included—for a history of disappointing investors.

"At some point, shareholders deserve some kind of return," Malone said during the 1996 Western Show. "That should take the form of rising stock prices. We have not been able to deliver that in recent years."

That was then. This is now: As though from Malone's mouth to the market's ear, cable stock prices have enjoyed one of their strongest years in recent memory.

TCI shares (Nasdaq-TCOMA) have climbed nearly 65%—from \$14 on Dec. 2, 1996, to \$23.0625 on Dec. 1 this year. TCI shares are hardly alone in appreciating in value. Stocks of nearly all the top 10 MSOs have climbed this year, mostly on the strength of Microsoft's \$1 billion investment in Comcast, a deal that buoyed the entire cable sector.

At last year's Western Show, Malone also raised the issue of profits, as in cable operators were going to have to show them—someday.

With one noteworthy exception—TCA Cable TV—investors are going to have to wait awhile for that to happen. But given cable stocks' recent performance, they can afford to.

"The curse of the cable industry over all these years has been that every year the debt [increases] and that every year all the money generated gets reinvested, and then some," Malone said at the 1996 Western Show. "That's a paradigm that has to change as this industry gets larger and matures. Equity and debt markets will not support a constant compounding of that strategy."

"The industry needs to structure itself so that it does generate earnings, which should be tax sheltered as much as possible. That's very important if the industry is going to raise capital in the future."

"It's irrational to say this industry should continue on a course of borrowing every dollar it can ... without segmenting businesses and looking at profitability."

The bottom-line puzzle is a tough one for cable, or for any other capital-intensive industry for that matter. Cable, broadcast, radio and DBS, as well as many other sectors, push the argument that cash flow (typically earnings before interest, taxes, depreciation and amortization, or



**Since
John Malone's
comment last
year, cable
stock prices
have soared.**

EBITDA) is the proper yardstick for their businesses because they're using those pre-tax dollars to grow the business, not to pay dividends. Even though such companies show net losses instead of income, they're still growing financially, and that growth is most readily measured by what happens with cash flow. In the media sector, the few firms that do pay dividends tend to be closely held and dividends are the primary source of income for the major shareholders. Two key cable examples: TCA and Comcast.

Malone has long been a leading advocate of the cash-flow model, which is why his comments about moving toward a profit model were surprising. His words were music to some Wall Streeters who figure it's about time that cable started growing up. But they'll have to be patient a bit longer.

With not quite half the cable infrastructure—46%—at 550 megahertz or better, there's a ways to go before all systems are equipped to deliver two-way high-speed data, voice and enhanced video products. Current projections by the National Cable Television Association indicate that 95% of

the cable infrastructure will be at 550 to 750 megahertz by 2000.

"There's still no focus on earnings per share by a large percentage of the [cable] population," says Jill Greenthal, managing director of Donaldson, Lufkin & Jenrette's Media and Communications Group. "The only thing focused on increasingly is the notion of free cash flow," which is typically defined as operating cash flow minus interest expense and capital expenditures.

The problem with focusing on earnings per share is that those earnings quickly become tied to stock dividends, and once a company starts paying dividends, stopping or cutting back is painful for the company and shareholders.

"It can be limiting in terms of companies' acquisition activities going forward," Greenthal says. "I've looked at clients that looked at acquisitions that made sense on a valuation and cash-flow return basis, but when they looked at earnings per share they found [the acquisition] would be something that would be bad for the stock."

In other words, as long as cable continues on a growth curve, either by generating it internally or through mergers and acquisitions, the bottom line won't be the top priority.

—Price Colman

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has developed in supplying the PC industry."

The digital dance

It doesn't take the intellect of a Malone or a Gates to figure out that set-top boxes will be a—if not *the*—hot issue in 1998 (see "Top of the Week").

The public portents first cropped up in late summer, following Malone's warning about Microsoft. Cable Television Laboratories, the industry's research-and-development consortium, outlined its OpenCable initiative and accompanying requests for information to potential set-top box suppliers in early September, off a rush of activity from Silicon Valley firms, cable hardware vendors and consumer electronics manufacturers.

OpenCable is so important because it amounts to an open invitation to cable's digital dance. Historically, cable operators relied on a limited number of industry-specific vendors—primarily NextLevel (formerly General



Bill Gates and Microsoft's \$1 billion investment in Comcast boosted the cable business.

Instrument) and Scientific-Atlanta—to feed the industry's hardware needs. Although cable had previously opened its doors by establishing interoperability standards for cable modems, OpenCable has a potentially far greater reach: Cable's roughly 65 million subscribers vs. roughly 20 million modem-equipped home PCs.

There had been considerable behind-the-scenes activity on OpenCable before the official announcement, with CableLabs trying to get a preliminary read from the Valley gang on how they'd react to an interoperable design for set-tops. Microsoft, according to sources familiar with the situation, heightened the tension by sending mixed signals. First it

vowed to embrace OpenCable. Then it reversed course and began pushing for Microsoft-based standards. Ultimately, Microsoft joined at least 22 other companies or consortia in responding to Cable-



SPECIAL TO THE WESTERN SHOW

Lab's information request.

"It was a great game of chicken, and Bill [Gates] blinked," says an executive at a leading MSO.

From late summer through mid-fall, there were as many rumors about cable/computer industry deals as there were about Marv Albert's sex life. Microsoft was the common element in all the scuttlebutt: Microsoft and TCI, Microsoft and US West Media Group, Microsoft and Time Warner. Microsoft and cable players to be named later.

But as big as Microsoft is, it's hardly the only non-cable giant interested in set-tops. Intel, Oracle, Sun Microsystems, IBM, Netscape all are looking for a piece of the action. So far, the "big" Microsoft/cable set-top deal hasn't happened, although it almost surely will. So will others. How effective OpenCable is in molding those deals could shape the future of the cable industry.

"I'm hopeful that at the Western Show and in the New Year, the negotiations will settle out and the public posturing by various parties slow down," says Roberts. "Obviously, we want Microsoft actively involved. Even

WHERE THEY STAND: DIGITAL CABLE ROLLOUT STATUS

TCI: TCI Digital Cable is in front of nearly 2 million TCI analog customers at last count, but the number is changing almost daily; uses the NextLevel DCT-1000 set-top box and TCI's Headend in the Sky (HITS) digital signal transport. Cost: \$10/month for roughly 36 channels.

Time Warner: Market trials planned for early 1998 using the Scientific-Atlanta Explorer 2000 digital set-top; Time Warner is developing its own HITS-like digital transport operation but may use HITS in certain systems. Cost: Undisclosed.

MediaOne: Launched MediaOne Digital TV trial to employees in the Detroit area in mid-October; uses both HITS and direct digital feeds from programmers. Cost: Undisclosed.

Comcast: Launched Comcast Digital TV in Buena Park, Calif., in early summer and in Philadelphia in November; uses DCT-1000 set-tops, HITS and direct feeds from programmers. Cost: \$9.95/month.

Cox: Launched Cox Digital TV in parts of its Orange County, Calif., systems in late October and intends to roll out digital cable product to all 275,000 Orange County subscribers by mid-1998; uses DCT-1000 set-tops, HITS and direct feeds from programmers. Cost: \$5.95-\$10.95/month.

Cablevision Systems: Testing digital product.

Adelphia: Launched Adelphia Digital Cable to 1.2 million subscribers, or about 70% of its customer base, in mid-November; uses DCT-1000 set-tops, HITS and direct feeds from programmers. Cost: \$9.95/month.

Jones Intercable: Testing digital cable product in its Pima County, Ariz., system with launches there and at other undisclosed locations planned throughout 1998; uses HITS and direct feeds from programmers. Cost: Undetermined.

Marcus Cable: Developing product under working name Marcus Digital Cable, market tests pending. Considering various transport services, including HITS, TVN Entertainment and direct feeds from programmers. Cost: Undetermined.

Century Communications: Testing Century Sky-Box digital product in its 400,000-subscriber headend in Los Angeles; standing order for 100,000 DCT-1000 set-tops; plans to use HITS. Cost: Undetermined.

Buford Television: Launched digital cable product to a 1,500-subscriber Texas system in mid-1997; uses DCT-1000 set-tops and HITS. Cost: \$12.95/month for basic package, \$69.95/month for deluxe package.

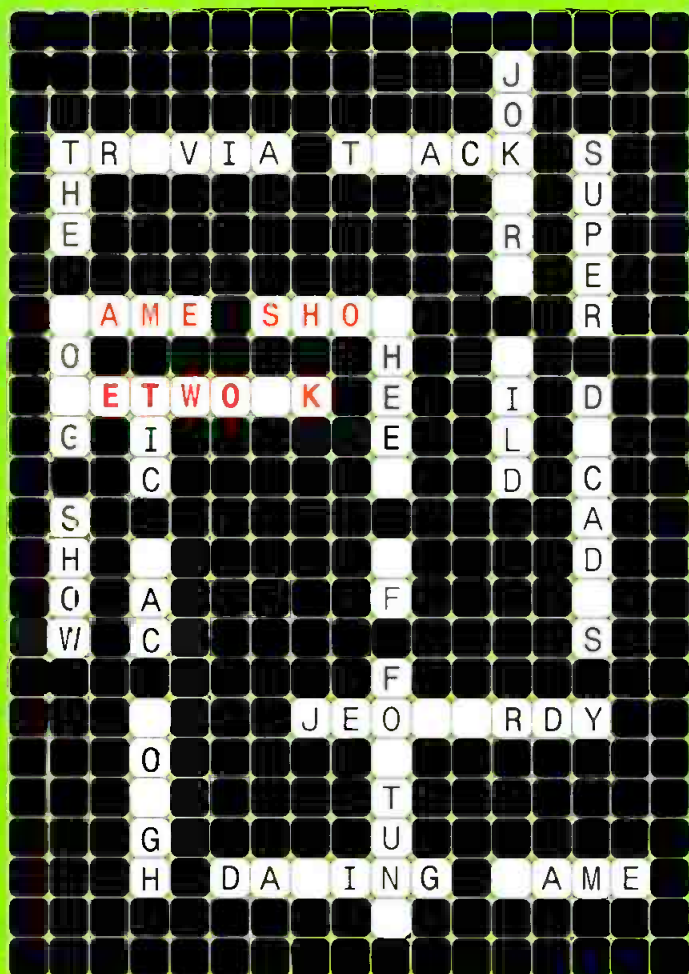
Launches pending: FrontierVision, Fanch Communications, Galaxy Cablevision, Southwest Missouri Cable.

—Price Colman

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though there are healthy concerns by all parties to make a fair arrangement, I fully believe that Bill Gates's vision and intellect and Microsoft's incredibly successful track record are helpful in so many ways to this industry.

"My New Year's resolution: Have some constructive denouement to the negotiating process."

The TCI turnaround

TCI often gets credit as the cable industry's bellwether. That's probably not as true today as it once was, but cable's rising fortunes in 1997 closely parallel the impressive turnaround engineered at TCI.

When Leo Hindery joined TCI in February

1997, the nation's largest cable company was limping badly, having just come off one of the worst years in its history. During 1996, subscribers fled TCI in droves, revenue and cash flow declined and debt jumped as the MSO spent itself into a black hole in a race to upgrade systems, develop new products and services, centralize its far-flung operations and prepare for the onslaught of competition.

After a disastrous third quarter in 1996, TCI took remedial steps, cutting 2,500 jobs, braking its capital spending program and reassessing growth plans. That was the foundation Hindery used to get the MSO back on track.

He quickly identified and attacked key concerns: continuing subscriber erosion, excessive debt and a centralized approach to a business that is essentially local. In a matter of weeks, Hindery had moved to undo almost every major initiative by the previous executive management team. He halted construction of regional customer service centers, pushed decision-making down to managers at the regional and system levels and accelerated work on an alternative approach to digital cable. The approach is intended to let TCI offer more channels but at far lower cost than required by upgrades to 750 megahertz hybrid fiber/coax networks.

In his most crucial ploy, Hindery also began a drastic pruning of the unruly tree that TCI had become.

In the 10 months he has been on the job, Hindery has signed joint-venture



"Have some constructive denouement to the negotiating process."

—Brian Roberts' New Year's resolution

or partnership deals with 18 other MSOs, all with one purpose in mind: bringing TCI's size down to a manageable level. If Hindery hits his targets, TCI by year end will have put systems encompassing 4.7 million subscribers into partnerships or joint ventures, in the process reducing TCI's subscriber base to around 10 million. He has also signed deals to swap systems with 1.4 million subscribers for other properties that will enhance what the company considers key clusters.

The challenge for TCI and Hindery was really twofold. Not only was it necessary to unravel more than three years of work

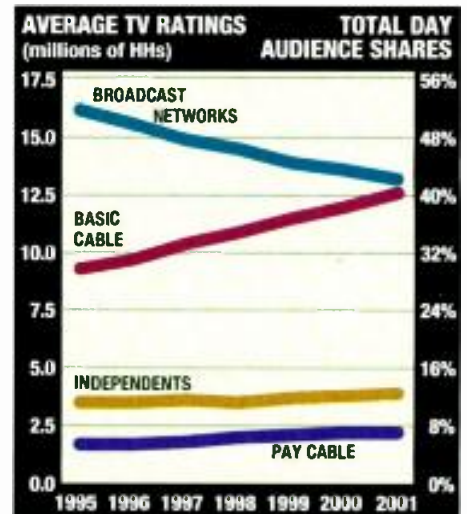
that had driven TCI to the edge, but it was also imperative to ready the MSO for the launch of new products and services that could drive new revenue streams and improve the company's financial health by adding something instead of cutting back.

In many ways, that's been Hindery's most ambitious undertaking. He has vowed to have TCI Digital Cable, which adds an average of 36 channels to the analog offering, in front of about 92% of homes passed by TCI's traditional cable network by year end. It's unclear whether the company will hit that goal. The launch schedule for TCI Digital Cable will hit a crescendo in December, peak holiday season.

Hindery himself seems almost awed by what's happened at TCI since February.

"Being part of it—this is going to sound corny—is sort of the culmination of my career," he says. "It has been fun. We're substantially remaking an industry here."

What are the dangers for TCI if it fails to meet internal and external expectations? Having to play catch-up in 1998, a year in which Wall Street is counting on the cable industry to deliver on its promises of better revenue, improved cash flow and strong returns on investment and equity. If digital cable launches hit a snag, if cable modem deployment encounters obstacles, if subscriber losses continue, then TCI could once again find itself behind the curve that's lifting other MSOs.



Let's make a deal

If 1997 was the year of the deal in the cable industry, it may go down in history as the peak in a succession of record years.

While the big MSOs, most notably TCI, remained active in the deal market, the transactions conducted indicate a maturing market. The focus by the big players was on swaps and/or acquisitions designed to fine-tune clusters. System sales primarily were aimed at shedding nonstrategic systems. That proved to be a boon for midsize and smaller operators. Charter Communications worked its way into position as a potential top-10 MSO.

Midsize operators such as FrontierVision, Rifkin and Associates, Prime Cable and Mediacom LLC took advantage of buying opportunities presented by larger operators to expand operations.

Absent from the 1997 deal market so far: billion-dollar mergers and a gigantic splash by an outside player.

"The question is, 'When will there be another significant merger involving two of the top 5 or top 10 cable operators?'" asks Gregg Seibert, managing director and head of the Global Media Group at Merrill Lynch. "There's lots of rationale for a merger occurring, but then, a lot of [cable] management teams have done a good job of building their existing businesses."

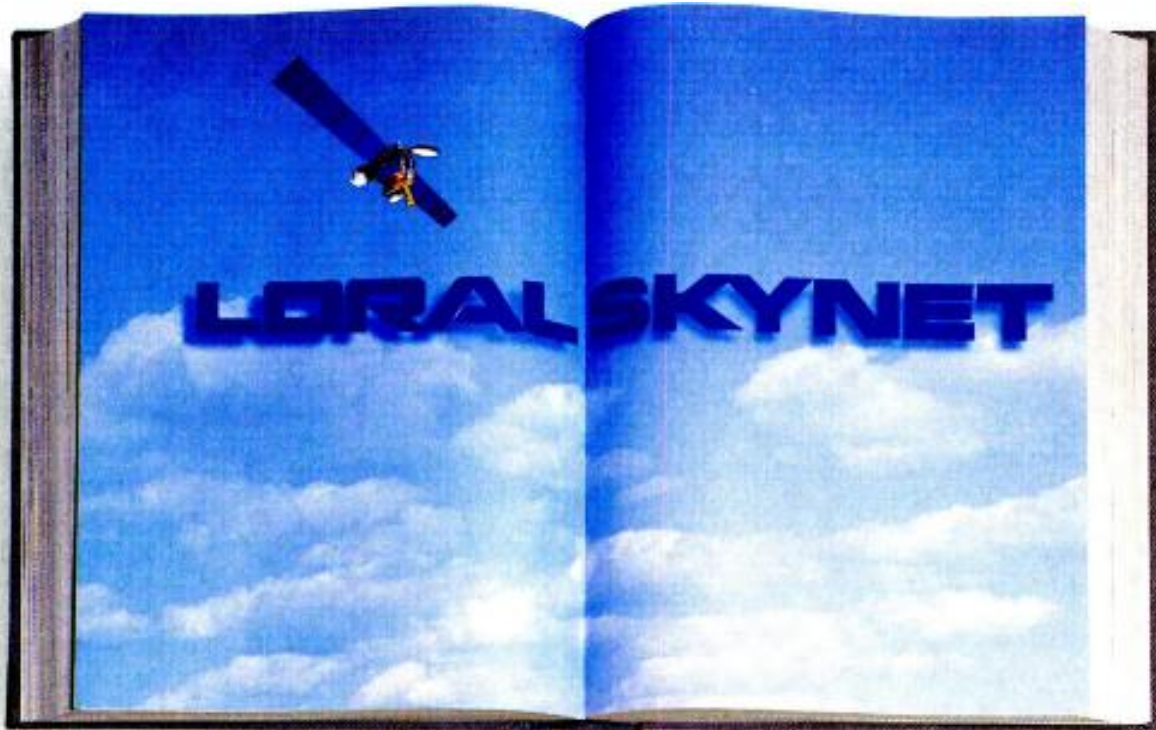
Perhaps the most distinguishing characteristic of the 1997 deal market was renewed interest by outside investors. The Carlyle Group, Robert Bass's Keystone Inc., and the Blackstone Group, perhaps keying off Microsoft's invest-



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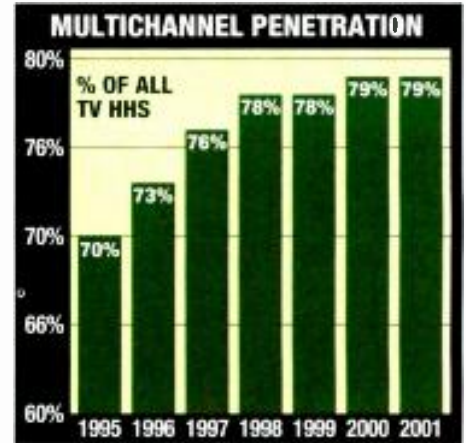
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In March, ASkyB and EchoStar said they would pool their resources, but luckily for cable, the satellite TV venture fell through. Making the merger announcement: Carl Vogel and Charles Ergen of EchoStar, and Rupert Murdoch, Preston Padden and Paul Haggerty representing ASkyB.



ment in Comcast, all poured money back into cable. The Carlyle Group backed Prime Cable's buyout of SBC Media's majority stake in Maryland and Virginia cable systems. Bass is buying a 40% stake in a TCI/Bresnan joint venture, and the Blackstone Group is investing in a Fanch Communications/Time Warner Cable partnership and a TCI/InterMedia Partners partnership.

The competitive landscape

The competitive picture for cable cleared up only marginally in 1997. On one front, DBS providers DIRECTV and EchoStar showed strong growth, with DIRECTV passing 3 million subscribers and EchoStar on target for hitting 1 million subs by year end. It was more of a mixed bag on the telephone company side. Ameritech, GTE and BellSouth expanded their beachheads in the Midwest, the South and on the West Coast, but SBC Communications all but folded its video hand.

SBC subsidiary Pactel in late spring announced that it was shutting down its full-service network in the San Jose, Calif., area. It has since disclosed it is entertaining bids for the system that had enrolled only about 8,000 subscribers by the time it was switched off. Pactel continues to pursue a wireless cable strategy in Los Angeles and Orange County, but there are persistent rumors that the wireless cable system is for sale as well. Meanwhile, SBC sold its majority ownership in cable systems in Virginia and Maryland back to cable operator Prime Cable.

The biggest potential threat for cable—the merger of EchoStar and News Corp.'s ASkyB—self-destructed before it got off the ground.

If the Sky venture had been successful in delivering local programming, cable operators likely would have taken a sub-

stantial hit on subscriber numbers.

EchoStar Chairman Charlie Ergen continues to pursue a strategy of delivering local signals and is poised to

announce movement on that front shortly before or during the Western Cable Show. But EchoStar faces stiff financial obstacles and a regulatory environment that's anything but clear.

The key question: Is cable's video competition sleeping or merely resting before the big push? After launching wireless cable in New Orleans and with launches planned for Atlanta and Florida in 1998, BellSouth is gaining momentum. Ameritech continues to add franchises on a weekly basis, and GTE, while quiet, continues its competitive efforts. Unlike SBC, none of those players appears likely to walk away, and 1998 could well mark a redoubling of their efforts.

Regulatory uncertainty

Cable's biggest challenge in 1998 may come on the regulatory front (see story, page 54). DIRECTV and EchoStar have filed program access complaints against Comcast, Cablevision Systems and Liberty Media Group. Unfavorable rulings for the cable side would be more important for their long-term effects than for short-term impact.

There's also potential for cable rate regulation to rear its head again in 1998. Cable rates continue to outpace inflation, giving consumer groups and certain politicians plenty of ammunition to attack the cable industry. It's no stretch—and

there's plenty of precedent—to imagine election-sensitive lawmakers taking up the cable-rates standard again.

"The most ominous cloud, in my opinion, is the specter of more regulation," says Mike Pandzic, president of the National Cable Television Cooperative, the organization that represents small and midsize operators. "The whole issue bothers me. The government would never do to newspapers, magazines and book publishers what they do to cable. Was it a necessary evil some years ago? Yeah, maybe. Is it warranted in 1997-98? Absolutely not."

Unlike years past, though, cable has some arrows in its quiver. The lawmakers eyeing cable are effectively the same ones who passed the Telecommunications Act of 1996. Cable can point to multiple examples of real competition, and some of those competitors—who don't bear the same regulatory burden—appear headed for their own rate increases.

Still, says Anstrom, "I think it would be a mistake for our industry to ever relax when it comes to rates. ... The burden for now and the foreseeable future is to explain the prices we charge and the value we deliver. Increasingly, as the fruits of investments in infrastructure and programming ripen, we're going to be able to make that value case in a very compelling way." ■

	1995	1996	1997	1998	1999	2000	2001
Cable	60.9	62.9	64.7	66.0	67.1	68.2	69.3
Wireless Cable	0.7	1.0	1.3	1.6	1.6	1.5	1.4
SMATV	0.9	0.9	0.9	0.9	0.9	0.9	0.9
C-band	2.5	2.3	2.2	2.2	2.1	2.1	2.1
DBS	1.8	3.3	4.7	5.5	6.0	6.4	6.8

Source for all charts: Veronis, Suhler

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Program access tops Washington agenda

Cable rates, copyright also await action

By Chris McConnell and
Paige Albiniak

Washington cable lobbyists are looking forward to another year of staving off angry ratepayers and competitors in '98.

Cable rates and cable's control of programming both came under attack in 1997. And while neither Congress nor the FCC has shown signs of revisiting rate regulation, the industry may get a proposed set of tougher program-access rules for Christmas.

"The objectives our competitors appear to have is to make cable programming a commodity," National Cable Television Association President Decker Anstrom says of the program access push.

But the complaints of cable competitors appear to have won favor with regulators, who have shown more interest in revisiting the program-access rules than in revisiting the industry's rate regulations.

The FCC's proposal to revise program-access rules was initiated under former FCC Chairman Reed Hundt. The overhauled FCC—which includes a new chairman and three new commissioners—had planned to issue the proposal last month but tabled it to give the new crew more time to study the issues.

Last week, officials said the measure might be voted at the FCC's Dec. 18 meeting.

The current rules have drawn criticism by Congress and at the FCC by cable competitors who say they do not have adequate access to cable programming.

Competitors such as Ameritech New Media, DirecTV and EchoStar say independent cable programmers and regional sports networks are not making their programming available at reasonable prices, if at all. These companies want the access rules changed so that programmers cannot cut exclusive deals or sell programming to larger distributors at lower prices.



The FCC may propose tougher rules to give cable's competitors access to popular cable programming services.

Mandated by the 1992 Cable Act, the program-access rules prohibit cable system owners and cable networks from cutting exclusive programming deals.

But since the rules became law, independent cable programmers not subject to the rules have cropped up. They include TV Land, the Microsoft/NBC joint venture MSNBC, CBS Eye on People, and News Corp.'s Fox Sports Net.

Usually these programmers cut exclusive deals only to persuade distributors to carry new networks. Mature programming—such as ESPN or MTV—is available to all comers.

Earlier this year, Ameritech filed a petition at the FCC asking regulators to speed up processing of complaints and to impose fines for violations. And EchoStar has filed a series of complaints against FX, Fox Sports Net and Rainbow Programming. DirecTV also has filed a complaint against Comcast Sports Net.

While bracing for new program-access rules at the FCC, cable also is facing congressional hearings on the issue. Ken Johnson, spokesman for House Telecommunications Subcommittee Chairman Billy Tauzin (R-La.), says Tauzin is interested in "fine tuning" the rules to make sure that all new cable competitors have fair access to programming.

And Senate Commerce Committee Chairman John McCain (R-Ariz.)

plans to add program access to his committee agenda in 1998. Committee chairmen in the House Judiciary Committee, House Telecommunications Subcommittee and the Senate Antitrust

Subcommittee were concerned enough about the issue to invite cable competitors to testify before their committees.

But lawmakers and regulators have had a cooler reaction to calls for more rate regulation. Earlier this year the Consumers Union and the Consumer Federation of America said the industry's rates are rising faster than the rate of inflation.

The FCC invited comments on the petition but have taken no

action. On Capitol Hill, the relevant House and Senate committee heads have no plans to push for a rate freeze.

"I don't think it is accurate to say that this has reached an intense level here," NCTA President Decker Anstrom says of the rate complaints.

In addition to the rate and program-access issues, lobbyists are facing a full platter of business in Washington. Among other pending issues:

Copyright fees

Cable may face an increase in its compulsory license fees next year as Congress looks to rewrite several sections of the Copyright Act.

The Copyright Office issued a report in August recommending that Congress set a "fair market" rate for the cable compulsory license. Cable operators currently pay a single license fee based on a sliding scale of gross receipt percentages to retransmit broadcast signals. The fees go to a money pool at the Copyright Office, which redistributes the funds to copyright holders.

A "fair market" rate would be based on how much a copyright arbitration royalty panel (CARP) determined copyrighted programming was worth in the fair market.

Senate Judiciary Committee Chairman Orrin Hatch (R-Utah) is circulating among Hill staffers a formal draft of the

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Copyright Office's proposed legislation to "start discussion," a committee spokesperson says. But Hatch plans to work with ranking Democratic member Patrick Leahy (of Vermont) to craft their own copyright legislation next year.

The satellite industry, whose rates are decided by a CARP, was shocked earlier this year by a recommendation that its compulsory licenses to retransmit distant network and superstation signals should increase to 27 cents per subscriber per month. The satellite industry now pays 6 cents to retransmit distant network signals, and 14 cents or 17.5 cents to retransmit superstations.

The satellite industry would like its rates lowered to be more comparable with cable rates (which average about 9.5 cents per subscriber per month), but lawmakers seem more inclined to raise cable's rates.

Primestar

Cable-owned Primestar is seeking to acquire DBS spectrum at one of three orbital locations that cover the entire continental United States (CONUS). The license currently is held by MCI, which paid \$682.5 million for it but never put the spectrum to use.

Primestar's application is strongly opposed by DBS competitors and others, who say that allowing the deal will stifle competition to cable. FCC officials are reviewing the application and have not said when they plan to make a decision. The deal also is under review at the Justice Department, which recently invited a second round of comments on the application.

While seeking to acquire the MCI license, Primestar also wants to acquire another 11 "full-CONUS" DBS channels now controlled by one of its partners, TCI Satellite Entertainment (TSAT). TSAT launched a Loral-built satellite to the orbital slot in March, although the satellite has been suffering power losses. Justice has signed off on Primestar's bid to acquire the TSAT license, but FCC officials still are reviewing the application.

Digital TV must carry

FCC officials earlier this year dodged the issue of how the law mandating cable carriage of local broadcast signals should apply to the digital signals that broadcasters are expected to start transmitting late next year.

The Supreme Court's March decision to uphold the law, however, has forced the commission to address the matter.

At issue is whether the law applies to the digital signal during the industry's transition to digital TV and, if so, how.

Broadcasters say the law should apply to the digital signal and all programs—whether high-definition or multiplexed—carried within the signal. If, for instance, a station transmits four programs within its digital channel, all should be covered by must carry, broadcasters say.

Cable lobbyists disagree. They say the law applies only to analog signals and that extending must carry to the digital signals would be a matter of FCC policy rather than law.

Commission officials plan to address the issue in a rulemaking. The FCC has not said when it will launch the must-carry review, although FCC Chairman William Kennard has listed the unresolved digital TV issues



among his top priorities.

Digital TV subscription fees

The 1996 Telecommunications Act requires the FCC to collect fees from stations for any subscription services that broadcasters offer over their digital channels.

The law instructs the commission to recover fees that represent the value of the spectrum over which the subscription services are being delivered. The law also instructs the FCC to use some of the fee revenue to offset the cost of collecting the fees and to deposit the rest with the U.S. Treasury.

The act leaves it to the FCC to figure out the details of the fee program. Officials left the issue unresolved in April, when they issued their digital TV construction schedule and gave the industry its spectrum for the service. Commission officials have not said when they will propose a fee collection plan. As with the question of digital must carry, however, Kennard has placed the issue high on his agenda.

Navigation devices

The 1996 Telecommunications Act requires the FCC to set rules that ensure the commercial availability of the set-top equipment that viewers use to access programming. The law also instructs the commission not to set rules that place signal security at risk.

The FCC issued a proposal to implement the requirement earlier this year and collected industry comments. Consumer electronics retailers said the commission should require cable operators to support a series of set-top technical standards. The standards, retailers said, would allow consumers to take their set-top box with them when they move to another town.

Manufacturers did not like the idea, insisting that the government should stay out of the standard-setting business. And cable operators said the commission's rules should cover only non-security-related features of set-top boxes.

Although they collected comments on their proposal this year, commissioners did not complete the rulemaking before this summer's turnover in FCC commissioners. An FCC official said the staff is still consulting with equipment makers on the rules and must also brief the new commissioners on the issue before a vote on final rules can be scheduled.

Pole attachments

Regulators in March proposed revising the rates that utility companies charge cable companies and others to use telephone poles and other rights-of-way.

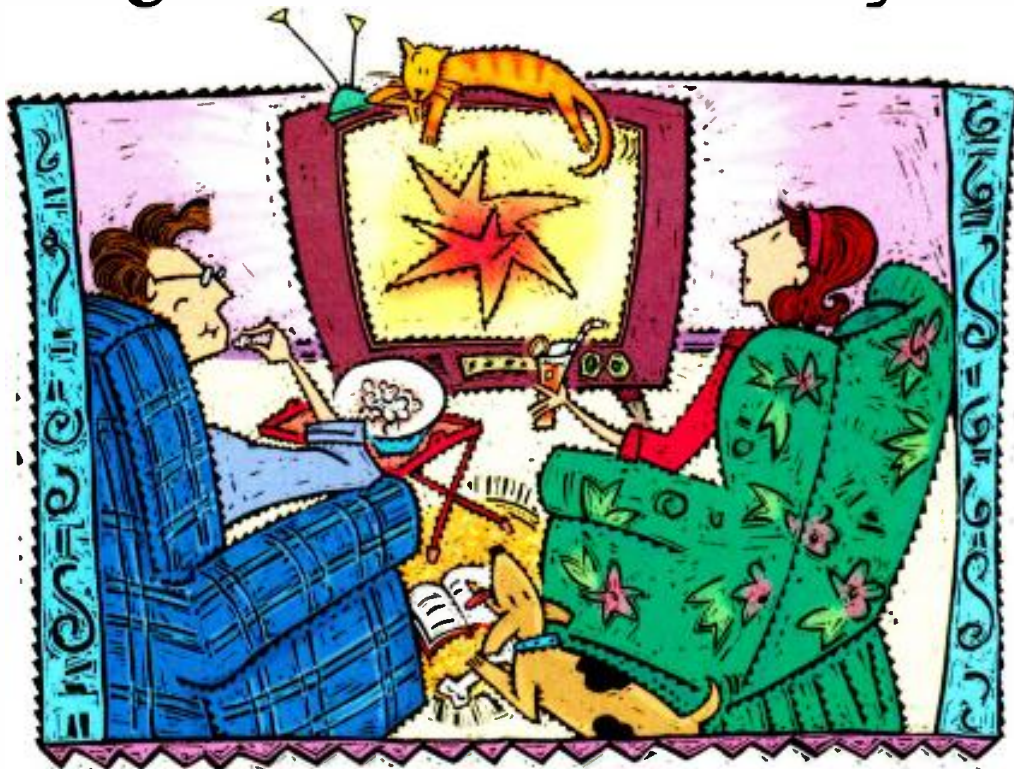
The commission's proposal would establish a new method for determining "just and reasonable" rates for pole attachments. The methodology would apply to all telecommunications carriers using the utility poles.

FCC officials collected comments on their proposal during the spring and summer but did not wrap up the rulemaking before the Reed Hundt commission disbanded. Outgoing Cable Bureau Chief Meredith Jones has recused herself from the proceeding, and FCC officials have not scheduled a vote on final rules.

Inside wiring

In October, FCC officials wrapped up a new set of cable inside-wiring

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*Beta research, November '96



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rules aimed at helping new video distributors gain access to the wires inside apartment buildings and other multiple-unit dwellings.

The rules require building owners to give an incumbent video provider 90 days' notice of any plans to terminate access to the building. The incumbent operator then has another 30 days to decide whether to remove or abandon the inside wires or to sell them to the building owner or the new video provider.

Adopting the new rules, FCC officials left unresolved the question of exclusive contracts between building owners and video providers. Regulators invited comment on the prospect of placing a cap on the length of exclu-

sive contracts.

Comments on the proposal are due Dec. 23.

Effective competition

Regulators have been processing cable system requests for rate deregulation since last year. The petitions are based on provisions in the 1996 Telecommunications Act for the deregulation of systems facing "effective competition" from a local telephone company or its affiliate.

Bureau officials last week had 34 petitions for deregulation pending. Most of the petitions are from cable systems that cite competition from a local phone company.

Telephone interconnection pricing

In August 1996 the FCC set national standards for the prices telephone companies could charge cable firms and others seeking to hook up with the local phone network.

The rules, which were welcomed by cable companies, were struck down by the U.S. Court of Appeals in St. Louis. Last month the U.S. Solicitor General filed an appeal of the court's decision with the Supreme Court. ■

Peters takes broadband view

MediaOne's new president sets course for telephony push, growing core business

By Price Colman

Janice C. Peters, MediaOne's new president, is the first to acknowledge that she has a lot to learn about her company and the cable business.

That said, she has a clear vision of where she wants MediaOne to be in 12 months.

"A year from now, we'll see that we've had strong growth in our core business," she says.

"We will put in place our headquarters team and enterprise management model ... where [we're] able to do things as a team across all of our regions. We're going to have to make progress on that. ... We will have made a lot more progress on the MediaOne Express product with more subscribers, and we will have launched telephony service."

What's MediaOne Express?

More than the company's Baby Bell connection and Peters' own background are behind MediaOne's telephony push—there are also the opportunities to exploit the capacity of the broadband network and gear up the marketing machine, which just happens to be one of her strengths.

"From the marketing standpoint, it's



an opportunity to grow this business on a revenue-per-customer model," she says. "Now the challenge becomes 'How do you add services to customers and grow revenue on a per-customer basis?' Chuck [Lillis] likes to use the Nike tennis shoe model: one pair per home versus several pairs per home."

MediaOne is testing cable telephony in Atlanta and will launch commercially there in the first half of 1998. Peters is circumspect about further telephony plans but makes it clear it's a business line that figures large in MediaOne's plans.

"We want to make sure we do it right," she says, "but we're fully committed to doing it."

Peters has purposely maintained a low profile since taking the helm of the

nation's third-largest cable TV operator. No sweeping statements about transforming the company or revolutionizing the cable industry. She even canceled plans to appear on the opening general session panel of the Western Cable Show.

Don't get the idea that Peters, 46, is diffident or overpowered by her new role in what's for her a new industry. She has the reputation of being a hard-driving, somewhat unconventional executive. It's not so much the 12-14-hour days, the working on week-ends or her cut-to-the-chase approach—it is her impressive intelligence, say colleagues and observers.

"She really leads with her intellect," says a MediaOne executive. "It's her most significant strength."

That combination of intellect and relentless work enabled Peters to turn around Mercury One-2-One, the 50-50 partnership of US West and Cable & Wireless for wireless phone service in the United Kingdom. But Peters faces a different situation at MediaOne. Far from floundering, MediaOne is one of the more successful cable operators. It's one thing to get a struggling company on its feet. In some ways, there's more risk in fine-tuning a firm that's already operating smoothly.

What does bother her are criticisms that she is ill-equipped for the cable business.

"What's hard about it is the dismissing

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1. I&R Brand Asset Valuator as appeared in The Myers Report, 11/10/97.
2. 1997 Beta Research Cable Subscriber Study, results based on viewers of network.



**What I'm
concentrating
on is the things
I need to learn
that are unique
to cable.**

—Janice Peters

later, her gender and nationality had become invisible. What stood out was her leadership.

When asked whether he likes Peters, one self-described cynic at One-2-One responds, " 'Like' is an amorphous word. I was proud to work for her. She got every bit of my creativity out of

quarters were feeling double-damned and double-crossed. They'd lost their longtime boss, widely respected as a senior statesman of the cable industry, under circumstances that looked questionable at best, deceitful at worst. They were getting a new boss with no experience in the cable industry. And adding insult to injury, the new boss was—gasp—a Bell-head.

By most accounts, however, Peters has managed to soothe ruffled feathers at the same time she is learning to run MediaOne.

For now, she's immersing herself in learning a business that differs from wireless in some ways but also has similarities.

"What I'm concentrating on is the things I need to learn that are unique to cable and ... trying to apply my own model of management discipline where there are similarities between the two models," she says.

She cites some obvious differences between the two industries: Cable is young, but wireless is younger; cable is strongly regulated, while wireless is not; cable historically has been subscription-based, while wireless is more transaction-based.

"I'm on a steep learning curve," she acknowledges. "The interesting thing I find is that the issues tend to be quite similar ... The uniqueness of our position is something I need to learn."

What MediaOne staffers are learning about Peters is that she constantly questions the status quo and stresses hard data, dismissing vagueness and unsupported hunches. "You need to have done your homework" before talking business with Peters, says one executive.

Tough-minded and decisive but fair, she has earned a reputation for a quick sense of humor and a down-to-earth manner that's quite different from the patriarch persona Hostetter projected.

But to Peters, it is the customer who ultimately determines whether she has done her job.

"Our key challenge, the way I describe it, is making broadband come to life for customers," she says. "That's the path we're on, the path we're going to work hard to make exciting and real for customers. I think of broadband as the capability. What we have to do is deliver meaningful products and services to customers that fit their needs." ■

... of any and all of your experience. In other words, because I have no cable experience, [it] is a total mismatch. That is, personally, a hard position to hear because it discounts everything else you've done. I think that is a bit extreme."

What Peters went through in taking over One-2-One armed and armored her for the move to MediaOne. When she assumed the CEO role at the British firm in summer 1996, she faced resistance on two fronts: First, she was a female top boss; second, she was an American female top boss.

By the time she departed for MediaOne a little more than a year

me. It was draining but rewarding."

For the staffers at MediaOne, however, Peters was an unknown outsider. When she took the helm of the MSO two months ago, she didn't get a hero's welcome.

Hardly surprising. Lillis, CEO of MediaOne parent US West Media Group, had recently dropped a bomb: The cable company was abandoning its longtime Boston headquarters in favor of Denver. Amos Hostetter Jr., founder of MediaOne predecessor Continental Cablevision, abruptly resigned in protest.

Many staffers at the company's soon-to-be-closed Pilot House head-

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Broadcasting

December 8, 1997

CBS grabs household win

NBC tops 18-49, but shows some slippage; Fox second in demo

By Lynette Rice

NBC maintained its dominance in the all-important 18-49 demographic, but CBS earned the bragging rights in the November sweeps race—securing its first household win for the rating period since 1994.

CBS finished the month with a 10.3 Nielsen rating/17 share in households, barely enough to outrank NBC's 10.2/17. The win represented some growth for CBS—1% over last year—while it spotlighted declines for NBC—10% in households. ABC, which wrote off its performance as a building period, finished with a 9.3/15 in households, and Fox earned an 8.1/13.

CBS also reigned in total viewers, attracting 15.1 million over NBC's 14.8 million. ABC followed with 13.8 million and Fox had 12.3 million.

In adults 18-49, NBC held the top spot (6.9/18) but still lost some 4% from last year. Fox—fueled by a bevy of specials and key performances by *The X-Files*—easily nabbed the number-two spot (6.0/16). ABC, down 7% in the demo, finished with a 5.5/7, while CBS



'Touched by an Angel' lent wings to CBS's November schedule.

came in fourth with a 4.4/11.

CBS remained cautiously optimistic in the final days of the sweeps, which ended Nov. 26. Not wanting to be outranked by NBC, CBS rustled up some special programming for the final night: *Candid Camera Looks at Love* (8.8/15) and a repeat of *A Touched by an Angel* starring Bill Cosby (8.3/14). NBC had its own star power with *World's Greatest Magic* (10.0/17). Although NBC (9.9/17) outranked CBS (8.8/15) for the night, CBS managed to sustain its lead. ■

Westlake heads Universal TV

Worldwide distribution head McNamara expected to exit

By Lynette Rice

Less than two months after the \$4 billion investment by Barry Diller, Universal Studios has reorganized its television arms and named Blair Westlake chairman, Universal Networks and Worldwide Television Distribution.

Under Westlake, the new organization will oversee international television programming development, production and distribution, as well as domestic television distribution of Universal's feature film library in all forms of television. The units were excluded from the deal struck by Diller in late October, in which the HSN Inc. chairman snagged Universal's TV production and cable network operations.

Westlake, a 15-year veteran of the company, also will continue to oversee the company's overall TV business development activities, including purchase of broadcast and cable services.

In a related move, James McNama-



Westlake

ra, president of worldwide distribution for Universal, is expected to exit the company; his duties overseeing domestic and international sales were shifted to USA Networks after the Diller deal.

Most of Universal's TV production activities have already shifted over to USA Networks as part of the billion-dollar deal. Universal TV Group Chairman

Greg Meidel has moved to the new entity as chairman and CEO but will virtually maintain the same duties—overseeing domestic network and first-run production and domestic distribution.

Westlake joined MCA Inc. in 1982 as a lawyer. Most recently, he served as president, Universal Studios Pay Television and Television Business Development Universal Studios.

The newly created Universal Networks also will oversee the company's participation in other networks that don't fall under the USA umbrella, including Telecine in Brazil, Cinecanal in Latin America and Star Channel in Japan. ■

All-time high for WB

In the race between the emerging networks, The WB enjoyed its all-time highest-rated sweeps for the month with a 3.0/5—a jump over last year's 2.8/4. The WB also posted gains in adults 18-49 (1.6/4 vs. last year's 1.4/3) and teens (4.1/12 vs. last year's 3.3/10). UPN saw a slight decline in households—3.3/5 vs. last year's 3.5/5. The network remained flat in adults 18-34 (2.2/5) and saw a drop in adults 18-49 (2.0/5 vs. last year's 2.2/6).



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Nixon vs. the nets

Newly released tapes and memos detail White House efforts to manipulate TV network news coverage

By Chris McConnell

An industry with a long list of current complaints about government intervention in programming is getting a new look at a past administration's effort to control broadcasters.

Newly released tapes and other Nixon administration records show a White House bent on boosting its image in the media through a combination of legal threats.

Among the initiatives—first reported last week by the *Washington Post*—were an effort to use pending antitrust litigation as a weapon against the networks and a plan to elicit favorable coverage from CBS in exchange for help with the network's troubles with Congress.

"[Former CBS President Frank] Stanton is willing to personally involve himself in news matters," Nixon aide Charles Colson wrote in a July 9, 1971,

memo to White House Chief of Staff H.R. Haldeman. "This is the consideration if we will help," Colson wrote. "I think there is a possible gain to us of some magnitude."

Colson wrote his memo as CBS was facing a House vote to cite CBS and Stanton for contempt after the network refused to supply lawmakers with subpoenaed outtakes from its documentary *The Selling of the Pentagon*.

Administration memos on the vote suggest that officials hoped to gain more favorable coverage in exchange for helping CBS avoid the citation. A July 9 memo from another aide to Colson reported that Sandy Lankler, a network attorney, had agreed to serve as a "conduit through which we could get to CBS on those matters which we think important to the country (and to the Administration)."

According to the documents, Colson met with Stanton to discuss the net-

work's coverage two days after the House voted against issuing the contempt citation.

"I proceeded to point out to Stanton some recent illustration of CBS 'screwing us,'" Colson reported in a memo to Haldeman on the meeting. "In most cases, he said that he had seen the clip in question and agreed fully that we were justified in our criticism."

Colson went on to report that Stanton "has promised that he is taking steps to try to straighten out the acknowledged CBS news bias against the Administration."

Stanton remembers it differently. "No such conversation ever took place with me," he says of the suggestion that CBS might agree to soften its coverage in exchange for administration help with the contempt citation. He asks why the network would bother resisting Congress only to make programming pledges to the administration.

Stanton remembers thanking the White House for its "alleged help" after the House vote, but he describes the gesture as a mere courtesy call.

Other administration memos about network news show recurring dissatisfaction with CBS among the White

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House officials. In a July 12, 1971, memo to Haldeman, Colson reported that he had spoken about a White House ceremony with then-CBS Chairman William Paley, "whose coverage was the poorest."

"NBC and CBS have given us a hard time on the economy and the war respectively," a May 1970 memo to Colson reported. The document included a detailed breakdown of network coverage, with individual stories labeled "favorable," "negative" or "balanced."

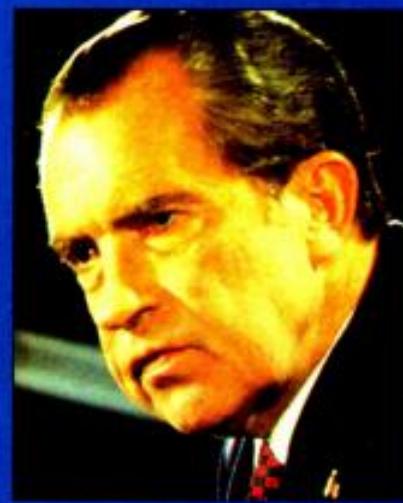
Conversely, ABC often ranked as the network most favored by the officials, described as "quite good" in one memo and "almost beyond reproach" in another.

While looking for the congressional pressure on CBS to yield gains for the administration, Nixon officials also were hoping to win improved coverage from the threat of antitrust litigation.

In a July 2, 1971, conversation with Nixon, Colson and Haldeman described an antitrust suit that Attorney General John Mitchell was preparing to file against network ownership of prime time programming. Discussing the planned suit, Colson advised the President not to proceed with the action but

"As far as screwing [the networks] is concerned, I would be very glad to do it. But if the threat of screwing them is going to help us more with their programming than doing it, then keep the threat."

Richard Nixon, in a 1971 conversation concerning a possible filing against network ownership of prime time programming



instead to keep it hanging as a "sword of Damocles" over broadcasters.

"Keeping this case in a pending status gives us one hell of a club on an economic issue that means a great deal to those three networks," Colson said. "They know this thing is in the works."

Colson also voiced concerns that if the government moved ahead with the action, broadcasters would think there was nothing left that the administration could do "to hurt them or to help them."

Nixon appeared to agree and instructed his aides to hold off on the suit. "We don't give a goddam about the economic gain. Our game here is solely political," Nixon said.

"As far as screwing them is concerned, I would be very glad to do it. But if the threat of screwing them is going to help us more with their programming than doing it, then keep the threat," Nixon said of the suit, which government officials did not file until 1972. ■

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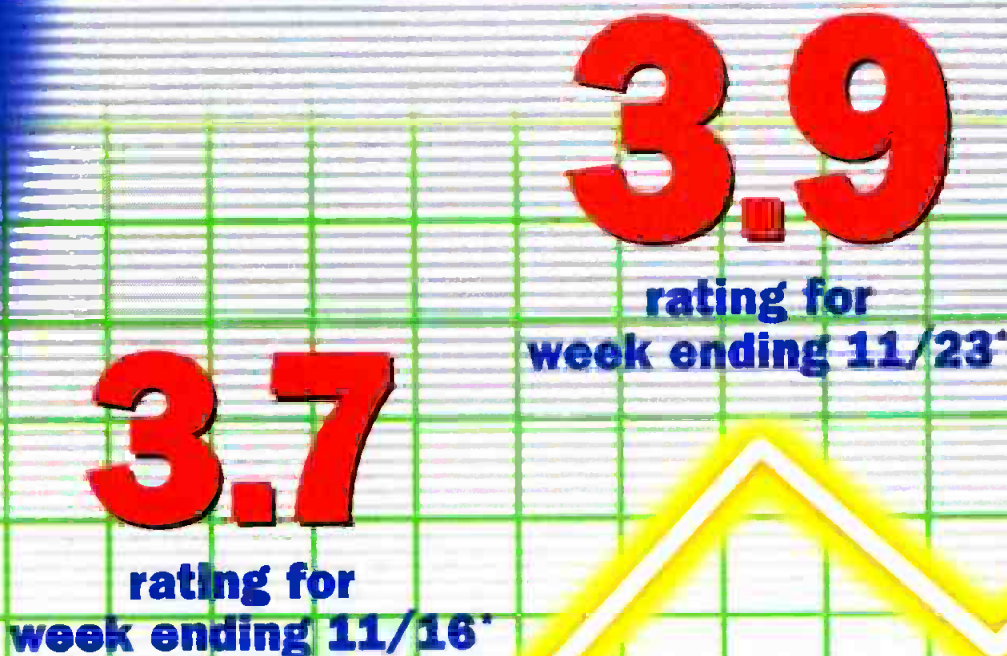
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King Brothers to split...stock, that is

Company asks shareholders to approve doubling number of shares

By Steve McClellan

King World will ask shareholders to approve a resolution to double the number of authorized shares of common stock to 150 million shares.

The company said approval of the resolution at the January shareholders meeting is needed to proceed with a planned two-for-one stock split. In an SEC filing, the company said the new shares and stock split will give it "additional flexibility to maintain a reasonable stock price."

KWP's stock price has climbed more than \$23 over the past six months. Last Tuesday, the stock reached a 52-week high of \$57.4375. Two factors have helped the stock, analysts say: Oprah Winfrey's decision to continue her talk show through the 1999-2000 season, and the signing of Roseanne to do a talk show starting fall 1998.

KWP said the proposed stock split would help boost trading volume, and, with a lower price per share, "make the common stock a more affordable, attractive investment, particularly for individual investors."

The company is also asking shareholders to approve an incentive clause in the contract of company president Jules Haimovitz that would give him a bonus equal to 1% of KWP's annual net profit above \$150 million. A company proxy statement says Haimovitz's base salary is \$1 million.

The clause, if approved, would give Haimovitz added incentive to make a major corporate acquisition, which has been on his agenda since he joined the company earlier this year. The company's net income for the fiscal year ended Aug. 31, 1997, was \$143.4 million, down about 4% from the previous year. Revenue for the year was up 1%,

to \$671.3 million.

While Oprah's re-signing has helped KWP's stock, the talk diva's new deal will depress the company's net profits and cash flow going forward, according to its annual report filed with the SEC a week ago. In addition to "substantially higher" production and license fees, Winfrey's Harpo Productions will receive distribution fees based on a percentage of gross revenue derived from the series. Previously, Harpo's distribution fees were based on the show's net profit.

KWP also urged shareholders to vote down a proposal—by the Amalgamated Bank of New York LongView Collective Investment Fund—to declassify the company's board of directors, so that every board member is required to stand for election annually instead of every three years.

According to Cornish F. Hitchcock, a lawyer for the fund, the proposal is designed to "send a signal about the satisfaction with the company's performance," long term. "The company's stock is up, and it has had a few good quarters, but over the past three to five-year period, it has not done as well as some of its counterparts on the S&P 500 or as well as the S&P 500 generally."

Responding to the resolution, which is nonbinding, KWP said the current three-year director terms and a system in which one-third of the directors are elected annually provides stability and the ability to "maintain the continuity of corporate strategies and policies."

Separately, the company says it has renamed its barter ad sales arm King World Media Sales (previously known as Camelot Entertainment Sales). The media sales unit is headed by Steve Hirsch, who will make \$820,000 in salary and bonuses this year, according to the KWP proxy statement. He also has stock options with a potential value of more than \$3 million.

Michael and Roger King will each make about \$4 million in salary and bonuses this year. The King family owns about 23% of the company's outstanding common stock.

King World will hold its annual meeting in New Orleans on Jan. 19, 1998, the first day of the NATPE convention. ■

WABC-TV tops in New York



'The Rosie O'Donnell Show' buoyed WABC's morning numbers.

As it did last year, WABC-TV New York was the market winner in the November sweeps in the nation's top market with an average 6.6 rating/16 share (sign-on to sign-off, Nielsen Media Research figures). WNBC(TV) again was number-two, with a 6.2/15.

WCBS-TV, fourth last year, eked out a third-place showing with a 4.2/10, narrowly beating Tribune-owned WPIX(TV), which slipped to fourth

from third a year ago with a 4.1/10. Fox-owned WNYW(TV) was fifth, with a 3.7/9, and BHC-owned WWOR-TV was sixth, with a 2.8/7.

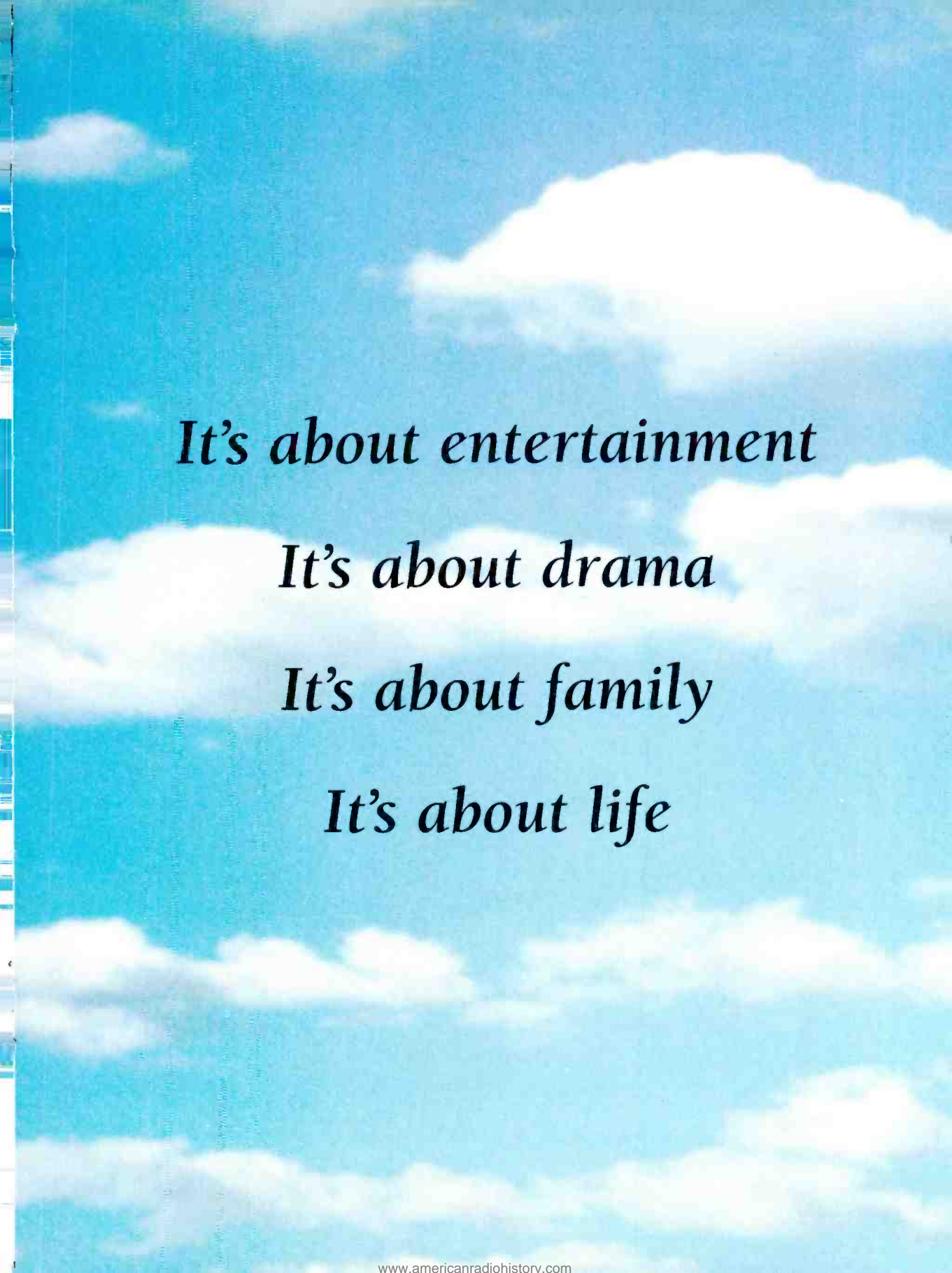
WABC-TV won the early morning, noon and early evening news races, while WNBC won the 11 p.m. news contest.

Jerry Springer on ABC performed well in New York, as it did nationally. In New York it won its 11 a.m.—noon time period with a 5.5/20, a 67% gain over the time period performance a year earlier. Springer also knocked *The Price Is Right* (4.3/16) on WCBS-TV out of first place for the first time since July 1996.

WABC-TV dominated the 9 a.m.—11 a.m. time period with *Regis & Kathie Lee* (6.3/23) and *Rosie O'Donnell* (8.1/29). *Oprah Winfrey* won easily at 4 p.m. with an 8.7/21, although it was down 2 rating points and 4 share points from a year earlier. *Judge Judy* at 4 p.m. on WCBS-TV doubled its year-to-year time period average with a 5.9/15, and *Hard Copy* on WCBS-TV at 4:30 p.m. did a 4.3/10, boosting the time period average by 1.5 rating points and 3 share points.

In late night, WPIX dominated from 11 p.m. to midnight with *Seinfeld* and *Frasier*, giving the station its highest average rating in a sweeps with a 9.3/18. *Seinfeld* averaged a 10.5/18 at 11 p.m., and *Frasier* averaged an 8.1/17.

—Steve McClellan

A photograph of a bright blue sky filled with soft, white, fluffy clouds. The clouds are scattered across the frame, with a larger, more prominent one in the upper right quadrant. The overall mood is bright and airy.

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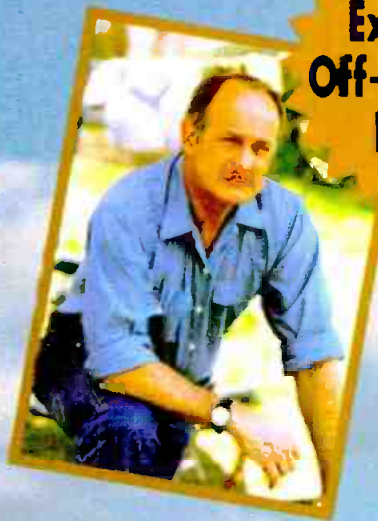
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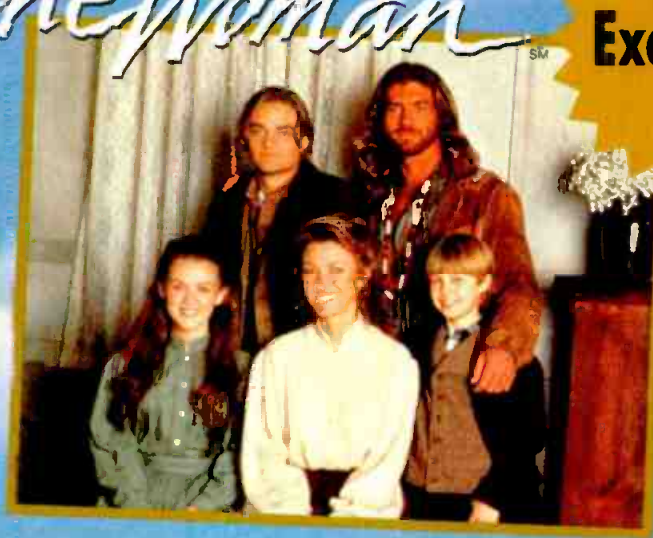


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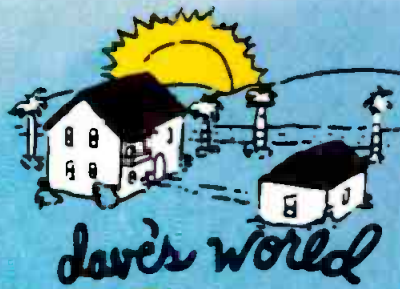


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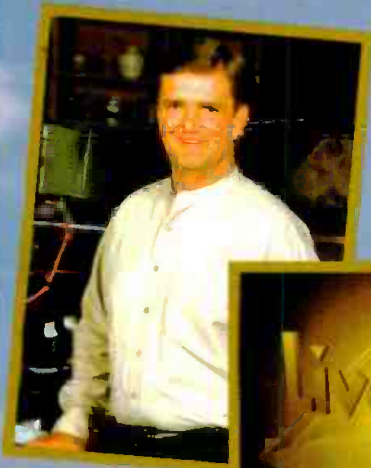
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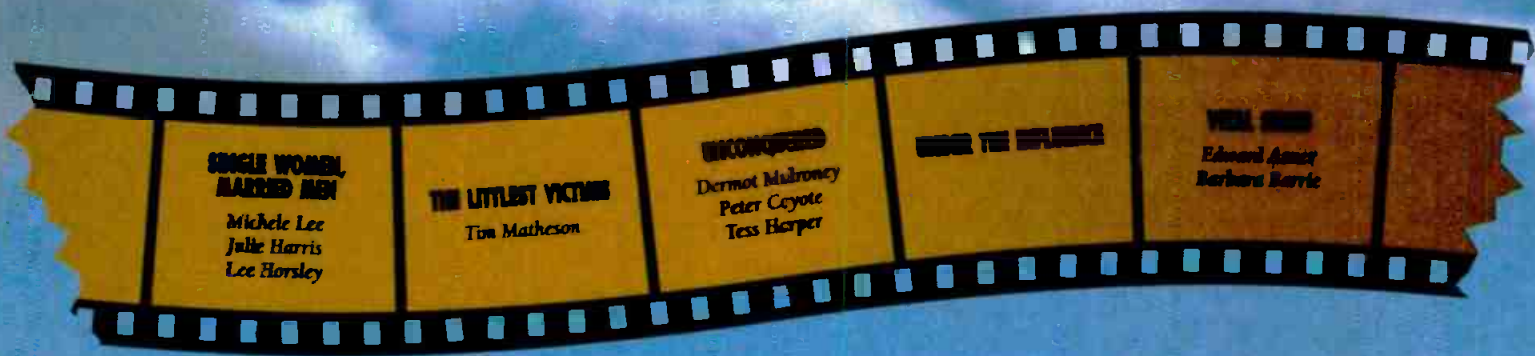
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'48 Hours' moves to Tuesday

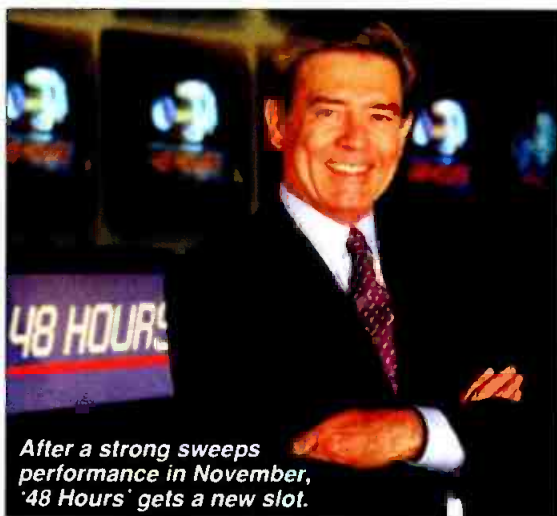
Will take on 'Dateline' and 'NYPD Blue' at 10 p.m.

By Steve McClellan

CBS's *48 Hours* out-gunned the Thursday edition of ABC's *20/20* during the November sweeps. Its reward: a move from the tough Thursday 10-11 p.m. time slot where *ER* devours all contenders to Tuesday at 10 p.m., where it will face *Dateline NBC* and *NYPD Blue*. The move is effective tomorrow (Dec. 9).

But according to *48 Hours* executive producer Susan Zirinsky, the show in some ways is "jumping out of the frying pan into the fire," given the strong competition from *Dateline*, which is first in its Tuesday time period with an average 12.9/22 and the highest-rated network prime time news magazine among women and adults 18-49 this season.

Dateline, says Zirinsky, is a "formidable franchise I respect and admire." But she also believes that *48 Hours* has an opportunity to build its audience now



After a strong sweeps performance in November, '48 Hours' gets a new slot.

that it won't be in the shadow of *ER*.

"I've been wanting to see what we'd be like on a night that isn't Thursday," she says. "Tuesdays will be tough, but the fact is there are more available eyeballs" because there isn't a ratings juggernaut like *ER* dominating the night.

Season to date, *48 Hours* has an average 7.3/12, compared with a 7.7/13 for *20/20* on Thursday. But in November, *48 Hours* surged, averaging an

8.4/14 versus *20/20*'s 7.8/13. Lead-ins are a key factor in the performance of both magazines. During the sweeps, *20/20* lead-in *Cracker* averaged a dismal 4.3/6; *48 Hours* lead-in *Diagnosis Murder* averaged a 10.7/16. Given that handicap in lead-in, an ABC source says, *48 Hours* "really should have trounced us, but only beat us by one share point."

At CBS, a source says the switch is motivated by several factors. First, it's an attempt to counterprogram Thursday with *Dellavventura* (moving from Tuesday), which is compatible with the audience profiles of *Promised Land* and *Diagnosis Murder*. Those shows are seen respectively at 8 and 9 p.m., two of the network's fastest-growing time periods this season.

"Eventually we have to start trying to nibble away at *ER*—that is, if we don't buy the damn thing," the CBS source says. "So we're giving it a shot."

At the same time, *48 Hours* should benefit from being on earlier in the week, when viewers have not yet had their fill of magazine shows. It will also be easier to promote *48 Hours* on *60 Minutes*, the usual time period winner

SYNDICATION MARKETPLACE

Let's remake a deal

Buena Vista Television is reviving game show *Let's Make a Deal*. The former Monty Hall-hosted show will likely come to syndication in fall 1999, but Buena Vista executives say they haven't ruled out 1998. In addition to its original network run on NBC and ABC (1963-76) it resurfaced on NBC in 1980, in syndication in 1984-85 and in yet another NBC incarnation in 1990-91, when it was produced at Disney/MGM Studios. Former talk show host Gordon Elliot is reportedly in talks with the Disney syndication wing about the project. Elliot is also said to be a favorite for a couple of Pearson All American game show revivals. Neither Buena Vista nor Pearson officials would comment.

Martial marshal

Pearson All American is launching its new action hour *Kickboxer and the Kid* in syndication for a September

NSS POCKETPIECE

Top ranked syndicated shows for the week ending Nov. 23, as reported by Nielsen Media Research. Numbers represent average audience/stations/% coverage.

1. Wheel of Fortune	12.5/230/99
2. Jeopardy!	10.7/222/99
3. Home Improvement	8.6/233/98
4. The X-Files	8.3/237/98
5. Oprah Winfrey Show	8.1/237/99
6. Seinfeld	7.9/223/96
7. Buena Vista I	7.8/178/97
8. ESPN NFL Football	7.1/3/77
9. Xena: Warrior Princess	6.8/233/98
10. Entertainment Tonight	6.5/178/95
10. Star Trek: Deep Space Nine	6.5/240/97
12. Hercules, Journeys of	6.2/239/99
13. Simpsons	6.0/164/86
13. Wheel of Fortune-wknd	6.0/178/76
15. Rosie O'Donnell	5.7/235/99

1998 launch. *Kickboxer* is being developed with Rick Husky, a network producer whose credits include *Walker Texas Ranger*, *T.J. Hooker* and *Tour of Duty*. The series stars Robert Daniel Phelps and martial arts specialist Jeff Speakman. *Kickboxer* follows the adventures of Jack Cody, a former

U.S. marshal and martial arts expert, who teams with a 17-year-old boy who had been wrongfully imprisoned.

This new house

A quarterly magazine based on the syndicated TV series *Michael Horgan's Your New House* will be launched in late January. The magazine will expand on the series, which educates viewers on building, improving and financing their own homes. *Your New House* has been in syndication since the fall of 1995.

College kickoff

TWI has cleared its 16th annual *College Football Preview* show in over 90% of the country. The hour special is hosted by Bill McAtee and University of Southern California coach John Robinson. *College Football Preview* looks back on the recently completed college season and previews the upcoming bowl games. The special airs in syndication during the last two weeks of December.—Joe Schlosser



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December 1997

RE: Invitation to See HDTV at CES

Dear Colleagues in the Broadcast and Cable Industries:

Recognizing the many questions you face about the transition to digital television, the consumer electronics industry invites you to see the public debut of digital TV sets which will be sold in 1998 by major TV set makers. You will be able to see first-hand how they will be marketed, how they work and the reaction of thousands of retailers, press and analysts who attend the CES.

- WHAT:** The Commercial Debut of HDTV
WHEN: January 8-11, 1998
WHERE: International Consumer Electronics Show, Las Vegas, Nevada
HOW: Register online - www.CESweb.org
Call: (703) 907-7600 or use Fax-on-demand 1-888-CES-Show

I hope you can join us at this historic occasion.

Sincerely,

Gary Shapiro
President
Consumer Electronics Manufacturers Association

PS. We will also have several conference sessions on digital television and the launching of a program promoting outdoor antennas for free over-the-air television.

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on Sunday nights at 7. The show, which is hosted by Dan Rather, may also benefit from the recent ratings surge of the *CBS Evening News with Dan Rather*. "Rather is on a roll and his name is now an asset instead of a liability," the source says.

Zirinsky says the theme of tomorrow's show, which this season has reverted primarily to a single-topic format, is about "cheating death" and how surviving a disaster affects people's lives. Rather will interview the Yale

professor who survived a Unabomber attack. Another segment will feature a Florida sky diver who bailed out of a plane before it crashed and killed several people on board.

"It's survival of the fittest, but we're all fit," says Zirinsky. "Beating *20/20* on Thursday shows the strength of what we have to offer on a night that has unparalleled competition."

At *Dateline*, executive producer Neal Shapiro says he isn't altering strategy for the new competition from

48 Hours. "It [*48 Hours*] is a long-standing franchise with real strengths, but it's not like we haven't been up against strong, solid shows," he says. "You always worry about dividing up the news audience, but they could also bring more news viewers" to the time period, he says.

As for tomorrow's show, Shapiro wasn't telling much. "We'll have a big interview and an investigative piece. That is what *Dateline* does all the time." ■



Russert extends NBC stay

Tim Russert has signed a new seven-year deal to stay at NBC News as anchor of the Sunday morning newsmaker program *Meet the Press*. Sources say Russert will be paid nearly \$2.5 million a year under the contract, which extends

to 2004. Russert has anchored the show since 1991. He also will continue to serve as the network's Washington bureau chief and as political analyst for *NBC Nightly News* and *Today*. News of Russert's new contract came as *Meet the Press* won the November sweeps competition among Sunday network news interview shows for the first time in 17 years. The show, now celebrating its 50th anniversary, is the longest-running program on TV.

Fox picks up 'Brothers'

Fox has picked up four more episodes of the slow-growing freshman comedy *Between Brothers* from Columbia TriStar Television. The comedy, which airs at 8:30 p.m. on Thursday, has averaged a 5.0 Nielsen rating/8 share in households yet only a 3.4/9 in the key 18-49 adult demographic.

Record-breaking 'Today'

NBC's *Today* has broken all previous records set by morning news programs since the start of peplemeters in 1987. For the week of Nov. 17-21, *Today* averaged a 5.2 Nielsen rating/22 share—its 100th consecutive week in first place without a tie. The morning show has now been in sole possession of first place since the week of Dec. 25, 1995.

Newman re-ups with 20th

Executive vice president Gary Newman has re-upped with 20th Century Fox Television. Newman, who had served as the studio's executive vice president, business and legal affairs, will continue to work closely with 20th Century Fox International Television and Twentieth Television. He'll also take on additional creative responsibilities with the studio, which will have 16 network series in production by midseason.

Spicing up UPN

UPN averaged a 5.8 Nielsen rating/9 share in metered

markets on Dec. 2, thanks to a lineup that included the first American TV special starring the Spice Girls. The performance marked a 57% improvement from the previous Tuesday. The 9-10 p.m. Spice Girls special, *Too Much Is Never Enough*, earned a 6.4/9 in the metered markets, a 94% improvement over the previous week's encore broadcasts of *Malcolm & Eddie* (3.3/5) and *In the House* (3.2/5). National numbers for UPN will be released this week.

Fox catches 'Bus' for '98



Ms. Frizzle and her class will be seen on Fox next year.

The Fox Kids Network has picked up reruns of PBS's animated *The Magic School Bus* for fall 1998. The science adventure series, produced by the TV arm of Scholastic Inc., features the voice of Lily Tomlin as the teacher, Ms. Frizzle. She takes her grade-school class on field trips that emphasize science. The series debuted on PBS in 1994.

She takes her grade-school class on field trips that emphasize science. The series debuted on PBS in 1994.

'Magnificent' for midseason

CBS will offer a special two-hour premiere of its mid-season drama *The Magnificent Seven* on Saturday, Jan. 3, at 8-10 p.m. In subsequent weeks, the show—starring Michael Biehn ("Alien"), Eric Close and Ron Perlman ("Alien Resurrection")—will air on Saturday at 8-9 p.m. *Dr. Quinn, Medicine Woman* will return to the Saturday 8 p.m. time slot on Feb. 28. *The Magnificent Seven* picks up the tale of seven men committed to justice where the classic motion picture left off.

Jerry Goldman leaving Paramount

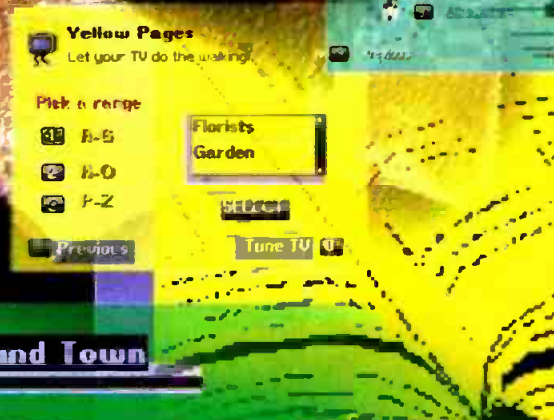
Jerry Goldman will exit his post as senior vice president of finance and production for Paramount Network TV to enter a deal to produce long-form programming for the division. In his place, Paramount has appointed Reid Shane as senior vice president, production. Shane—who will oversee physical production for all series, pilots and long-form programming—joined Paramount from The Kushner-Locke Co., where he was senior vice president of production since 1994. Goldman joined Paramount in 1982 and most recently oversaw production of the series and long-form programming. —Lynette Rice

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Broadcasting & Cable PEOPLE'S CHOICE Ratings according to Nielsen Nov. 24-30

KEY: RANKING/SHOW (PROGRAM RATING / SHARE) • TOP TEN SHOWS OF THE WEEK ARE NUMBERED IN RED • TELEVISION UNIVERSE ESTIMATED AT 98.0 MILLION HOUSEHOLDS; ONE RATINGS POINT=980,000 TV HOMES
 YELLOW TINT IS WINNER OF TIME SLOT • (NR)=NOT RANKED; RATING/SHARE ESTIMATED FOR PERIOD SHOWN • *PREMIERE • SOURCES: NIELSEN MEDIA RESEARCH, CBS RESEARCH • GRAPHIC BY KENNETH RAY

Week 10	abc	13	NBC	FOX	U/P/N	WB	
	11.9/19	8.5/13	9.7/15	11.4/17	3.3/5	3.6/5	
MONDAY	8:00	48. Champions of Magic 2 7.8/13	17. Cosby 10.5/16	48. Suddenly Susan 7.8/12	48. Melrose Place 7.8/12	82. In the House 3.6/6	81. 7th Heaven 3.7/6
	8:30		20. Ev Loves Raymd 10.1/15	54. Fired Up 7.5/11		84. Mal & Eddie 3.5/5	
	9:00	7. NFL Monday Night Football—Oakland Raiders vs. Denver Broncos 13.0/22	38. Murphy Brown 8.7/13	35. Caroline in/City 8.9/13	3. Magic's Biggest Secrets 15.0/22	86. Good News 3.2/5	84. Buffy/Vampire Slayer 3.5/5
	9:30		44. George & Leo 8.2/12	54. Naked Truth 7.5/11		89. Sparks 3.0/4	
	10:00		61. Brooklyn South 6.8/11	6. Dateline NBC 13.2/22			
10:30							
TUESDAY	8:00	10.0/16	8.5/14	12.0/19	9.9/16	2.5/4	
	8:30	51. Grace Undr Fire 7.7/13	35. JAG 8.9/14	12. Mad About You 11.1/18	23. Fox Tuesday Night Movie—Home Alone 2: Lost in New York 9.9/16	87. Moesha 3.1/5	
	9:00	42. Soul Man 8.5/14		29. NewsRadio 9.4/15		92. Clueless 2.8/4	
	9:30	9. Home Imprvmt 11.8/18	44. CBS Special Movie—Indefensible: Ed Brannigan 8.2/13	8. Frasier 12.6/19		99. Mal & Eddie 2.3/4	
	10:00	20. Spin City 10.1/16		17. Just Shoot Me 10.5/17		102. In the House 1.9/3	
10:30	13. NYPD Blue 11.0/19		5. Dateline NBC 14.4/24				
WEDNESDAY	8:00	9.2/16	8.8/15	9.9/17	7.0/12	3.4/6	2.7/5
	8:30	39. Spin City 8.6/15	37. Candid Camera Looks at Love 8.8/15	22. World's Greatest Magic 10.0/17	58. Fox Movie Special—Rookie of the Year 7.0/12	78. Star Trek: Voyager 4.1/7	93. Smart Guy 2.7/5
	9:00	33. Dharma & Greg 9.1/15	43. Touched by an Angel 8.3/14			93. The Sentinel 2.7/5	89. Smart Guy 3.0/5
	9:30	19. Drew Carey 10.2/17					93. Wayans Bros 2.7/5
	10:00	51. Ellen 7.7/13	31. Chicago Hope 9.3/17	27. Law & Order 9.6/17			96. Wayans Bros 2.5/4
10:30	25. PrimeTime Live 9.7/17						
THURSDAY	8:00	5.1/10	8.1/16	10.7/21	5.2/10		
	8:30	80. Sabrina/Witch 4.0/8	57. Promised Land 7.1/15	13. Seinfeld 11.0/23	72. Sears Family Theater—Miracle on 34th Street 5.2/10		
	9:00	63. Home Imprvmt 6.6/13					
	9:30	68. Drew Carey 6.0/12	39. CBS Special Movie—Unlikely Angel 8.6/17	16. Movie of the Week—Jurassic Park 10.6/21			
	10:00	75. Hiller & Diller 4.8/9					
10:30	73. Spin City 5.1/10						
FRIDAY	8:00	6.8/13	9.2/17	8.6/16	3.6/7		
	8:30	54. Sabrina/Witch 7.5/14	34. Snowden on Ice 9.0/16	29. Movie of the Week—Richie Rich 9.4/17	82. Skate International—Canada 3.6/7		
	9:00	64. Teen Angel 6.4/12					
	9:30	67. Boy Meets Wrld 6.1/11	31. Ice Wars: USA vs. the World 9.3/17	59. Dateline NBC 6.9/13			
	10:00	75. Meet Hanson 4.8/9					
10:30	46. 20/20 8.0/15						
SATURDAY	8:00	5.5/10	7.3/13	7.2/13	4.4/8	1.9/3	
	8:30	74. C-16 5.0/9	62. CBS Special Movie—Mrs. Santa Claus 6.7/12	47. Movie of the Week—The Brady Bunch Movie 7.9/14	77. Skate International—France 4.4/8	102. U.S. Open Pro Figure Skating Championship 1.9/3	
	9:00	71. Nothing Sacred 5.3/9					
	9:30		39. Walker, Texas Ranger 8.6/16	69. Pretender 5.9/11			
	10:00	66. The Practice 6.2/12					
10:30							
SUNDAY	7:00	5.9/9	16.8/25	10.6/16	9.4/14	2.0/3	2.4/4
	7:30	64. Wonderful World of Disney—The Love Bug 6.4/10	2. 60 Minutes 15.6/25	(nr) NFL Game 2 12.4/21	55. Annabelle's Wish 6.9/11	100. U.S. Open Pro Figure Skating Championship 2.0/3	100. Nick Freno 2.0/3
	8:00		4. Touched by an Angel 14.8/22	53. Dateline NBC 7.6/12	24. The Simpsons 9.8/15		91. Parent'Hood 2.9/5
	8:30			28. All-Star-TV Censored Bloopers 9.5/14	25. King of the Hill 9.7/14		87. Jamie Foxx 3.1/5
	9:00						97. Tom Show 2.4/3
9:30	70. ABC Sunday Night Movie—Street Fighter 5.4/8	1. CBS Sunday Movie—Borrowed Hearts 18.4/28	10. NBC Sunday Night Movie—National Lampoon's Christmas Vacation 11.7/18	11. The X-Files 11.5/16		97. Unhap Ev Af 2.4/3	
10:00						104. Alright Airdy 1.7/2	
10:30							
WEEK AVG	7.7/13	9.9/17	9.9/17	7.4/12	2.6/4	2.8/4	
STD AVG	9.0/15	9.9/16	10.9/18	7.4/12	3.2/5	3.0/5	

Changing Hands

The week's tabulation of station sales

Proposed station trades

By dollar volume and number of sales; does not include mergers or acquisitions involving substantial non-station assets

THIS WEEK:

TVs \square \$0 \square 0

Combos \square \$13,777,000 \square 8

FMs \square \$4,319,901 \square 9

AMs \square \$1,910,000 \square 6

Total \square \$20,006,901 \square 23

SO FAR IN 1997:

TVs \square \$6,991,180,330 \square 109

Combos \square \$7,767,964,551 \square 305

FMs \square \$1,887,696,233 \square 383

AMs \square \$354,239,108 \square 228

Total \square \$16,976,070,222 \square 1,025

SAME PERIOD IN 1996:

TVs \square \$10,430,892,145 \square 95

Combos \square \$11,999,023,436 \square 336

FMs \square \$2,562,802,463 \square 391

AMs \square \$200,040,306 \square 242

Total \square \$25,192,758,350 \square 1,064

Source: BROADCASTING & CABLE

COMBOS

KTCS-AM-FM Fort Smith, Ark.

Price: \$9 million

Buyer: CapStar Broadcasting Partners LP; Austin, Tex. (Thomas O. Hicks, owner); owns/is buying 226 FMs and 93 AMs

Seller: Big Chief Broadcasting Co., Fort Smith (Bill Harper, president); no other broadcast interests

Facilities: AM: 1410 khz, 1 kw; FM: 99.9 mhz, 100 kw, ant. 1,919 ft.

Formats: Both country

Broker: Broadcast Transactions

WSDR(AM)-WSSQ(FM) and WZZT(FM) Sterling/Morrison, Ill.

Price: \$1.5 million

Buyer: Withers Broadcasting Co., Mount Vernon, Ill. (W. Russell Withers Jr., president); owns three TVs, six FMs and eight AMs

Seller: LH&S Communications, Chicago (Alex R. Seith, chairman); no other broadcast interests

Facilities: WSDR: 1240 khz, 1 kw; wssq: 94.3 mhz, 6 kw, ant. 309 ft.; wzzt: 95.1 mhz, 3 kw, ant. 328 ft.

Formats: WSDR: news, talk, sports; wssq: AC; wzzt: classic rock

Broker: Frank Boyle & Co.

KVOP-AM-FM and KKYN-AM-FM Plainview, Tex.

Price: \$1 million

Buyer: Texrock Radio Inc., Austin, Tex. (Dain Schult, president);

owns/is buying KBAL-AM-FM San Saba, KGRW(FM) Friona, KQFX(FM) Borger/Amarillo, KVOU(AM)-KUVA(FM) and KYUF(FM) Uvalde and KEPS(AM)-KINL(FM) Eagle Pass, all Tex.

Seller: Radio Music Box Co., Plainview (Michael Fox and Donald Williams, principals); no other broadcast interests

Facilities: KVOP(AM): 1400 khz, 1 kw; KVOP-FM: 97.3 mhz, 100 kw, ant. 440 ft.; KKYN(AM): 1090 khz, 5 kw day, 500 w night; KKYN-FM: 103.9 mhz, 25 kw, ant. 361 ft.

Formats: KVOP(AM): Spanish; KVOP-FM: AC; KKYN(AM): country; KKYN-FM: country

Broker: Patrick Communications

KERV(AM)-KRVL(FM) Kerrville, Tex.

Price: \$702,000

Buyer: Barbwire Communications Inc., Port Arthur, Tex. (Kent Foster, president); Foster and family own KPXS-FM Vidalia and KZWA-FM Lake Charles, La.

Seller: Griffin Broadcasting Corp., Kerrville, Tex. (Richard Griffin, president); no other broadcast interests

Facilities: AM: 1230 khz, 1 kw; FM: 94.3 mhz, 50 kw, ant. 550 ft.

Formats: AM: news, nostalgia; FM: country

Brokers: Whitley Media Inc. and Sunbelt Media Inc.

WBCO(AM)-WQEL(FM) Bucyrus, Ohio

Price: \$640,000

Buyer: Anchor Broadcasting Co., Bucyrus (Michael J. and Donna C. Laipply, owners); no other broadcast interests

Seller: Brokensword Broadcasting Co., Bucyrus (J. LaVonne Moore, principal); no other broadcast interests

Facilities: AM: 1540 khz, 500 w; FM: 92.7 mhz, 3 kw, ant. 300 ft.

Formats: AM: AC; FM: classic rock

KTFS(AM)-KTWN-FM Texarkana, Ark./Tex.

Price: \$435,000

Buyer: CapStar Broadcasting Partners LP; Austin, Tex. (Thomas O. Hicks, owner); owns/is buying 227 FMs and 94 AMs

Seller: KATQ Radio Inc., Texarkana, Tex. (John Bell, president); no other broadcast interests

Facilities: AM: 940 khz, 2.5 kw day, 11 w night; FM: 107.1 mhz, 2.9 kw, ant. 479 ft.

Formats: AM: news, talk; FM: AC

Broker: John Barger and Wally Tucker

KRHD-AM-FM Duncan and KSWO(AM) Lawton, Okla.

Price: \$425,000

Buyer: Monroe-Stephens Broadcasting Inc., Anadarko, Okla. (Stanton M. Nelson, president/86% owner); owns

KJON(AM)-KRPT(FM) Anadarko

Seller: Duncan Broadcasting Co. Inc., Lawton, Okla. (Robert H. Drewry, principal); Drewry family owns kswotv Lawton, Okla., and kxxv(tv) Waco, Tex.

Facilities: KRHD(AM): 1350 khz, 250 w day, 100 w night; KRHD-FM: 102.3 mhz, 3 kw, ant. 207 ft.; kswo: 1380 khz, 1 kw

Formats: AM: religion; FM: hot AC; kswo: news, talk

Broker: R.E. Meador & Associates

50% of KGWA(AM)-KOFM(FM) Enid, Okla.

Price: \$75,000 for stock

Buyer: Hammer Williams Broadcasting Inc., Enid (Kyle D. Williams, president); no other broadcast interests

Sellers: Hoby and Larry Hammer, Fairview, Okla.; no other broadcast interests

Facilities: AM: 960 khz, 1 kw; FM: 103.1 mhz, 25 kw, ant. 298 ft.

Formats: AM: news, talk; FM: country

RADIO: FM

WMHS(FM) (formerly WDHT) Luverne, Ala.

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Price: \$1.733 million

Buyer: CapStar Broadcasting Partners LP; Austin, Tex. (Thomas O. Hicks, owner); owns/is buying 226 FMs and 93 AMs

Seller: Joan K. Reynolds, Greenville, Ala.; owns WAUL(AM) Brantley, Ala.

Facilities: 104.3 mhz, 13.5 kw, ant. 1,841 ft.

Formats: Dark

WIZK-FM Bay Springs, Miss.

Price: \$553,000 for stock

Buyer: Blakeney Communications Inc., Laurel, Miss. (Larry K. Blakeney, president/33.3% owner); no other broadcast interests

Seller: Mitchell Jerome Hughey, Bay Springs; owns WIZK(AM) Bay Springs

Facilities: 93.5 mhz, 3 kw, ant. 328 ft.

Format: Real country

WPRE-FM Prairie du Chien, Wis.

Price: \$500,000

Buyer: Robinson Corp., Viroqua, Wis. (David and Jane Robinson, owners); no other broadcast interests

Seller: Prairie Broadcasting Inc., Prairie du Chien (Walter C. and Mary Ellen Schlaught, principals); no other broadcast interests

Facilities: 94.3 mhz, 36 kw, ant. 525 ft.

Format: MOR

KACO(FM) Ardmore, Okla.

Price: \$475,000

Buyer: A.M. & P.M. Communications LLC, Dallas (Richard E. Witkovski, president/75% owner); Witkovski owns 75% of KXIL(FM) Sanger and 15% KDSX(AM) Sherman-Denison, Tex.

Seller: KRIG Inc., Ardmore (Homer H. Hillis Jr., president/46% owner); owns KOMH(AM) Pawhuska and KRIG(FM) Nowata, Okla.

Facilities: 98.5 mhz, 25 kw, ant. 330 ft.

Format: Country

KWMX(FM) (formerly KVTF) Williams, Ariz.

Price: \$421,400

Buyer: Red Rock Communications II Ltd., Sedona, Ariz. (Thomas S. Rockler, president); Rockler owns KSED (FM) Sedona and KFLX(FM) Flagstaff, Ariz.

Seller: Jana Tucker, Tucson, Ariz.; Jana and Ted Tucker own KCDX(FM) Florence, KLOB(FM) Oracle and a construction permit in Winslow, all Ariz.

Facilities: 96.7 mhz, 1 kw, ant. 804 ft.

Formats: Dark

KKMT(FM) Columbia Falls, Mont.

Price: \$337,500

Buyer: Bee Broadcasting, Kalispell, Mont. (Benny Bee Sr., president/95%

owner); owns KDBR(FM) and KBBZ(FM) Kalispell and WJR(AM) Whitefish, Mont. **Seller:** Radio 2000 Inc., Whitefish, Mont. (Frank Copsidas Jr., president/owner); owns KTOZ-FM Pleasant Hope, KOMO(FM) Ash Grove and KHTO(FM) Mount Vernon, all Mo., and KCHZ(FM) Ottawa, Kan.

Facilities: 95.9 mhz, 59 kw, ant. 285 ft.

Format: Dark

KWCO-FM Chickasha, Okla.

Price: \$200,000

Buyer: Tyler Enterprises LLC, Oklahoma City (Ralph H. Tyler, managing member); owns KTSH(FM) Tishomingo, Okla.

Seller: Martin Communications Inc., Chickasha (Robert T. Martin, president); no other broadcast interests

Facilities: 1560 khz, 1 kw day, 250 w night

Format: news, talk

51% of CP for WZYQ(FM) Mound Bayou, Miss.

Price: \$75,001

Buyer: Larry G. Fuss, Cleveland, Miss.; owns WDSK(AM)-WDTL-FM Cleveland and WOHT(FM) Drew, Miss., and KDTL(FM) Lake Village, Ark.

Seller: Stephen D. Tarkenton, Newnan, Ga.; no other broadcast interests

Facilities: 102.1 mhz, 500 w, ant. 85 ft.

Format: Dark

CPs for WNAN(FM) Nantucket and WHMV(FM) Woods Hole, Mass.

Price: \$25,000

Buyer: WGBH Educational Foundation, Boston (Henry Becton Jr., president); owns WGBH-FM-TV Boston and WGBY(TV) Springfield, Mass.

Seller: Cape & Islands Community Public Radio Inc., Woods Hole (Jay Allison, executive director); no other broadcast interests

Facilities: WNAN: 91.1 mhz, 2 kw, ant. 73 ft.; WHMV: 90.1 mhz, 6.5 kw, ant. 300 ft.

Formats: Both dark

continues on page 122

C L O S E D

WICHITA FALLS SUPERDUOPOLY

APEX BROADCASTING, L.L.C.

Bruce Holberg, President

has agreed to acquire

KNIN-FM: \$2,000,000

KWFS-AM/FM: \$1,400,000

KTLT-FM: \$1,400,000

Patrick Communications was proud to serve as the broker in this transaction.

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Amplification

■ The sale of WRAM(AM)-WMO1(FM) Monmouth, Ill., by KCD Enterprises Inc. to WPW Broadcasting Inc. for \$1.7 million (B&C, Nov. 24) was brokered by both Kozacko Media Services and The Connelly Co.

■ The sale of WIQB(FM) and WTKA(AM)-WQKL(FM) Ann Arbor and WDEO(AM) Saline, Mich., by Arbor Radio LP to Cumulus Media LLC for \$14.975 million (B&C, Nov. 24) was brokered by Bergner & Co.

Capstar commits stations to Internet venture

Radio

By John Merli

Capstar Broadcasting has signed its Northeastern cluster of 60 midsize-market radio stations (Atlantic Star Communications) onto an infant online Website venture known as Radio-VillageNet from Katz Radio Group and Electric Village.

The goal is to produce Internet-generated income for Capstar's regional group stations.

Radio-VillageNet is designed to provide station groups, networks and individual operators with means of developing and maintaining Websites that will, in turn, attract new revenue sources via national advertising and

electronic commerce. Atlantic Star President Jay Sterin says the agreement ensures that his stations will gain access "to the many revenue streams that exist for radio on the [Internet]."

Radio-VillageNet says it provides turnkey online resources that include membership in a national network of radio Websites with access to "significant national revenue streams through Katz's broadcast and Internet sales divisions." Participating stations will share whatever revenue is generated and will have the opportunity to create their own income from local Website advertising. Capstar's Atlantic Star group is the first to sign onto the Vil-



ElectricVillage

**INTERNET RESOURCES
FOR RADIO**

lageNet venture, the formation of which was announced last September at the NAB Radio Show.

Electric Village (www.electricvillage.com) is a Web resource provider that offers an array of online services for radio stations, including creation of listener databases. ■

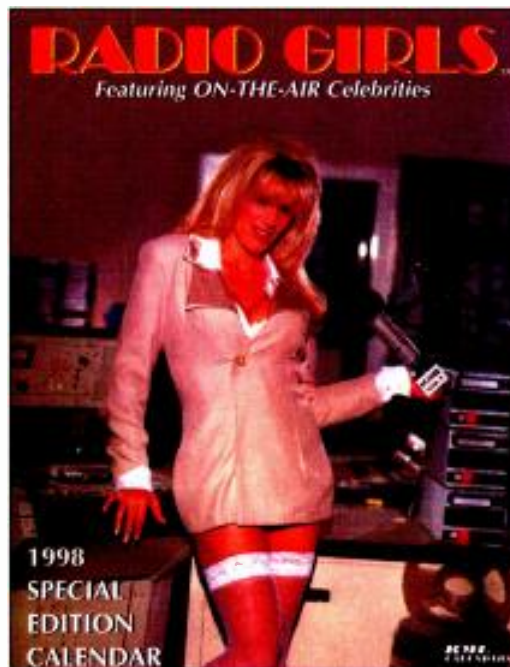
Calendar offers exposure to radio talent

By John Merli

A calendar publisher in Texas is marketing a holiday product using what most radio personalities don't have to rely on for their success—their looks.

The 1998 pinup calendar being sold by EML Productions of San Antonio may be tame by today's standards, but several of the female on-air radio personalities in the full-color glossy photos are wearing of underwear and other revealing garments, looking more like professional models than DJs. (Some are both.)

Cody Robins of KCJZ(FM) San Antonio sits atop a studio control board wearing a black negligee and showing lots of leg. Ellen K. of KIIS-FM Los Angeles braces herself against a tape machine, holding a large mike, dressed in a cream-colored jacket that ends just below the hips and just above white stockings. Irma Blanco, representing WRX(FM) Chicago, reposes in a white bathrobe with a parrot on her arm.



Ellen K. of KIIS-FM Los Angeles graces the calendar's cover and the month of July.

Kristi Knight of KFMB-FM San Diego poses in a sheer white dress over a bikini with satellite dishes as backdrop. Later this month she will hold a calendar signing at a local Borders book out-

let, where she says "two dollars out of every calendar we sell will go directly to the [nonprofit] Make-a-Wish Foundation." Knight co-hosts her afternoon drive-time shift with her husband, Mark Jagger.

Calendar editor Roy Morales says that some stations had to be turned down because their personalities "were not suitable" for the publication. Other stations (which he said he could not recall) were asked to appear but did not want to be included. The idea for the radio-oriented publication was unknowingly inspired by Howard Stern, whose book-signing appearance at a shopping mall drew a lot of customers away from the calendar displays.

Given the increased sensitivity to others in the workplace in recent years, however, might some of the pinup pictures be inappropriate in an office? "This would probably be more suitable in a home office or a mechanics' shop, something like that," Morales acknowledges. EML Productions is marketing the calendar through a service called Calendar Club, which sets up displays at local malls for the holidays. It's also using an 800 number and its Website (www.CalendarDepot.com). About 3,000 copies of the \$12.95 calendar were printed in September, Morales says. No sales figures were available by early December. ■

SBC selling LA wireless cable

Management buyout said to be most likely scenario

By Price Colman

SBC Communications is actively shopping its Pacific Bell Video Services digital wireless cable operation in Los Angeles and Orange counties. A deal to sell the business may not be far off.

While at least one cable MSO and a California utility have shown interest in the digital system, which has just under 15,000 subscribers, a management buyout is more probable, sources say.

"The current management of the company is trying to get the financing to buy it," says a source familiar with the situation.

A spokeswoman at Pacific Bell Video Services, the division that oversees the wireless cable operation, said she had not been notified of a sale and referred questions to SBC. An SBC spokesperson said that the company does not comment on speculation.



Pacific Bell's digital compression center in El Monte, Calif.

Sale of the digital and analog wireless systems would be consistent with other recent moves away from video competition by SBC. Since merging with Pacific Bell parent Pacific Telesis, SBC has shut down or shed all of its domestic wired video networks.

After merging with PacTel, SBC abandoned its hybrid fiber/coax network in Richardson, Tex. Earlier this

year, Pacific Bell turned off its hybrid fiber/coax full-service network in the San Jose, Calif., area and has acknowledged that it is looking for a buyer for the network. At the time Pacific Bell pulled the plug, the service had about 8,000 subscribers.

More recently, SBC sold its majority ownership in cable systems in Virginia and Maryland to Prime Cable, which was backed financially in the deal by the Carlyle Group. Further distancing itself from the video battleground, SBC in late July with-

drew from the Americast joint venture with Disney, Ameritech, GTE, Bell South and Southern New England Telephone. That withdrawal has prompted a legal battle between SBC and Americast's remaining partners.

It's unclear whether SBC intends to couple the sale of the digital wireless system with the sale of an adjacent analog system in Riverside, Calif. That system, Cross Country Wireless, has some 45,000 subscribers. Whether the analog and digital systems go in a package or are split up, SBC is not likely to get anything close to what it has invested in the operations.

Pacific Telesis bought the existing Cross Country Wireless system in Riverside and additional licenses for Los Angeles and Orange counties in April 1995 for \$175 million—\$120 million in PacTel stock and \$55 million in assumed debt. In addition, Pacific Bell Video Services has spent at least \$50 million on the digital system's headend and to upgrade its billing system to handle the video business.

The other problem is that while building a digital wireless infrastructure is considerably less expensive than building a cable network or creating a DBS system, once it comes to getting cus-

On-time spots unveiled

Today weatherman and anchor Al Roker and a cappella group Rockapella helped the cable industry to introduce two on-time customer guarantee spots last week. The first 30-second spot features a groom late to his wedding ceremony who offers to reimburse his bride's parents for the wedding and a newborn baby handing her parents \$20 because she arrived past her due date. The second tells the story of a cable repairman who ignores offers of a free car and a free cruise to show up at a customer's house on time. Not surprisingly, NCTA encouraged cable systems to run the spots as often as possible during ad avails.



—Paige Albinak

Dear TV Programmer Guy,

My name is Rick, but everyone calls me "the Rick."

PLEASE LISTEN TO THE NEEDLE.

Hi! I'm the needle that was used to inflate the practice basketballs for the '87-'88 Kansas Jayhawks on their way to becoming national champions. And the Rick has placed me on a little shelf below the "W" of the **ESPN** logo in the **ESPN** booth (*1518, Hall A) at that 'Western Show' thing you're going to, so that the First TV Programmer Guy to go there to find out how to get **ESPN** for the Rick can have me.

P.S.: The only thing more thrilling than being in the equipment manager's pocket when Kansas cut down the net will be knowing the Rick gets **ESPN** on his tv.

Thanks,
the Rick

You can help the Rick
get **ESPN** → 1-800-RICK-654
(742-5654)

Romance falls in love with originals

In an effort to give viewers more of what they want, Romance Classics is launching a slate of five original series next year on themes of romance, escape and love.

Romance's parent company, American Movie Classics, has tapped a number of independent producers to provide programming exclusively for Romance Classics. AMC's budget for production of the original series is pushing \$10 million, according to sources close to the deal. Romance, which launched nearly a year ago, claims 9.7 million subscribers.

Romancing America, a travel-themed program, focuses on romantic sites in various U.S. cities; *Table for Two* features recipes for romantic dinners and profiles of celebrity chefs; relationship advice show *He Said, She Said*, discusses the differences between men and women in open debates; *Great Romances of the Twentieth Century* details celebrity love affairs, and *Real Romance*, tells the stories of current romances between average people.

AMC President Kate McEnroe says viewer feedback and research over the past quarter showed that audiences want more shows about family, relationships and "lifestyles from a positive spin."

The series' debuts mark Romance's first major move into original programming. "We're trying to take the network from 5 percent or 10 percent original production now to 50 percent by the year 2000," says McEnroe.

"After being in existence now for 11 months and spending the last four months looking at research, we see there is a need and a desire from the viewer for programming that gets them more intimately involved."

—Donna Petrozzello

tomers, the costs approach those of cable. It costs as much as \$1,200-\$1,700 to completely equip a home—including labor, antenna and an average of 1.5 set-top converters per home—for the service. PacBell had hoped to achieve economies of scale more quickly by purchasing 1 million Thomson set-top boxes at about \$400 each for the service. But with SBC-mandated spending cuts, that number has been reduced to some 50,000 set-tops, which means PacBell's volume discount was much smaller.

On the plus side, those who have seen the 150-channel service, which includes about 30 channels of digital music, say it has excellent picture quality and at a base price of \$31.95 a month is competitive with cable and DBS. Conversely, the line-of-sight

nature of wireless cable, including digital, often translates into interference from trees, buildings—even weather.

Estimates are that PacBell has roughly \$250 million invested in the digital and analog wireless services. Converting Cross Country Wireless's 45,000 customers from analog to digital—which would make the combined properties more attractive—is improbable because of the substantial costs.

"It's highly unlikely you'll see a price anywhere close to what they have in it," says a source familiar with the operations.

Ultimately, that could work in favor of a management buyout because it would be easier to obtain financing from the investment banking community. ■

Liberty to digitize Telemundo

Will launch 10-12 digital Spanish-language channels with product from newly acquired network, among other sources

By Donna Petrozzello

Liberty Media has confirmed plans to launch 10-12 Spanish-language channels over co-owned Tele-Communications Inc.'s digital cable tiers early next year. Those may be followed by another 12 channels in 1999.

The announcement comes a week after Liberty linked with Sony Pictures Entertainment—and financiers Apollo Capital Management and Bastion Capital Fund—to acquire Spanish-language broadcaster Telemundo for \$44 per share, or roughly \$540 million cash.

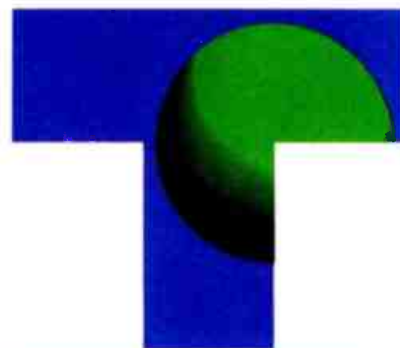
Liberty plans to tap programming that would typically air first on Telemundo before making its digital debut. "Liberty has signed a contract to become an investor in Telemundo, so our hope is that those efforts will be strong complements to each other," says Liberty Media Vice President David Jensen.

Liberty will also distribute programming from independent producers and other Spanish-language broadcast networks for the 24-hour digital channels.

The company says it plans to approach Discovery Communications about distributing Discovery's Latin

"We're not talking about reheating English-language programming with a Spanish audio track. We're talking about programming that is new, fresh and inventive and created specifically for Spanish speakers in its original format."

—Liberty's David Jensen



Cable companies across America are promoting the On-Time Guarantee.



Terry Cooper, GM, Jones Intercable, Surfside Beach, SC and Lassie, Animal Planet

One is even barking about it.

Terry Cooper and his team at Jones Intercable do an outstanding job telling their customers about the OTG. Here's how they spread the word:



With Animal Planet, they sponsored an appearance by Lassie and publicized it with the line, "Just like Lassie was always on time for Timmy, Jones Intercable is on time for you – guaranteed." To top off the event, fireworks saying "On-Time. Guaranteed." lit up the sky.



On their customer service phone line, they play an on-hold message explaining the guarantee.



They run OTG television commercials three times a day on eight networks.



They developed an internal company slogan, "Every Job is Your Job," to motivate the staff to deliver great customer service.



They put the OTG message on all mailings and postcards they send to their customers.



The more your customers know about the OTG, the more satisfied they'll be. And Terry or Lassie will tell you that's good for business.

If you would like more information about the On-Time Customer Service Guarantee or have an OTG success story, contact Kim Elek at the NCTA, (202) 775-3629.

Cable accentuates the positive

The cable industry not only beat out broadcasters for market share in 1997, it also proved the superiority of its infrastructure for offering multimedia services. At least that was the contention of NCTA President Decker Anstrom at a press briefing last week. "In 1997, cable emerged as a leader not just in television, but in telecommunications," Anstrom said. Last year, cable programming claimed 54% of household market share, with less than 40% going to commercial broadcasters. More than 80% of available children's programming airs on cable "without any government regula-



Decker Anstrom claims cable has a 54 percent household market share.

tions," he said, adding that "more than 75 percent of TV-watching kids watch their favorite shows on cable." The industry also rolled out cable modem service to 75,000 people in 67 markets and 29 states, he said, and 9.5 million homes have access to high-speed Internet services via their cable company.

Regarding rising cable rates, Anstrom said: "It's most important that operators thoroughly brief customers about why their rates are rising. We have learned very painfully not to underestimate our customers' and policymakers' reactions with regard to our behavior." —Paige Albinak

America-based programming over the digital channels. Other possibilities include distributing Fox Sports Americas and CNN en Español on two of the channels. Liberty and TCI also are collaborating to develop origi-

nal Spanish-language programs in-house for digital distribution.

Jensen says the programming mix will include general entertainment, children's shows, movies and sports and will consist almost entirely of

original Spanish-language productions rather than programs dubbed from English. The exception, he says, may be Spanish-subtitled theatrical releases.

"We're not talking about reheating English-language programming with a Spanish audio track," Jensen says. "We're talking about programming that is new, fresh and inventive and created specifically for Spanish speakers in its original format."

Liberty is planning for most of the channels to launch as advertiser-supported, but Jensen says that some may be offered as premium or mini-pay services. After the initial 10-12 channels roll out next year, Liberty and TCI are considering launching another 12 digital channels in 1999, Jensen says.

TCI officials have discussed launching a Spanish-language digital package for months, partly to better serve TCI's relatively high percentage of Spanish-speaking subscribers. Among the nation's 29 million Hispanics, 40% are in communities served by TCI, he says.

"The push to do this comes from the public service ethic of TCI," says Jensen. "This is the largest language minority that TCI serves—and could serve a lot better."

"The problem with distributing Spanish programming has always been that it's too inefficient to use analog bandwidth to speak to an audience that is only a fraction of the marketplace. One of the great promises of digital for operators is that it drives down the commodity price of bandwidth and allows us to serve more and more special interest communities." ■

25

PEOPLE'S CHOICE Top Cable Shows

Following are the top 25 basic cable programs for the week of Nov. 24-30, ranked by rating. Cable rating is coverage area rating within each basic cable network's universe; U.S. rating is of 98 million TV households.

Rnk	Program	Network	Day	Time	Duration	Rating Cable	U.S.	HHs (000)	Share
1	NFL/Denver @ San Diego	ESPN	Sun	08:00p	199	6.9	5.1	5030	10.1
2	Nonstop Nicktoons Weekend	NICK	Wed	07:00p	30	4.5	3.3	3231	8.3
2	Nonstop Nicktoons Weekend	NICK	Sun	09:30a	30	4.5	3.3	3211	14.1
2	Nonstop Nicktoons Weekend	NICK	Sun	11:00a	30	4.5	3.3	3188	12.3
5	Nonstop Nicktoons Weekend	NICK	Sun	10:00a	30	4.4	3.2	3114	12.8
5	Beavis & Butt-Head	MTV	Fri	10:00p	30	4.4	3.0	2971	7.8
7	Nonstop Nicktoons Weekend	NICK	Wed	07:30p	30	4.3	3.2	3091	7.7
7	Nonstop Nicktoons Weekend	NICK	Sun	11:30a	30	4.3	3.1	3063	11.4
9	Nonstop Nicktoons Weekend	NICK	Sun	10:30a	30	4.2	3.0	3014	12.0
9	Nonstop Nicktoons Weekend	NICK	Sun	12:00p	30	4.2	3.0	2990	10.6
9	Nonstop Nicktoons Weekend	NICK	Wed	06:30p	30	4.2	3.0	2955	8.0
12	World Champ. Wrestling	TNT	Mon	08:00p	60	4.1	3.0	2996	6.4
13	Nonstop Nicktoons Weekend	NICK	Sun	09:00a	30	4.0	2.9	2853	13.5
13	Nonstop Nicktoons Weekend	NICK	Sun	12:30p	30	4.0	2.9	2826	9.7
15	Nonstop Nicktoons Weekend	NICK	Sun	01:30p	30	3.9	2.9	2808	8.6
15	Nonstop Nicktoons Weekend	NICK	Sun	01:00p	30	3.9	2.9	2802	9.0
17	Rugrats	NICK	Mon	07:30p	30	3.8	2.8	2732	6.0
17	Nonstop Nicktoons Weekend	NICK	Wed	08:00p	30	3.8	2.8	2715	6.5
17	Nonstop Nicktoons Weekend	NICK	Sun	02:00p	30	3.8	2.8	2711	8.0
17	Rugrats	NICK	Tue	07:30p	30	3.8	2.7	2678	6.2
21	World Champ. Wrestling	TNT	Mon	09:00p	76	3.7	2.7	2656	5.4
21	Nonstop Nicktoons Weekend	NICK	Fri	09:00a	30	3.7	2.7	2642	12.4
21	Nonstop Nicktoons Weekend	NICK	Fri	09:30a	30	3.7	2.7	2637	11.7
21	Nonstop Nicktoons Weekend	NICK	Wed	06:00p	30	3.7	2.7	2611	7.4
21	Nonstop Nicktoons Weekend	NICK	Sun	04:30p	30	3.7	2.6	2598	6.8

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wear fake fur...that's modern. Substitute skim milk for cream in your coffee... that's healthy. But don't accept anything but GENUINE CMT: Country Music Television. We're the only all-video network based in Nashville...we're the GENUINE, original, authentic, worldwide country music video authority. Our loyal viewers turn to the original home of country music videos...they turn to GENUINE CMT. Turn your subscribers on to CMT.

To add CMT to your channel lineup, call Jim Babchak in the East at (203) 965-6405, Ken Eulland in the Midwest at (312) 245-4843, or Lynn E. Wells in the West at (303) 771-9900.

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Carlton to Webcast TV music show

UK commercial broadcaster Carlton broadcast its music show, *Video-tech*, simultaneously on ITV and the World Wide Web, a first for UK TV. The hour show aired Nov. 27 in conjunction with Webcasters AMX Digital using RealVideo software. The show had a one-time deal with music copyright bodies, which used it as a test case for licensing music on the Internet.

Cartoons into Hong Kong

TNT/Cartoon Network will launch on Hong Kong's Wharf Cable network Jan. 18. The channel will be available to 130,000 subscribers at launch. Wharf Cable also renewed a contract to carry CNN International, which is available to 383,000 Hong Kong homes.

Atlantis' profits up

Canadian TV group Atlantis Communications reports revenue of C\$89.5 (U.S. \$6.3 million) for the nine months ended Sept. 30, compared with C\$91.6 million for the same period in 1996. Operating profit rose from C\$1.8 million to C\$3.2 million. The company also had a one-time C\$5.3 million profit from the sale of a stake in channel YTV Canada.

Flextech to launch travel channel

UK cable programmer Flextech is developing a transactional travel channel. Flextech will own 87.5% of the unnamed channel, with founders Harry Goodman and Denis Strauss holding the remainder. By phone, viewers will be able to book holidays as well as to access services such as car rentals and currency purchases.

French to limit media ownership

The French government plans a bill to reduce the maximum individual share in media companies to 25% next March, says Claude Bartolone, chair of the parliamentary cultural

commission. The previous government raised the limit from 25% to 49%. The bill also will end DTH service TPS's exclusive carriage of public channels France 2 and France 3.

Sky plans TV movies

UK pay operator BSkyB will begin production of TV movies with budgets of up to £5 million (\$7 million), according to new CEO Mark Booth. On Dec. 1 Sky launched the UK's first PPV movie service, Sky Box Office, in preparation for its digital PPV rollout next spring.

DIRECTV Japan launches

Japan's second digital DTH service, DIRECTV Japan, launched Dec. 1 with 63 channels. The basic package of 20 channels costs Y2,000 (\$15) per month. Analysts say many consumers will wait for the launch of News Corp.-backed JSkyB next April before choosing among the new services and PerfectTV, which has been operating since 1996. Prices are expected to fall once the three-way competition begins.

—Michael Katz

It's A Big Country.

Finally,
Somebody's
Going To
Listen
To It.

Americans have a lot to say. Now there's a new network that listens to them. Premiering January 1998. Visit us at the Western Show, Booth 1468, or contact America's Voice affiliate sales: Washington, D.C., 202-544-6384; Denver, CO., 303-486-6950.

H E A D L I N E S

Cablevision's chorus line

Cablevision System Corp. has agreed to buy Radio City Productions, the company that produces shows for the famed New York theater and also owns the Rockettes. Tishman Speyer Properties recently bought the hall from Rockefeller Group, but the theater was leased and operated by Radio City Productions and it was unclear whether the real estate developer would renew the lease. Now Cablevision's Madison Square Garden subsidiary will lease the theater

for 25 years and spend \$25 million on improvements, including high-end TV production equipment. There will be more events each year. MSG had been battling with Radio City for big concerts and events during the past few years after MSG's previous owners renovated a similar-size hall attached to the sports arena.

TCI sells Northeastern assets

TCI Communications has completed the sale of its cable system assets in

New Hampshire and Vermont to FrontierVision Operating Partners LP. The systems encompass about 22,000 subscribers in Lebanon and Newport, N.H., and Hardwick, Morrisville and St. Albans, all Vermont. Financial terms were not disclosed, but at the industry benchmark price of roughly \$2,000 per subscriber, the deal would be worth about \$44 million. The sale furthers TCIC's strategy of shedding nonstrategic systems and increases the size of FrontierVision, one of the fastest-growing medium-size cable operators, which now has more than 450,000 subs.

Onset of OnSet

Lenfest Communications Inc.'s Suburban Cable operations in suburban Philadelphia have launched a digital video-on-demand network called OnSet. OnSet, which was developed by Diva Systems Corp., offers access to some 2,000 new movies, library titles and special interest programs from Warner Bros., Disney, Columbia Tristar, Universal Studios, HBO, PBS, Children's Television Workshop, Live Entertainment, Worldvision and National Geographic. Diva says at least 10 MSOs—including Suburban Cable, Cablevision Systems and Ritkin & Associates—passing 11.6 million homes have committed to offer OnSet. The service uses a Sarnoff Corp. massively parallel processing system to stream video via the cable operator's hybrid fiber/coax network serving up to 500 homes per node. The OnSet service has a compression ratio of 8:1 and employs a remote control that permits VCR-like features, including pause, fast forward, rewind and bookmarking. The last is a feature that allows viewers to stop a movie at a specific point and return hours later where they left off.

Dissing the dish

MediaOne last week became one of the first cable companies to openly take on emerging cable competitor direct broadcast satellite. The company launched a public relations campaign to educate consumers about the benefits of its multimedia broadband network as well as the hidden costs of satellite television. "With the holiday buying season under way, the satellite TV industry is targeting consumers



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H E A D L I N E S

with extensive come-ons," says Steve Bouchard, MediaOne's VP of video marketing. The campaign will advise consumers to "read the fine print" when buying satellite systems and services, with attention to "equipment costs, programming set-up charges, costs to wire multiple TV sets and the loss of local broadcast signals."

NetChannel adds sports partners

NetChannel has announced partnerships with nine leading online programming partners, including NHL.com, the official site of the National Hockey League; GolfWeb, a popular golf site; and seven other commerce and lifestyle partners. Among them is NetNoir, dedicated to Afro-centric programming, and ThirdAge.com, which provides services and products to older adults. Kid Tools offers children's educational products, and Spree.com is an online provider of books, flowers and gifts to partners like AOL's Digital Cities, Hecklers and Antagonists. Rent.Net features nationwide apartment listings, and Abele Owners Network is a national registry of homes for sale by owners. JAMTV offers daily music news, feature articles and interviews and a comprehensive database of live and archived streaming audio/video concert performances. NetChannel's new partners join TV programming partners A&E, CBS Sportsline, Lifetime and E! Online.

Court TV covering sting trial

Court TV will broadcast the trial of a man charged with second-degree felony murder although he was not present during the commission of the



crime. Defendant Michael Albanese was charged in the death of Joseph Riley, who was shot and killed during an FBI sting operation. Albanese was allegedly waiting for Riley in a car during the shooting, but Missouri's felony murder statute allows a defendant to be charged with murder in the commission of a felony, even if law enforcement fires the shots. The state

contends that Riley intended to steal cocaine from an informant and that Albanese agreed to act as the getaway driver. Court TV's Jane Okrasinski will be reporting on the case live from Platte City, Mo.

TCIC deals, swaps

TCI Communications (TCIC), continuing its partnership and clustering push, signed deals with Insight Communications to create a 50-50 partnership in Indiana and swap systems to improve TCI's Utah clusters. Insight will manage the Indiana partnership, which encompasses about 320,000 subs in central and southern portions of the state. TCIC and Insight are contributing an equal number of subscribers to the partnership. In an earlier related deal, TCIC is swapping about 62,500 of its Indiana subscribers for the 58,000 that Insight has in Sandy, Brigham City and Vernal, all Utah. The swap allows TCIC to strengthen its Greater Salt Lake City cluster, which will have about 250,000 subscribers once the swap is completed. For Insight, the swap augments its Indiana operations. New York-based Insight, which is privately held, is one of the faster-growing small cable operators. In barely a year it has grown from about 170,000 subscribers to about 420,000 (pending completion of the deals with TCIC).

Comcast commercial net

Comcast is targeting small and mid-size business users with its Comcast Commercial Internet Service (CCIS), which the MSO launched last week in portions of New Jersey. CCIS, which is being offered by Comcast Commercial Online, a new division, uses @Home Network's high-speed Internet backbone to provide Internet access and communications capabilities over Comcast's hybrid fiber/coax network. The service includes the Motorola Cyber-Surfr cable modem and Microsoft Internet Explorer 4.0 Web browser. Matt Fanning, director of business development for Comcast Commercial Online, says that Microsoft Internet Explorer was picked because of its features and not because of Microsoft's \$1 billion investment in

Comcast earlier this year. Costs for the service include \$3,000 to install hardware and software and connect to the network and monthly charges ranging from \$750 to \$2,600, depending on the number of users (with a maximum of 100). CCIS will be available in markets where Comcast offers Comcast @Home. During 1998, Comcast Commercial Online intends to launch CCIS in Baltimore, Philadelphia, Detroit, Orange County, Calif., and Sarasota, Fla.

Discovery video distribution deal

Discovery Communications Inc. and BMG Video have announced a marketing and distribution agreement for Discovery's branded home video lines. Discovery said the agreement was DCI's largest video distribution deal ever. "Discovery has one of the largest libraries in the world," notes BMG President Alvin Reuben. Under the deal, BMG will release a minimum of 12 new Discovery titles each year in addition to reissuing at least eight of its catalog titles. Titles will be released under Discovery Channel, TLC and Animal Planet brands. The first titles to be distributed under the agreement will be released in second quarter 1998.

Bankers purchase EchoStar shares

EchoStar Communications Corp. says that Donaldson, Lufkin & Jenrette, BT Alex. Brown and Unterberg Harris have exercised their over-allotment option to purchase an additional 294,787 EchoStar shares. The three investment banking firms were underwriters of EchoStar's Oct. 30 offering of 3.1 million Class A shares. The over-allotment shares went for \$19.50 each, the same price as the Oct. 30 public offering, bringing the net proceeds to EchoStar from the public offering and over-allotment sales to \$63.3 million. EchoStar plans to use the proceeds primarily to grow its subscriber base. The DBS company originally had intended to sell 5 million shares for \$23 each, but market conditions prompted EchoStar to scale back the size and price of the offering.

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Counting down to the new TBS

As switch from superstation nears, over half of systems have signed to carry basic channel

By Donna Petrozzello

With less than a month to go, more than half of the affiliates of Turner Broadcasting System's superstation WTBS(TV) Atlanta have agreed to carry TBS once it converts to a basic cable network on Dec. 31.

An agreement between Tele-Communications Inc. and Turner clinched an affiliation deal earlier this year, and Time Warner Cable has agreed to continue carrying TBS as a basic network. Combined, TCI and Time Warner systems represent about 28 million subs for TBS.

Jones Intercable was the first cable operator outside the Time Warner/Turner family to complete its agreement with Turner (on Nov. 17), giving TBS another 1.5 million subs. Cox added its name to the carriage list on Nov. 20 adding 3.3 million subscribers; Falcon Cable reached an agreement with Turner on Dec. 1 for another million subs while Prime Cable reached an agreement on Dec. 3, adding 750,000 subs.

Likewise, the National Cable Television Co-op agreed on Nov. 21 to carry TBS as a basic network to its 7.5 million subs. Cable industry sources say Turner offered a lower subscription rate for smaller networks, which helped to attract NCTC members. The total subscriber base for TBS on Dec. 3 was roughly 41.5 million, say Turner officials.

TBS President Bill Burke says Turner wants to sign TBS's full slate of 73 million subscribers by year's end. The deal is a good one for Turner. For the first time in TBS's 20 years, Turner will be able to recoup subscriber fees (its superstation status prevented this). Converting TBS will "stabilize the business" by giving Turner revenue from both ad sales and affiliate fees, rather than relying strictly on "cyclical" advertising revenue as Turner has previously, Burke says.

Operators had been paying carrier Southern Satellite Systems satellite uplink fees averaging three cents per



TBS has purchased rights to movies including, 'The English Patient,' and has contracted for several original productions.



TBS President Bill Burke hopes to have equal carriage when his superstation goes basic.

month, plus about 10 cents in copyright fees funneled to Hollywood studios that sell programming to the superstation.

But the deal is not deemed so ideal by operators. They are expecting to pay Turner an average of 26 cents per subscriber for the new basic network. In return, operators are given an average of two minutes of local ad inventory to sell in-house. Turner contends that operators will be able to make up their outlay in subscriber fees with the ad revenue, but some operators have balked at that.

Before Cox Communications completed its agreement for TBS, Bob Wilson, Cox vice president of programming, said some operators felt the conversion deal would be "a total windfall" for Turner and amounted to a "significant increase" in costs for operators. Wilson declined to comment after Cox signed its agreement.

Likewise, Marcus Cable Corp. Chairman Jeffrey Marcus in August said the deal could work against operators. Marcus, like other operators, argued that advertisers willing to spend money on TBS likely would divert money from other basic networks, resulting in a zero sum gain for operators.

"You have to ask yourself how much advertising is out there to sell, and are you cannibalizing other services so you

can get revenue on TBS," Marcus said.

Now Marcus says he is "getting close to" striking an agreement with Turner, although he insists that the "jury is still out" on whether operators can sell local inventory in TBS programming without diverting dollars from other networks.

"I think the Turner people believe that the market will expand and that operators will be able to sell incremental ads [in TBS]," Marcus says. "You can argue about this all day long, but I guess we won't know until we try it."

Burke argues that TBS's programming is so compelling, particularly the slate of movies and sports specials planned for 1998, that "it is worth broadcast dollars."

TBS plans to air basic cable's premiere of Castle Rock Entertainment's "An American President" next summer, following its premiere last September of New Line Cinema's "Dumb and Dumber," which earned 4.7 million households, according to Nielsen Media Research. The movie became the most-watched theatrical in basic cable history, Turner says.

TBS also has purchased basic cable rights to "The English Patient," "Mighty Aphrodite" and "The Game," Burke says. Other premieres will include "Batman and Robin," "Austin Powers" and "Michael," slated for 1999 between TBS and co-owned Turner Network Television, Burke says.

In sports, TBS will air basketball games as a partner with TNT, which

recently contracted with the National Basketball Association in a multiyear deal including regular-season and playoff games. TBS will ramp up its NASCAR racing coverage, a ratings winner among men 18-49. It also will cover more golf, including the PGA Championship, and will air more figure skating.

TBS has contracted for several original feature productions, including a documentary in 1998 commemorating the 30th anniversary of the assassinations of Robert Kennedy and Martin Luther King Jr. TBS will continue airing a longtime staple, Atlanta Braves games, although it will air 90 games next season as opposed to the typical 125-game slate, Burke says.

Aside from its special programs, TBS ratings are relatively consistent. During third quarter 1997, it was third in prime

time with a 2.0 Nielsen rating, up 11% from 1.8 for the same period last year.

TBS's delivery of adults 18-49 also increased 23% in the third quarter over last year. The Braves games posted an 11% increase in ratings in the third quarter compared with 1996, and the team remains baseball's highest-rated franchise on basic cable, Turner says.

But TBS's prime time ratings suffered a steep drop earlier this fall—down some 25% from the year before. TBS's prime rating for October 1997 was 1.4, compared with 1.9 for October 1996. Likewise, it earned a 1.5 in prime time for November 1997 compared with 1.9 in November 1996.

Based on upcoming programming and consistent ratings for many of its core shows, Burke is bullish on operators' ability to sell advertising on TBS.

"Cable operators tell us that the most asked question they hear from clients is when can they advertise on TBS," Burke says. "We'll be giving operators local avails in the most watched network on cable. This is not like adding a niche network."

With less than four weeks to go before its deadline, Turner has to link deals for some 30 million subscribers and convince operators that they can offset the cash outlay in subscriber fees with ad sales.

Marcus, for one, is optimistic about the deal. "Turner as a company is a master programmer, and I would guess [operators] are going to get value for our license fees," he says. "But the jury is out on whether we'll be able to sell the kinds of advertising that Turner says we will. Hopefully we can." ■

Making billing the bottom line

CSG has propelled itself to the top of an unsexy yet profitable business

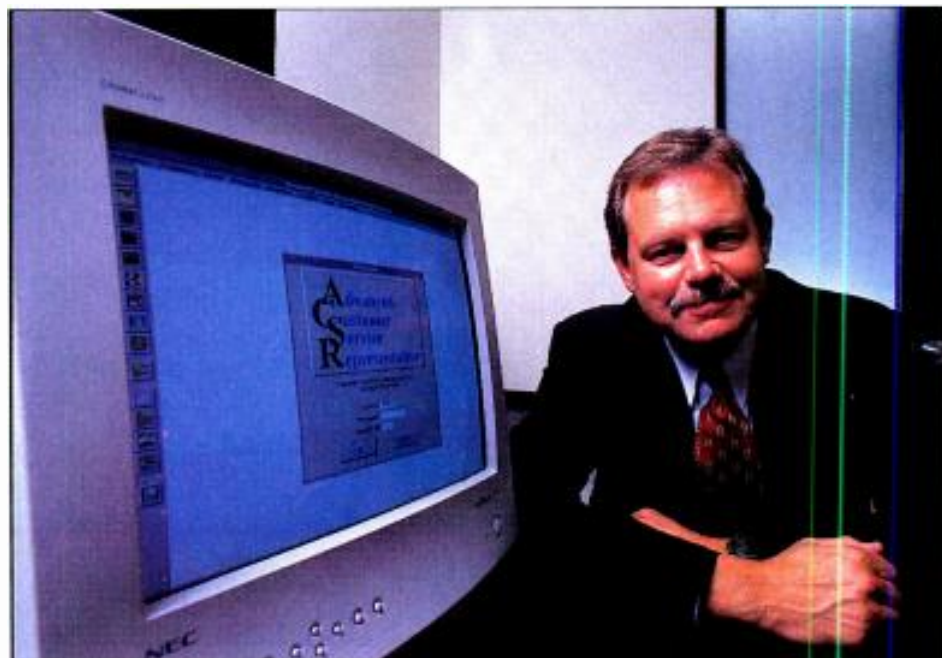
By Price Colman

The telecommunications services of the future, and increasingly the present, may be wildly different in what they offer, but they have a fundamental element in common: subscriber bills.

Third-party billing services that increasingly handle the chore are like the folks who keep the trains running: absolutely indispensable but unsung, often obscure and definitely not sexy.

CSG Systems International doesn't care whether its appropriately nicknamed "backshop" business is sexy. The company knows it's providing a pivotal gear in the telecommunications money machine. It also knows that that money machine is poised to shift into overdrive.

During the past year, CSG roared into the lead in the cable television billing race. A 15-year, \$1.8 billion contract with Tele-Communications Inc. was the main contributor. It increased CSG's TCI customers from 4 million to 13 million, boosting CSG's base (total number of billed homes) by nearly 50%. But the company is not solely beholden to TCI for where it is today. Consider CSG's third-quarter results, which reflect only a hint of the impact from the TCI contract: net income up a whopping 1,003%, to



'Convergence and the advent of DBS—that's what generated all the activity in the billing world,' says Jack Pogge, president of CSG.

\$10.5 million, on revenue of \$43.3 million, up 22.5%.

CSG's heady growth is largely a function of rapid changes in telecommunications. There's more competition than ever before as cable companies, DBS providers and Baby Bells try to carve a chunk out of each other's traditional territories. It's no longer enough to provide a single service; all major players are jockeying to offer

one-stop shopping for video, voice and data services, since those who are first to market often gain a strategic advantage.

That has translated into a boom for billing companies such as CSG.

"Convergence and the advent of DBS—that's what generated all the activity in the billing world," says Jack Pogge, new president of CSG. "People had to be able to bill for new product

lines so they could start packaging products to compete with new entrants in the field. To do either, you have to have a billing system. Previously, that was pretty mundane."

No longer. We're nearing the day when cable, telephone, Internet and perhaps even utility bills will be wrapped into one. On top of that, add five pay-per-view movies per month, one or more tiers of digital channels and Internet transactions over and above the monthly fee, and suddenly the simple telecommunications "utility" bill looks like a page out of the U.S. budget.

"One part that has changed dramatically is cable and satellite operators' understanding of how complex the billing business is—that they're not in that business, don't know that business," says Ted Henderson, an analyst at Janco Partners in Denver.

In the past year, TCI and Time Warner abandoned costly in-house efforts to develop proprietary customer service and billing operations. It was a pivotal moment for CSG. TCI, after spending an estimated \$150 million on SummiTrak, sold its assets to CSG for \$132 million in a transaction linked to the 15-year contract. After spending \$30 million, Time Warner discontinued its own effort to develop a billing system and turned to CSG, in part, to pick up the slack.

CSG isn't alone in the billing business. USCS International's CableData division, Cincinnati Bell Information Systems, Andersen Consulting, American Management Systems (AMS), Kenan Systems Corp. and Saville Systems all are pursuing it, although CSG and CableData account for most of the cable-specific business.

For years, cable billing was a quietly profitable segment of the backshop business. Quiet because cable historically has functioned under a subscription model, meaning essentially one bill a month. Profitable because cable's subscriber base, now about 66 million, has grown steadily for decades.

CableData had been the historical front-runner in cable billing until this year. Then a combination of vision, timing and plain old smart tactics pushed CSG into the lead. There also are reports that CableData effectively shot itself in the foot on the digital cable front by charging excessively for its billing services.

Indeed, that likely was what drove TCI and CSG together. Even absent that, however, CSG has demonstrated

"My sense is these guys are looking at their business as it is and moving forward," he says. "I don't think they're being distracted by being a potential takeover target by Microsoft or anyone else."

enviable strength for a company that's been a stand-alone for barely three years and has publicly traded for not quite two years.

Neal Hansen, who co-founded billing giant First Data Corp., created Cable Services Group as a division of First Data in 1982. Hansen left First Data but teamed with colleague George Haddix to lead a 1994 investor buyout of Cable Services Group from First Data for \$137 million.

In retrospect, First Data's decision to sell may appear short-sighted, but it was facing a tough choice: Pour money into the cable group, which had been a steady but uninspiring performer, or focus finances on the core business, which was growing strongly.

The timing was perfect for Hansen and Haddix. There was still considerable skepticism about "convergence," and the cable billing niche had only one other major player—CableData. But the buyout wasn't without pain. Absent attention from the parent, Cable Services Group had lost its sense of direction and had become complacent. When Hansen and Haddix took over, they made it clear it would no longer be business as usual.

"Neil Hansen is fond of saying that if there were a law against selling, none of the previous sales staff would have been convicted," says CSG's Pogge. "Every few years, the local sales staff would take the local cable company representative out to play golf and drink beer and renew the contract—maybe. We've taken a different view."

The new attitude prompted a lot of departures. Of the 550 employees in CSG at the time of the buyout, 350 hit

the road in the weeks and months following the deal. The Englewood, Colo.-based company is now up to about 1,100 and hiring.

More than just the sales department adopted a gung-ho attitude. Software development—essentially R&D—got religion and began work on new products and enhancements of existing products.

The centerpiece of CSG's line is ACSR (Advanced Customer Service Representative), a sophisticated information collection and cross-referencing tool. An ACSR entry for a specific customer will show everything from what basic and premium services the customer takes to pay-per-view usage, what his or her bill payment record is—even whether the customer has a mean dog. Human customer service reps, whether with a specific cable system or at CSG's call center in Colorado Springs, use ACSR's graphical user interface to take an order, check a bill or roll a truck to hook up service. CSG's print-mail operation in Omaha handles the printing and mailing of bills.

CSG isn't immune to missteps. The company spent the past two years developing CSG Phoenix, which would provide a single bill for packaged video, voice and data services. But beta testers uncovered bugs in the software, prompting more testing and delaying commercial launches. In its most recent quarterly report to the Securities and Exchange Commission, CSG acknowledged the problems and conceded that continuing problems with the Phoenix software "could have a material adverse effect" on the company's financial condition.

Little wonder that with all the buzz about billing, companies such as CSG and CableData come up as possible takeover targets, often mentioned in the same breath with companies like Microsoft and Oracle. There's speculation that CSG and CableData are for sale. A CSG spokesperson declined to comment on the rumors, and CableData didn't return phone calls. But given the convergence theme, such deals wouldn't be surprising.

Janco Partners' Henderson puts little stock in the takeover talk.

"My sense is these guys are looking at their business as it is and moving forward," he says. "I don't think they're being distracted by being a potential takeover target by Microsoft or anyone else. They built the business; they like the business." ■

PPV rides a roller coaster

Buy rates and revenue go up and down during second and third quarters

By Price Colman

Closing out second quarter 1997, cable television's pay-per-view business had rarely looked stronger, thanks primarily to the Tyson-Holyfield bite fight.

Tele-Communications Inc., the nation's largest MSO, reported that PPV revenue jumped 41.4% in the second quarter, to \$41 million. At Comcast Corp., the fourth-largest MSO, PPV revenue skyrocketed 89.4%, to \$16.1 million. And Cablevision Systems, the most aggressive cable marketer of Tyson-Holyfield II, reported buy rates of greater than 9% for the fight.

But third-quarter numbers, absent the Mike Tyson factor, tell a more familiar and more painful story: revenue flat or down; disappointing buy rates on the Holyfield-Moorer fight. In short, a business in need of a boost.

In its most recent report on the state of the PPV industry, Showtime Entertainment Television projects PPV revenue will hit a record \$1.2 billion this year and \$1.7 billion next year, driven by addressable cable penetration, growth in PPV homes and increases in PPV channels. It's important to note, however, that the report looks at the situation primarily from the programmers' perspective, not the operators', and a big part of what's driving the PPV business these days is the strong, steady growth of DBS.

Cable MSOs clearly aren't feeling complacent. They know that events—one of three key PPV categories—as big as Tyson-Holyfield are rare blips on the revenue screen. That's underscored by the lackluster numbers for Holyfield-Moorer—about 700,000 sells.

"Tyson-Holyfield was a mega-fight," says Mark Greenberg, executive vice president of Showtime Networks, whose Showtime Entertainment Television is responsible for a big chunk of the event PPV programming. "I don't think you'll see many approach that level. ... In the industry, we will have to work harder in terms of not having Mike Tyson around."

PPV movies, the sector's second major category, continue to be cable's



Events, such as the Tyson-Holyfield fight on Showtime last summer, are key for PPV.

steadiest long-term performer. But growth there has shown recent signs of slowing.

It's a different story for satellite PPV. There, movie revenue shot up nearly 862%, to \$202 million, in 1994-96, according to a recent Paul Kagan Associates study. Cable, meanwhile, saw revenue increase a considerably more modest but still healthy 37% to \$215 million. Of course, that doesn't reflect rising movie rights fees.

Movies accounted for roughly one-third of cable's PPV revenue in 1996, according to Kagan. The total take was about \$661 million, with the biggest driver being the event category—primarily boxing, wrestling, combat and other sports, concerts and miscellaneous events. According to a recent study by Request, boxing draws the biggest chunk of the event category's revenue, growing from 52.6% in 1995 to an estimated 63.5% in 1997. Wrestling is second—34.2% in 1995—but the Request study suggests that its drawing power is declining, falling to an estimated 30% share this year.

Given competition from DBS, it's hardly surprising that MSOs are seeking to increase PPV buy rates. One of the methods, right out of Marketing 101: Increase channels devoted to PPV. MSOs are leveraging the new

bandwidth activated by rebuilds and upgrades in a number of ways, including giving more space to PPV. Upgrades also are a chance to make systems addressable, removing a technology barrier DBS doesn't have.

"What cable is doing now is trying to meet a lot of the things that satellite has been offering, and PPV is certainly one of them," says Tom Chiappetta, director of marketing at Request Television Inc. "Much of it is technology-based, having the equipment available to make this work. This is finally happening. It's not happening at the rate everyone anticipated several years ago, but it is happening."

PPV is important to cable for two reasons: as a revenue generator and as a customer retention tool. Given DBS's attractive subscriber demographics—higher income, more frequent PPV buyer—retention may be the more important of the two.

"In a low competitive area, you want to build the PPV bottom line as best you can," says Tony White, vice president of research at Viewer's Choice, a key PPV programming supplier. "When you're looking at a more competitive environment ... you're trying to protect your customer base from intrusion."

Along with increasing PPV channels

and removing technology barriers, cable operators are becoming more effective and creative marketers of PPV.

Consider Cablevision Systems' recent moves. First, there was Tyson-Holyfield I for \$9.95 a round, up to a maximum of \$49.95. Buy rates exceeded 8% by some accounts, the fight went 11 rounds and subscribers and MSOs were pleased with the outcome. Next, Tyson-Holyfield II, again \$9.95 a round, with early buyers getting the Pernell Whitaker-Oscar De La Hoya fight thrown in for \$9.95. While the deal angered certain other MSOs and Nevada boxing officials, it once again drove buy rates. Even though the fight went only three rounds, Cablevision walked away on the plus side.

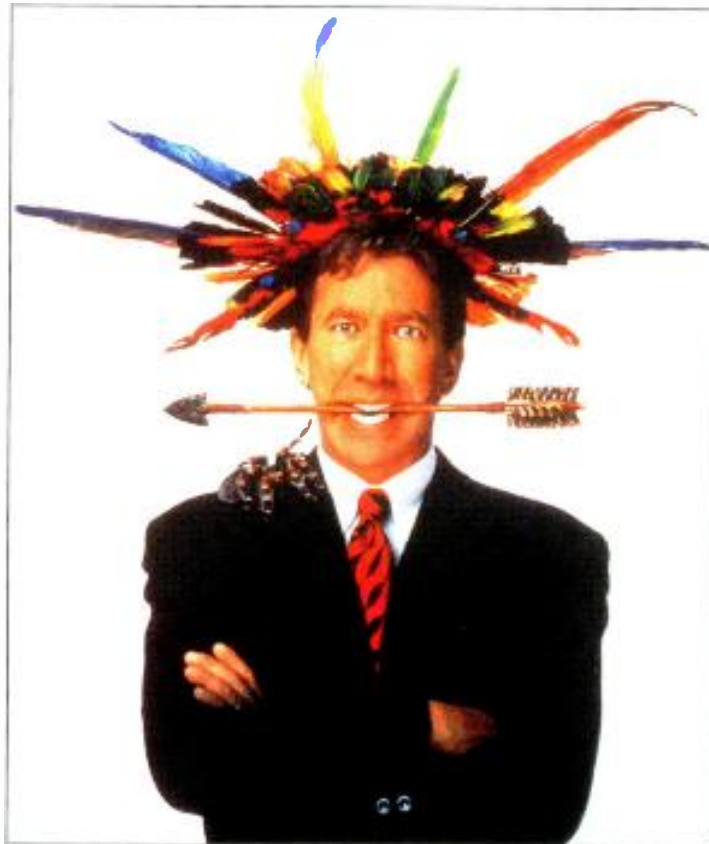
"They've been very creative in the deals they've been willing to do," says Showtime's Greenberg.

DBS, particularly DIRECTV/USSB, was quick to recognize the bandwidth and technology advantages it held and just as quick to exploit them with PPV. At the same time, the bigger-is-better equation goes only so far.

According to Viewer's Choice research, increasing the number of PPV movie channels (in other words, increasing PPV choices) has a marked impact on buy rates. Increasing PPV movie channels from one or two—where buy rates are slightly less than 10%—to 10 translates into roughly 50% buy rates, the research indicates. Boost PPV channels to 20 and buy rates go up to roughly 81%. At 25 PPV movie channels, Viewer's Choice projects buy rates of 100%, but go beyond 25 channels and the law of diminishing returns kicks in.

Encore Media Group President John Sie offers more conservative numbers: "You get into diminishing returns in buy rates after 15 channels."

There is no hard-and-fast rule for channel capacity driving PPV, says Tracy Wagner, TCI's senior vice president of programming distribution. "The number of channels before you get to diminishing return varies from system to system," she says.



Movies, such as 'Jungle to Jungle' seen on Viewers Choice, represented roughly one-third of PPV revenue in 1996.

Wagner also cautions that PPV, while an important retention tool for cable, is no be-all and end-all. "Our PPV strategy is really a proactive strategy in our overall goal of increasing the price-value equation for the customer. PPV is an integral element, but not the only element."

If cable has to play catch-up on the PPV front, it's largely because cable is primarily a subscription-based business. PPV, on the other hand, is considered a transaction-based business, like retail. The operator has to pursue the PPV customer repeatedly. That means big bucks for marketing and promotions, historically not cable's strong points. But if Cablevision Systems is any indicator, that's changing.

Cox, Comcast, Time Warner and MediaOne (formerly Continental) have been the most aggressive in adding capacity. TCI, which dramatically reduced capital expenditures for system upgrades late last year, is focusing on TCI Digital Cable to boost its channel capacity and PPV offerings.

"Consumers are really gravitating toward choice," says White.

While cable and DBS may be competing on one PPV front, they're allies on another. The toughest competition

for PPV, whether delivered by cable or satellite, remains home-video rental, a \$12 billion annual business compared with roughly \$1.05 billion in total revenue for cable and satellite PPV in 1996, according to Kagan.

With its deliberate and focused rollout of TCI Digital Cable this fall, TCI will offer up to 27 channels of PPV, Wagner says. Varied start times for the movies may be as important as the sheer volume of channels. TCI Digital Cable will offer roughly four movies with half-hour start times, four movies with hour starts and three or four with two-hour start times each month. It may not be the elusive video on demand that cable was giving lip service to in the late '80s and early '90s, but that's pretty much been dismissed as pie in the sky.

"Half-hour start times seem to make a lot of sense," White says. "No one in TV watches on the quarter of the hour. Television for the last 65 to 70 years has been scheduled on the half hour."

Time Warner Cable's launch of its digital cable service early next year, using Scientific-Atlanta's Explorer 2000 digital set-top, will attack the PPV market, but using a different strategy.

"It will be fundamentally a movies-on-demand interactive box," says a Time Warner spokesperson. The result: an even bigger array of PPV choices for subscribers. Much of the cable industry's evolving strategy for PPV hinges on digital set-tops and their ability to power impulse buys. That's another advantage of DBS's platform that the digital cable strategy intends to negate.

"Our idea about digital initially would be to use it to drive very robust pay-TV and PPV environments," says Lou Borrelli, executive vice president of Marcus Cable. "We're not thinking we need to put in a bunch of [basic] type channels. ... Over time, I suspect we will introduce other types of programming packages. It might be through a proven strategy someone else has perfected. But to reclaim our pay-TV franchise, we have to stake a bigger claim in the PPV franchise." ■

Cable nets look abroad for profits, partners

Programmers start small with shows and blocks while working to sell entire channels

By Larry Leventhal

U.S.-based niche cable networks that consider the growth of international business essential to future profitability often follow worldwide strategies that minimize initial investment. They do this by first selling individual programs and branded blocks to terrestrial broadcasters, cable operators and satellite services before launching full-fledged channels.

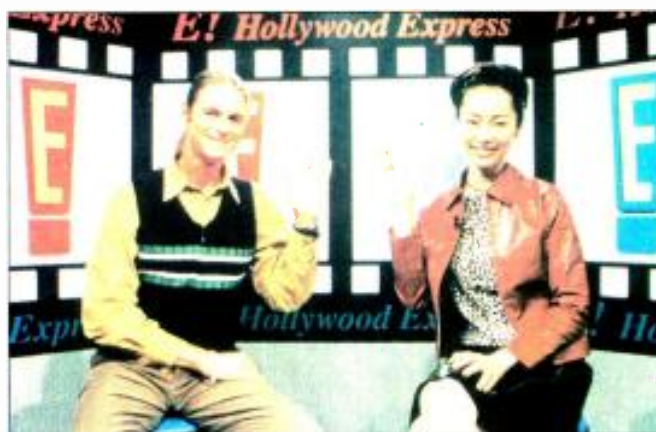
Additionally, taking on local partners in other countries is considered important not only to defray costs but to co-produce programming suitable for different national and cultural sensibilities and to meet the legal requirements of host governments.

With almost a decade of experience in international markets, E! Entertainment Television has succeeded using this approach, according to Christopher Fager, senior vice president of international development: "What we have become is a boutique program seller and distributor of our own programming, selling our product to terrestrial broadcasters as well as cable and satellite services worldwide. This differs dramatically from a lot of our cable cousins, who decided to establish networks and deliver satellite services from the start. We don't have to make huge, risky investments, because we have created viable local joint ventures."

Since the programs produced by E! and its partners revolve around entertainment and pop culture happenings and hype, Fager says "our genre has to be driven by heavy local content." Thus, most shows, which Fager reports are licensed to as many as 90 clients worldwide, generally mix locally shot entertainment news footage with clips from Hollywood and wraps featuring local hosts. A recent successful example: *E! Hollywood Express*, a co-



Cable channels such as Food Network (left), HGTV (above) and E! (below) go international with local partners or by selling program blocks.



duction with a Japanese company, Movie Television, for TV Asahi.

E! also sells branded programming blocks "generally with only an equity stake, or a plan to create that equity at some future date," Fager says. "This allows us to create an environment, and we want to move into something bigger from that." The latest E! block, which premiered in October, is for the UK market on Granada Sky Broadcasting's Granada Plus.

These sales have led to the launching of two channels: E! Latin America, a pan-regional service in Spanish that debuted almost a year ago in partnership with HBO Latin America; and Estilo, a co-venture with Le Canal+ Spain for the Iberian Peninsula.

"International activities now account for about 15 percent of our business," Fager says. "It has been profitable from day one because that was our mandate."

Knoxville, Tenn.-based Home &

Garden Television (HGTV), owned by the E.W. Scripps Co., also entered the world marketplace without making major capital investments. "We decided we didn't want to go in with both feet," explains Kristen Jordan, vice president, international development. "Making money in foreign territories was as important as

getting exposure for our content." This was made possible by establishing branded programming blocks, which not only earn revenue from licensing fees but also help in the development of strategic relationships. "It's important to choose your local distribution company carefully in each territory, because they could be your future partner in full channel development," Jordan says. HGTV blocks now air in the UK, Australia and Japan and on NBC Europe.

While the choice of HGTV original programs for licensed blocks is "tailored as necessary to fit local sensibilities," programming is produced with the U.S. market in mind. Programs feature hands-on gardening and home-improvement instruction, as well as visual tours of gardens around the world. "To a surprising degree, what I've discovered is that our programming is broad-based in appeal," Jordan says. "The momentum and profitability

of our international effort, launched only a year ago, speak to the appeal of this kind of content."

HGTV recently launched its first 24-hour channel outside the U.S., in Canada. It is carried by Life Network, which formerly carried an HGTV block.

Life Network now also offers the Food Network (formerly TV Food Network) and FiT TV, which are actively pursuing international distribution.

"It is part of leveraging our assets, since we own 90 percent of our programming outright," says Greg Willis, senior vice president, worldwide distribution, affiliate sales and marketing for the Food Network, for which E.W. Scripps is the managing general partner. At present, the Canadian venture is a feed of Food Network's U.S. channel.

"We have an application with the Canadian Radio-television and Telecommunications Commission to convert this to the Canadian Food Network," Willis says. "We cannot sell [airtime for] ads on a U.S. service. Because of Canadian law, we are required to have a significant percentage of Canadian-produced content." This makes Food Network's partnership with Atlantis, a Canadian production company, that much more important. Canadian cable MSO Shaw Communications also has a stake in the venture.

In addition, Food Network has signed an agreement with Digital Planet in Japan to distribute at least of 480 hours of programming annually to be shown on Perfect TV, a DBS service. "This will be used as a core of their Japanese channel. They will keep taking our programming and eventually will take it to a full 24-hour channel," Willis says.

While the Japanese are satisfied with the U.S.-produced Food Channel shows, other territories, like Germany and France, want more locally produced content, Willis says. "We are also looking at developing a regional model. For example, in Latin America we envision producing content in Brazil, Argentina and Mexico so it has a local feel," he says. "We would mix this with dubbed versions of our U.S. programs."

A similar local strategy underlies Fit TV's international business, according to Jake Steinfeld, CEO, who says he has had an eye on the worldwide market since he set up the network in 1993. While the recently established partnership with Fox Sports gives Fit TV both capital and global resources, Steinfeld still believes that taking on local partners in foreign territories is essential. "We



Jake Steinfeld of FitTV is a believer in local partners. He says the channel is now eyeing Japan and China.

give them three options," he explains. "They can take our domestically produced original programs and dub them, or they can create their own programming, which we will oversee, so it reflects the flavor of the territory. The third choice is a combination of both."

Aside from its carriage on Life Network, U.S.-produced Fit TV programming is now shown 14-16 hours a day on cable and satellite on TPS in France. "Fitness translates," Steinfeld says.

Another niche network with major backing is the Sci-Fi Channel, part of USA Networks, which was recently acquired by Universal. Sci-Fi Channel Europe, launched in November 1995, is available in the UK, Benelux and Southern Africa. Rebecca Lieb, director of marketing and public relations, USA Networks International, says that branded blocks are important for "nesting and testing" in certain foreign markets.

In addition to the USA Network Latin America carriage of a 24-hour weekly block of Sci-Fi Channel programming, which is scheduled to be spun off into a full channel in 1998, the company is taking advantage of its affiliation with Universal by launching a block on its 13th St. action-and-suspense channel in France, Lieb says. "The exact nature of the relationship between USA Networks and Universal has yet to be determined," Lieb notes. "But we are in discussions with the 13th Street channels in Germany, UK

and Spain. And there will probably be 13th Street blocks on USA Networks properties." USA also is "aggressively pursuing launches in a variety of Asian countries," Lieb reports "getting close" to establishing operations in Japan, Taiwan, Singapore and the Philippines.

"We think the most crucial thing is customizing and branding for every territory we are in," Lieb says. "For example, for the Sci-Fi concept, we found through research that Scandinavian countries have more interest in science facts, while Asia sees it as a spiritual thing. In Germany, our focus groups wanted to see physical battles." At present, however, only a handful of Sci-Fi Channel programming is original, but Lieb expects production, both domestically and with partners overseas, to increase.

This differs from the approach taken by Speedvision and Outdoor Life Network, both owned by Cox Communications, Comcast Corp., MediaOne and Times Mirror. Roger L. Werner, president of both niche-oriented networks, reports producing 1,200-1,400 hours of original programming a year.

"Our objective is to clone our two U.S. channels, in descending order of importance, in Latin America, Western Europe and Japan, over the next 12 to 18 months," Werner says. "We will do it in partnership with local players. This requires substantial investments from [us] and our local partners."

However, Werner sees no need for locally produced programming. "The basic concepts of both networks have been well received by people we are now in discussions with. We don't see any radical changes overall. It's a matter of fine-tuning to meet local tastes."

Werner reports "stronger demand on a per capita basis for Speedvision in Latin America and Western Europe than in the U.S. because there is more interest in motorsports and vehicles in these cultures. In some territories, we might carry less stock car and more sports car racing than we do in the U.S." Outdoor Life, he adds, "probably has the same appeal in Europe, Japan and Latin America as it does in the U.S."

"While we don't expect our international business to be immediately profitable, we see not only future potential in foreign markets but enhanced profitability for our U.S. operations through scale economies and other synergies that accrue to us as a global player." ■

New study states networks finding significantly untapped niches are most likely to get carriage on cable systems.

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Interactive services lurch toward launch

By Richard Tedesco

The age of interactive cable TV is still on the horizon, but imminent digital box deployments may actually fuel broad commercial introductions of interactive services early next year.

ACTV plans to launch a strictly digital interactive sports service with Fox Sports Southwest and Fox Sports West in the first half of 1998, but it's not making any projections on cable system penetration, according to Dave Alworth, ACTV executive vice president. Alworth reports that a test with a select group of MSOs will begin in January, followed by a first-quarter rollout with Fox Sports Southwest.

The key to ACTV's success is incorporating its software in NextLevel DCT1000 digital boxes. NextLevel demonstrated its confidence in ACTV's potential with a \$1 million investment several months ago. That deal also includes marketing support.

Next for ACTV is a deal with Scientific-Atlanta and Pioneer for inclusion in the Pegasus digital boxes they'll be producing for Time Warner Cable. And Alworth sounds confident about ACTV's 30 kilobits of software being in the Pegasus boxes when they are deployed. "The heavy lifting and the hard work to get ACTV as a digital TV application are completed. It's a simple matter to port ACTV to another platform," he says.

ACTV is touting its service as a \$9.95 monthly premium to enable viewer access to alternative camera shots of key players during games, along with statistical overlays on-screen, instant replays and other features now being developed. A multimillion-dollar production facility in Dallas is currently under construction. The \$9.95 price tag apparently was viable among the 1,000 subscribers who tried the service during a year-long test in Tele-Communications's Ventura County system in Southern California.

Seeding its software in digital and advanced analog cable set-tops is also the key to Interactive Channel's plans for a first quarter 1998 launch. Deals are in place with NextLevel and S-A, according to IC President Tom Oliver, who sees digital and smart analog boxes populating the cable landscape



Getting viewers involved is the goal of both the Interactive Channel (above) and ACTV's sports venture with Fox.



over the next five years.

Interactive Channel's multifaceted information service is creating a new wrinkle by enabling easy migration between a cable service and enhanced Websites. It already has deals in place with Court TV and Rainbow Programming for its Bravo and Independent Film Channel services. "We will have the ability to access the Web at no cost," says Oliver. "But we are creating cable super-sites, Web material and repurposed on-air information."

Oliver proposes to sell the service on programming tiers, with an imminent launch planned with Cablevision Systems Corp. in its Brookline, Mass., system. IC had been selling the service as a stand-alone for \$6.95 monthly to 1,000 takers in Century Cable's Colorado Springs system. A technical test also is under way with Marcus Cable in Denton, Tex.

As IC partners with cable programmers to create Web content, it's count-

ing on striking deals with cable operators for 50-50 ad revenue splits to drive the service. In addition to the cable services, IC expects to partner with local newspapers—its Source Media parent has deals with 275 papers in its primary voice information business—to provide branded online news services. "We've had a lot of interest from newspapers because we can run an electric updating process all day long," Oliver says.

IC's target appeal is to the "intelligent couch potato," says Oliver, who predicts he will have MSO deals in place at the Western Show.

GTE MainStreet is not quite as certain about its future, according

to Thomas Grieb, vice president and general manager of the service, which boasts 14,000 subscribers in GTE's Clearwater and Thousand Oaks, Fla., systems. Reception of MainStreet's combination of educational, entertainment and information content there is via software embedded in NextLevel CFT1000 boxes.

IC pulled the service out of MediaOne's Boston area systems as the service made the transition to a software-delivered service, abandoning the proprietary hardware scheme it had been pursuing, according to Grieb, who says MediaOne's S-A boxes weren't compatible. "We're not going to expand until we can be in the digital boxes which eliminated the proprietary box we've had," he says.

Therefore, the momentum of GTE MainStreet, priced at \$9.95 monthly, depends on its inclusion in digital boxes as they penetrate cable systems next year.

As these interactive services threaten to become sustainable businesses, one interactive cable service is going south next year. The Sega Channel, a joint venture of Time Warner Entertainment, Tele-Communications Inc. and Sega of America, will pull the plug on itself next June.

With Sega Channel, it's a case of not keeping up with videogame technology: its 50-game menu is offered for the 16-bit videogame platform, while the rest of the world has moved on to 32-bit. A PC-based solution was contemplated, but ultimately—probably due to a sub base of only 150,000—the partners decided the idea was better shelved than salvaged. ■

Technology

December 8, 1997

Mount Sutro hits DTV snag

Northern California digital tower plan runs into local opposition

By Glen Dickson

Of the 26 stations that pledged in April to begin digital television broadcasts by November 1998, San Francisco stations KRON-TV, KPPIX-TV and KGO-TV seemed to have one of the easier DTV paths. None of the stations needed to erect a new tower for digital service; instead, the Mount Sutro tower cooperative used by the three planned to spend \$4.5 million to strengthen an existing NTSC tower and mount a new DTV antenna in January 1998.

So far, the DTV transmission line has been delivered and structural work on the tower is near completion. But Sutro Tower Inc. is unable to continue construction on the 760-foot Kline tower, which was to support a 125-foot Dielectric DTV antenna that would extend down from the top of the tower (existing NTSC antennas already extend 200 feet up from the top).

"We can't get a construction permit," says Bob Ross, vice president of engineering for CBS Television Stations, who has been overseeing the DTV transition of CBS's KPPIX-TV.

As Sutro Tower pursued city approval for its DTV project, people who live in the nearby neighborhood strongly objected to changes to the tower, says Gene Zastrow, general manager of Sutro Tower Inc. "One of the requirements of the [Environmental Impact Report] is to allow public input," says Zastrow. "Well, we got a lot of input, and you can imagine it wasn't very positive. People are concerned about a lot of things—increased RF radiation, interference to consumer electronics devices and seismic issues."

Sutro Tower is responding to the public comments. "Now we have to get all of our experts to answer all of these concerns," Zastrow says, adding that he needs to have the building permit by

March 1 for Mount Sutro to be ready for DTV transmission by Nov. 1, 1998. Nonetheless, he remains confident that the three stations will remain on schedule. "It's hard to tell what the political arena's going to be like," Zastrow says. "But we started early enough, and we're ready to get the thing constructed and on-air."

However, local opposition isn't the only stumbling block for the Mount Sutro plan. Like other transmission contractors readying for DTV, Sutro Tower is waiting for the FCC's channel allocation plan to be finalized. Antenna and transmitter design are dependent on channel assignment. The FCC's decision is especially crucial in San Francisco, because Sutro Tower plans to use channel-combining equipment to eventually transmit DTV signals for 10 Bay Area stations from one broad-

band-panel antenna system.

"We still don't have delivery on the antenna or the channel combiners," Zastrow says. "We're waiting for the commission to do the final assignment."

To make the Nov. 1 target date, Sutro Tower needs the channel assignments no later than July, Zastrow says it will take at least 60-90 days to receive the antenna after the FCC channel assignments are finalized, and then several weeks to mount it.

Zastrow has no idea what the FCC will do with the channel allocation plan submitted by the Association for Maximum Service Television. "From the sideline, it seems fine to me," he says. "[The MSTV table] seems to have resolved some adjacent channel issues that were a problem, so it looks like an improvement." ■

DVCPRO gets solid reviews

CBS and NBC O&Os are impressed with new digital gear

By Glen Dickson

Panasonic made big news last spring when both the CBS and the NBC station groups committed to its DVCPRO format for their newsgathering operations in deals worth more than \$50 million combined. Now the CBS and NBC owned-and-operated stations are starting to convert to the new digital equipment. So far, they like what they see.

Panasonic has delivered DVCPRO gear to nine CBS stations and seven NBC stations (counting cable network CNBC). Most of the CBS stations are using the new Panasonic gear to replace aging Sony Betacam equipment, while the NBC O&Os are con-



KDKA-TV Pittsburgh has installed DVCPRO laptop editors in its ENG vans.

verting to DVCPRO from their old Panasonic MII gear.

One exception is WCAU-TV, the NBC O&O in Philadelphia. As a CBS

O&O until September 1995. WCAU had an installed base of Betacam gear. "While the other O&Os were desperate to replace their old MII stuff, for us it was, 'Why go to DVCPRO?'" says Jim Barger, WCAU manager of news and engineering operations. "But then we started looking at the dollars involved, and DVCPRO was pretty incredible—it's pretty cheap for what you get."

WCAU decided to test DVCPRO by converting its sports department to the new format. The station created a new feed recording room dedicated to sporting events, which helped take the load off the main satellite feed room. The sports feed room, configured with eight DVCPRO record decks and two edit stations, has been running as a separate operation since June.

"It's been a godsend," says Barger of DVCPRO. "It's clean—I can tell that the sportscast has been [recorded] on DVCPRO. There are fewer dropouts, you don't see any hits in the tape, and it's a much cleaner image."

WCAU also bought two DVCPRO camcorders and two laptop editors to follow Philadelphia sports teams. When Barger wanted a story last week from the New Jersey Meadowlands leading up to Sunday's Giants-Eagles game, he dispatched a crew with a camera and laptop in a car instead of sending a \$300,000 microwave truck. The crew then went to WNBC-TV New

York's bureau in Moonachie, N.J., to feed the story back to Philadelphia. "That saved us from hustling all this expensive equipment around," Barger says.

WCAU also took advantage of DVCPRO's compact size when it sent a crew to Germany this fall to cover a Philadelphia-related business story. Instead of going through the usual protracted customs procedures required for crates of heavy editing gear, WCAU news staffers simply carried a DVCPRO camera and laptop onto the plane and then waltzed through German customs.

Skip Erickson, director of engineering for CBS O&O WCCO-TV Minneapolis, is also a big fan of the DVCPRO laptop. "We have one laptop, and it's spent most of its time on the road this fall following the Vikings as a sports editing machine," says Erickson. "We regret we [bought] only one. We should have [bought] two—it's a popular item."

WCCO-TV, which has received 108 pieces of DVCPRO gear, made a complete news conversion to the format in late September. "We took all our Betacam equipment off the street and did the conversion in one day—we converted all the decks and handed out all the cameras," Erickson says. "The big difference is [that] the pictures are so much better. We had

aging Beta gear with some head problems, and we went from a lot of dropouts to none. The cameras are lighter, and I think the low-light response of the AJ-D700 camera is outstanding. It's a much better in-the-dark ENG-type camera."

KDKA-TV Pittsburgh is also using DVCPRO extensively. Since it began its conversion in early September, the station has received more than 140 pieces of gear and is "98% converted" to the format for news, according to Jerry Kalke, KDKA-TV's director of broadcast operations and engineering.

All of KDKA-TV's field acquisition is now done on DVCPRO, including the work of its three news bureaus, five ENG vans and one SNG truck; only its helicopter hasn't been converted. The CBS O&O also is using DVCPRO to record its satellite feeds and perform its news editing.

"The transition has been very smooth, particularly in the editing area," says Kalke. "The DVCPRO decks work a lot like the machines we've been using—they edit and handle like the Betacam we were using for years."

Kalke says that along with improving KDKA-TV's picture quality, the DVCPRO machines have been reliable—only one of 105 tape decks has had a problem, which Panasonic rectified quickly. ■

CLTV uses format for acquisition

While Tribune Broadcasting is testing Sony Betacam SX at its owned stations in New York, Chicago and Atlanta, ChicagoLand TV (CLTV), Tribune's 24-hour cable news channel in Chicago, is evaluating Panasonic's DVCPRO as an acquisition format.

CLTV has spent \$450,000 on 16 AJ-D700 camcorders, 18 AJ-D640 player/recorders and four AJ-D230 desktop VTRs. Two weeks ago, CLTV switched all of its photographers in the field to DVCPRO camcorders and also started using DVCPRO decks to record satellite feeds. The cable channel will continue to master on Betacam SP as it considers server-based playback for the future.

CLTV Director of Engineering Craig Harrison says that DVCPRO's picture quality, even when mastering to analog tape, is good and that the edit decks emulate his



ChicagoLand Television has made a complete conversion to DVCPRO gear for its news acquisition (this image was actually shot with a DVCPRO camcorder).

old Betacam equipment very well. He adds that the camcorder's light weight has made a big difference to CLTV shooters: The old Betacam SP units with batteries weighed 28 pounds apiece, while a DVCPRO camcorder with battery weighs only 19 pounds.

However, CLTV has had difficulties recording "even slightly dirty" satellite feeds with the DVCPRO decks, Harrison says. "It has trouble digitizing

and compressing them if they're a little noisy, so we have to go through a frame synchronizer and then record," he says. Because of the noise problem, which results in picture banding, CLTV hasn't been able to use some low-quality feeds.

Harrison says Panasonic knows about the problem and is working to resolve it.

—Glen Dickson

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Internet Content Regulation

Online leaders promise safety 'Net

Unseen threat of regulation may have been key conference player

By Paige Alliniak

Taking a cue from broadcasters' skirmish with the White House and Congress over television ratings, the Internet industry is preempting the threat of government regulation by taking matters into its own hands.

Internet service providers, parents' advocacy groups, content providers and lawmakers last week came together at the Internet Online Summit in Washington to agree that the industry will offer filtering, blocking and rating tools that parents can use to keep children from finding pornographic material on the Internet. The industry also is launching public education campaigns to teach parents how to use those tools.

The summit was conceived in July after the Supreme Court overturned the Communications Decency Act, which was intended to hold Internet access providers responsible for "indecent" content on their networks. After that law was declared unconstitutional in June, the administration called on the industry to offer technological solutions to help parents monitor their children's Internet activities.

Vice President Gore announced four administration initiatives at the summit: a "zero tolerance" policy toward child pornography on

the Internet, a public education campaign called "Think, Then Link," a 1-800 hotline to take complaints about pornography on the Internet and a parents' guide to the Internet.

Attorney General Janet Reno announced that the Justice Department would convene the first-ever meeting of Justice and Interior ministers from the U.S., United Kingdom, Germany, Japan, Italy, Canada, France and Russia to discuss ensuring that there are no "safe havens for cyber-criminals."

Gore defended the administration against critics who say that rating the Internet starts the industry on a slippery slope toward violating citizens' First Amendment rights. "Blocking your child's access to offensive speech is not called censorship," Gore said. "It's called parenting."

Several groups—including the American Civil Liberties Union, the American Society of Newspaper Editors and the Society of Professional Journalists—separately formed a group called the Internet Free Expression Alliance. The group will watch to make sure that government-encouraged measures, such as filtering



Vice President Gore says blocking access by children to offensive Websites is not censorship, but parenting.

and rating programs, do not result in Internet censorship.

Gore lauded the industry for working voluntarily to keep children safe from indecent and obscene material.

"This initiative must be industry-led, or the industry must prepare for a nationwide backlash against this exciting new technology," Gore said. Addressing the industry directly, he said: "You've got a lot at stake, so the focus ought to be finding a solution."

Several family advocacy groups took this stance during the summit, saying that competition and customer demands are persuading the industry to provide parents with tools more effectively than government threats. And Internet access providers did not want to be seen as caving in to government pressure.

"I don't think this should be viewed as the industry coming together to self-regulate to avoid government regulation," said AOL Chairman Steve Case. Conferences on Internet privacy, advertising and marketing practices and content are expected to follow.

The industry seems to have convinced Congress that it can give parents the tools they need without the added motivation of legisla-

tion. "[The industry is] just starting, so we want to give them time to find solutions," said an aide to Rep. Edward Markey (D-Mass.). "The technology fix, while imperfect, is certainly preferable to government regulating the actual content."

Rep. Bob Goodlatte (R-Va.) asked the administration to go further toward fighting pornography on the Internet by relaxing encryption laws. Commercial distributors of adult material could then encrypt their content with the stronger software so that only consenting adults could access it.

The U.S. allows only a certain level of encryption to be distributed on the Internet because the government is con-

cerned that international criminals will use U.S.-developed technology to transmit messages about illegal activity.

Several bills were introduced regarding Internet pornography during the last session of Congress, but only one of them would create a law similar to the Communications Decency Act.

Sen. Dan Coats (R-Ind.) introduced a bill last fall that some have called "CDA lite." The bill specifically would go after an individual engaging in the distribution of pornography on the Web, says a Coats aide, instead of the service provider.

Other bills that have been offered in the House separately by Reps. Markey, Zoe Lofgren (D-Calif.) and Joseph McDade (R-Pa.) would require Internet access providers to offer screening software to new customers for free or at wholesale. **TM**

Standards help develop modem marketplace

The advent of universal cable modem standards is expanding the field of modem hardware makers, with Samsung Electronics and Rockwell Semiconductor Systems the latest to join the high-speed Internet access fray.

Rockwell will produce chips for cable modems. Samsung plans to produce an MCNS-compliant modem, code-named InfoLink, scheduled for demonstration this week with all the other new multiple cable network system models at the Western Cable Show.

The moves are further indications of the growth anticipated as universality enables manufacturers to put cable modems in the consumer retail pipeline. Motorola will be introducing MCNS cards for cable routers in headends to upgrade systems to the MCNS standard and prolong the life of the CyberSurfr modems it already has deployed.

Motorola also has introduced a sized-down version of the CyberSurfr that incorporates the 16 Quadrature Amplitude Modulation spec for MCNS. The company plans to produce MCNS models with an eye toward retail distribution once the standard is field-proven. Meanwhile, it's knocking down the price of the streamlined CyberSurfr 20%, to \$325, apart from volume discounts to cable operators.

Bay Networks expects to have a \$200 model of its Generation 4 MCNS modem in retail outlets within 18 months. Its MCNS model for operators, selling for less than \$500, will provide downstream data speeds of up to 10 Mb/s and upstream data speeds up to 36 Mb/s.

Last month Bay, 3Com Corp., Com21 and Terayon announced plans to introduce their respective versions of MCNS modems or modem devices.

3Com expects to start selling its US Robotics cable modem VSP cards for \$199 and \$249 early next year. Its basic adaptor card will offer users 38 Mb/s downstream speed and a 33.6 kb/s return path. Field trials are under way with Charter Cable, Suburban Cable and Century Cable.

Terayon's universal cable modem will function in three modes: as an MCNS-compliant machine, in an S-DMA mode or as a high-end 30 Mb/s modem. The company is apparently waiting to put production deals in place before it reveals pricing plans.

Finally, Com21 and Cisco Systems plan to put out MCNS modems to work with Com21's ComUnity Access systems to be demonstrated at the Western Show. No shipping date has been set.

—Richard Tedesco

Internet Access

Cable modem services recast

@Home, RoadRunner add multimedia, seek 'mainstream' status

By Richard Tedesco

A multimedia-pumped version of the @Home Internet access service launches this week. Road Runner will be showing off its recast service too, with relaunch slated for early next year.

The revamped @Home product bears the fruit of a relationship with CNN in the form of a video-on-demand page of clips from the 24-hour cable news programmer. A relatively new TuneIn feature of @Home enables PC users to access CD-quality music content and sports/talk radio shows. Interactive network gaming has become a mainstay as well, in the wake of an enthralled response from @Home users to the violent Quake game.

More multimedia is on the way, according to Richard Gingras, @Home vice president of programming, who revealed some of the plans several weeks ago (B&C, Oct. 27). The idea of streaming pay-per-view concerts is a live one, particularly with the

imminent merger of TCI Music and SonicNet's Paradigm Music parent company.



A How Do I? section will provide PC users with instructions for a range of tasks. Content will be reorganized into categories—Finance, Games, Just Kids, Lifestyle, News, Pop Arts, Shopping, Sports Technology and Chat—and @Home users will be able to access their e-mail from anywhere on the Internet.

Road Runner, which trails @Home in subscriber count, will follow with a makeover sometime during first quarter 1998. Time Warner Cable's Road Runner Group will run demonstrations at the Western Cable Show this week.

Tighter integration of e-mail, message boards, chat listings and personal home pages tops the list of changes. A redesigned interface will enable users to gain ready access to features of Road Runner 2.0 without drilling through lay-

ers of content.

As a Time Warner product, Road Runner already has provided access to CNN news and *Time*, along with content from Bloomberg and CNet. Now users clicking on Road Runner's news icon will immediately summon a news-summary screen that provides breaking news from international, national and local venues.

Tim Evard, Road Runner president, expects the next iteration to push the service past present 2%-4% penetration rates.

But with prices for @Home and Road Runner in the Cadillac range relative to those of the Internet access services, achieving mainstream status may be a long-range goal for both. **TM**



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Account Executive. KMBC, Kansas City's #1 TV Station (ABC), is looking for a strong Account Executive. This talented sales pro. with at least 2 years broadcast sales experience, must have excellent communication, marketing and business development skills. Minorities and women are strongly encouraged to apply. Send cover letter and resume to: Denise Dailey, LSM, KMBC-TV, 1049 Central, Kansas City, MO 64105. EOE.

NBC6 (WCNC-TV), a subsidiary of A.H. Belo Corporation and a growing station in the 28th market, is currently recruiting for a Director of Sales & Marketing. We are looking for a hands on, highly motivated, high energy, proven leader with a lengthy experience in a large market broadcast environment. Qualified candidates need to possess strong skills in... Sales Planning/Management; Revenue/Expense Budgeting; New Business Strategies; Interpersonal and interdepartmental Communications; and AE Development and Motivation. Computer literacy with a proficiency in Excel spreadsheets is a must. A 4-year degree is preferred. Qualified applicants need to send your resume and salary history to: (No Phone Calls, Please) NBC 6, Human Resources Department, Re:97-37, 1001 Wood Ridge Center Drive, Charlotte, NC 28217. EOE M/F/V/H.

Local Sales Manager. WWAY-TV3, in Coastal Wilmington, NC is looking for a Local Sales Manager to lead our successful sales team. Strong team building and coaching skills through positive motivation essential. Candidate should be promotionally oriented, computer literate with knowledge of TVScan, Media Audit and STAR. If you're looking for a great opportunity in a great community send resume and cover letter immediately to General Sales Manager, WWAY-TV3, PO Box 2068, Wilmington, NC 28202. No phone calls please. EOE M/F/V/D.

Account Executive - New England Cable News seeks a hard-working advertising sales professional ready for more challenges and opportunity. Base salary, commission, bonus and an excellent benefits package. Experience successfully selling cable or broadcast television is expected. We're looking for people with a passion for success. Mail resume and cover letter outlining compensation expectations to: David Buonfiglio, GSM, New England Cable News, 160 Wells Avenue, Newton, MA 02159. EOE.

HELP WANTED TECHNICAL

TECHNICAL DIRECTOR DTV EXPRESS: DESTINATION DIGITAL!

UNIQUE: The *DTV Express* is a traveling road show, sponsored by Harris Corporation and PBS, that will demonstrate DTV (including HDTV) to broadcasters throughout the United States. If you have suitable experience and are interested in working with the latest equipment in a dynamic environment, we would like to hear from you.

POSITION: Immediate opening for a highly motivated experienced broadcast engineer as Technical Director for new mobile broadcast truck and state-of-the-art digital television systems. Requires familiarity with video, audio, control, transmitter, and satellite equipment. Maintenance experience a plus. Understanding of current digital broadcast technology and knowledge of the ATSC television standard essential. Must be able to present demonstrations and technical training material to broadcasters. Management experience and SBE TV Certification or FCC General Class license preferred.

Duties will include hands-on digital television system implementation, testing, and trouble-shooting, management of on-site technical staff and maintenance programs, DTV demonstrations and presentations, coordination of set-up and tear-down of road show, and management of budget expenditures.

TRAVEL: Based initially in Alexandria, VA, extensive travel will be required.

DURATION: This will be a 15 - 18 month position.

URGENCY: Review of resumes will begin immediately.

RESPONSE: If you are interested, please submit your resume and salary requirements to:

Internet: hdunton@harris.com
 Fax: 703-739-8080
 Mail: DTV Express - Suite 310
 Harris Corporation
 1201 E. Abingdon Drive
 Alexandria, VA 22314
 Attn: HDunton



BROADCAST ENGINEERS

Consulting firm has openings for engineers.

SENIOR ENGINEER. Heavy TV transmission background. Knowledge of DTV proceedings. Prefer BSEE or equivalent (P.E. a plus). Experience with FCC/FAA filings. 5 years related experience.

STAFF ENGINEER. BSEE (equiv. Educ. plus experience considered). Good computer skills. Broadcast radio/TV experience a plus.

Send resumes in confidence:
John F.X. Browne & Associates, PC
 500 N. Woodward Avenue #350
 Bloomfield Hills, MI 48304
 Fax: 248.642.6027 or
 202.293.2021
www.jfxb.com

Chief Transmission Engineer. Arkansas Educational Television Network is seeking an experienced engineer to direct the operations and maintenance of a transmitter state wide network. Candidates will have a formal education equivalent to a high school diploma; plus two years vocational or related training; plus four years of high power RF experience. FCC general license, and a valid drivers license. In-state travel will be required. Submit a current resume with cover letter; three professional references and salary history to: AETN-Human Resources Supervisor, PO Box 1250, Conway, AR 72033. Application review will begin December 22, 1997. AETN is an AA/EO/ADA Employer. Minorities and women are encouraged to apply

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We're a world-wide leader in the design, manufacture, and marketing of software and systems for the broadcast, multimedia, and post-production industries. We have immediate opportunities for professionals who can quickly seize responsibility in the following challenging positions:

Technical Support Engineer

- Troubleshoot HW/SW problems on-site and in-house
- Knowledge of audio and/or video equipment required

Digital Video Engineer

- Schematic Software, Altera Design, CCIR601

Software Design Engineer

- Experience designing Windows NT software using Visual C++ required

Graphics Programmers

- 2 years' programming experience
- Visual C++, 2D & 3D library, open GL

Technical Support Engineer

- 2 years' experience with video equipment
- Engineering experience with routers and master controls

We offer excellent compensation and benefits packages. For confidential consideration, please send/fax/e-mail your resume, with salary requirement and indication of position of interest, to: **H.R. Dept-BC, Chyron Corporation, 5 Hub Drive, Melville, NY 11747; FAX #: (516) 845-2090 e-mail: careers@chyron.com.** We are an equal opportunity employer dedicated to affirmative action.



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 Pittston, PA 18640, USA
 Phone (717) 655-7143
 Resume/Fax (717) 654-5765

KWGN-TV Denver's WB 2, a Tribune Broadcasting Company, is moving into the digital age. Our Broadcast Engineering Department has several exciting opportunities available immediately: *Dir/Operations and Engineering*: Needs a highly motivated individual with a BSEE and/or 5 plus years TV broadcast operations and engineering management experience with a major market TV station. Extensive background in rews and sports operations with knowledge of total station automation concepts and strong management, communication and interpersonal skills, are also required. Experience in the design and implementation of serial component television systems a plus. *Engineering Supervisor*: Minimum 5 years hands-on and supervisory experience. Strong knowledge and experience with VHF/UHF transmitters, and digital/analog broadcast systems, including multiple tape formats and disk recorders. Self starter and strong organizational skills are a must. PC and LAN skills a plus. This position supervises the Engineering Maintenance staff, sets work schedules and priorities, and implements routine maintenance and quality control procedures. FCC General Class license and/or SBE Certification required. *Transmitter/Building Engineer*: Requires 3-5 years hands-on maintenance of VHF/UHF transmitters, microwave, and building systems. This position is responsible for the day-to-day transmitter, microwave, and building maintenance, and compliance with FCC and OSHA rules. FCC General Class license and/or SBE Certification required. Send resume to HR Dept. #51, KWGN-TV, PO Box 5222, Englewood, CO 80155. EOE.

KCRG TV seeks applicants for a Satellite Uplink Technician. Individual will be responsible for transportation, operation and maintenance of mobile satellite earth station. Knowledge of electronics including video, audio, RF transmit and receive systems as well as mechanical systems is required. Two year degree in *electronics or equivalent experience. Ability to communicate with others. Ability to work in news gathering environment* within the broadcast time constraints. Overnight travel, out of state, extended travel may be required. On call position requiring regular attendance. Must maintain valid class "D", Chauffeur drivers license, FCC General Class Radiotelephone Operator License desirable. Please send resumes to Mrs. Terry Zaruba, Personnel Coordinator, KCRG-TV, Box 816, Cedar Rapids, Iowa 52406. EOE.

Audio Engineer/Utility Operator. KDNL TV 30, St. Louis' ABC affiliate is looking for an audio engineer for our daily newscasts. Applicant should be proficient at operating audio consoles and associated equipment, including telephone and IFB interface. Also, responsible for some preparations of programs and commercials for air. College degree or equivalent exp is desired. Person must be organized, work well under pressure and have strong communications skills. Send resumes to: Personnel Administrator, KDNL TV 30, 1215 Cole Street, St. Louis, MO 63106. Pre-employment drug screening required. Minorities are encouraged to apply. EOE. No phone calls please. Resume deadline is

Teleport Operations Technician: San Francisco bay area satellite teleport is seeking job applicants for the position of Teleport Technician. Qualified applicants have at least 2 years of operations experience in a satellite teleport or broadcast facility. Applicants with broadcast TV, or satellite related telecommunications experience may be considered. Experience will include performing C and Ku uplink/downlink services, and familiarity with transmission scheduling/coordination and quality control. Computer and/or maintenance experience are both a plus. We are seeking a team player with strong communications skills and the ability to grow and learn new technology. No phone calls are being accepted with regard to this position. Please send Resume with references to attention of our Human Resources Dept. at 5200 Huntington Ave., Suite 300, Richmond, CA 94804.

TV Chief Engineer. Shop at Home, Inc., one of the nation's oldest and most rapidly growing Interactive Retail Networks, is actively seeking qualified candidates to fill the following positions:
TV Chief Engineer - Station in Boston needs chief engineer to take charge of all technical maintenance for UHF transmitters and commercial insertion equipment. Strong technical skills and the ability to work in a self-directed environment is essential. Will work with local cable headends to ensure the highest possible quality of signal carriage.
Studio Chief Engineer - for network studio in Knoxville, TN. This person will be responsible for technical maintenance of all studio and satellite uplink equipment at the network's main studios. Will supervise staff of maintenance technicians. We offer exceptional opportunities for growth, a competitive salary and a comprehensive benefits package. Interested candidates should forward a resume to: Shop at Home, Inc., Human Resources - TAF, 5210 Schubert Road, Knoxville, TN 37912. Fax 423-689-5096.

TV Studio Engineer. Tucson TV station with LMA has a proposed new position in the 1998 budget for a studio engineer. Responsibility for installation and maintenance of the on-air, commercial, promotional production facilities and Sports Microwave transmission facilities as well as light building maintenance. Versatility in all types of studio equipment a must. Computer skills and knowledge a definite plus. Send resume to KMSB-TV Inc., Attn: HR Dept., 1855 N. 6th Avenue, Tucson, AZ 85715. EOE.

Senior Maintenance Broadcast Engineer: Minimum of five years experience on broadcast studio equipment. Ability to troubleshoot and repair the component level, cameras, tape machines, switchers, character generators, still storers, STLs and TSLs and all supporting equipment. Experience on transmitters, computers, and microwave systems is a plus. Resume: Fred Bragg, Chief Engineer, KOAT-TV, 3801 Carlisle Blvd. NE, Albuquerque, NM 87107. *No phone calls!* Drug free workplace. Equal Opportunity Employer.

Director of Engineering - Group owned FOX affiliate/UPN (LMA) looking for a hands on Director of Engineering. Candidate should have 3+ years as a Chief or strong assistant with a demonstrated track record of both management and technical skills. Superior ability to diagnose problems and correct them along with the competence to develop a sound preventative maintenance program a must! Station is in process of adding new digital equipment for a start up News operation and requires the appropriate experience to complete this and other related tasks. An EEO degree or SBE certification is preferred. EOE. Send resume to: Lew Freifeld, VP/GM, 1000 James Street, Syracuse, NY 13203.

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with 3-5 years experience in the television production environment. Design, implement and produce still and animated graphics including all design elements and show looks. Collaborate with a team of top-notch art directors, producers and editors. Supervise production sessions. Art direct set designs. Meet intensely pressured deadlines while maintain a positive, flexible attitude. Use Mac, Liberty, Premiere and After Effects.

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News 12, the 24-hour regional cable news operation serving the Southwestern Connecticut area has two exciting careers available:

PRODUCER

One of our main, hour long newscasts seeks an enterprising, unflappable, and resourceful individual, with terrific news judgment and leadership skills. Our programs are "hyper local" so folks who spend their days "stripping" the national feeds need not apply.

ANCHOR/REPORTER

Must be willing to report for a 5pm newscast, take a dinner break, do another package, then anchor a late newscast. The reporting component of this job is just as important as the anchoring!

Non-returnable tapes and resumes to Ian Rubin, Executive Producer, News 12 Connecticut, 28 Cross St, Norwalk, Connecticut 06851. EOE

G.A. Reporter-Min. 2yrs. exp at a network affiliated station. College deg. preferred, but not required. Must be able to do live & remote reports, good writing/communication skills, handle confrontation, gather & develop facts, meet deadlines. Computer lit. nec. Send resume & tape to: KOB-TV, Job # 49-97, 4 Broadcast Plaza SW, Albuquerque, NM 87104. EOE/M-F.

WXII-TV, the NBC affiliate in Winston-Salem, NC is looking for an Executive Producer. The ideal candidate must be a leader with a passion for news. We want a creative, high energy motivator, who thinks graphics and can sell a winning show everytime. If you're an EP in a smaller market or the best line producer in your shop ready for a new challenge we want you! Please send resumes and tapes to: Personnel Dept. PO Box 11847, Winston-Salem, NC 27106. EOE.

Top north Texas NBC affiliate is seeking a General Assignment Reporter. Responsibilities include shooting, editing and reporting hard and feature stories. A college degree and one year's experience required. Send cover letter, resume and non-returnable VHS tape to: Scott Coppenbarger, News Director, KFDX-TV, 4500 Seymour Highway, Wichita Falls, TX 76309. No telephone calls. KFDX is an Equal Opportunity Employer.

FOX News in the Fort Myers/Naples market seeks a General Assignment Reporter, a Troublesooter, and 2 Videographers. Reporters must be FOXIFIED with two years experience and videographers must have one year shooting and editing experience. College degree preferred. Send resume and non-returnable tape to Mark Pierce, Station Manager, 621 SW Pine Island Road, Cape Coral, FL 33991. We are an Equal Opportunity Employer.

News Photographer. Immediate opening for experienced photographer with a creative eye and ability to move fast. Tapes and resumes to Dave Busiek, KCCI-TV, 888 9th Street, Des Moines, IA 50309. A Pulitzer Broadcasting Company station. EOE.

Meteorologist needed. WBNG-TV is looking for a morning and noon meteorologist to join our aggressive news department. Send tape/resume to News Director, Darcy Fauci, WBNG-TV, PO Box 12, Johnson City, NY 13790.

General Assignment Reporter. Do you know how to tell people stories? Is your writing crisp, clear, and to the point? Does your style have an edge? We're an aggressive news team that is on the move. If you are a real team player with one year of reporting experience and want to work in a medium size market, send a VHS tape and resume to Box 01285. EOE.

Live Truck Operator/Editor/Photojournalist for #1 news station in beautiful southwest medium market. Must have 1 year experience in television photojournalism, live truck experience, working knowledge of Betacam 3/4" and Live ENG Equipment, and have a clean driving record. We offer a competitive salary, excellent benefits, and a fun environment in which to learn and grow. Please send a resume, references, and non-returnable tape with some of your live shots and stories to Box 01281. EOE.

**FAX CLASSIFIED ADS TO
212-206-8327**

Chief News Photographer: Supervise news photography and editing staff. Responsible for all ENG/SNG equipment and vehicles. Ability to motivate, critique, teach and discipline. Leader who can take great staff to next level. Lots of toys: Helicopter, satellite truck, bureaus, etc. More managing than shooting. Minimum 5 years TV photography experience with a significant amount of time in news. Experience with Beta, 3/4", SVHS required, some non-linear experience preferred. Resume, cover letter and non-returnable tape: Pahl Shipley, News Director, KOAT-TV, 3801 Carlisle Blvd. NE, Albuquerque, NM 87107. Drug free workplace. KOAT-TV is an Equal Opportunity Employer.

Chief Meteorologist: Midwest network affiliate seeks trained meteorologist to lead our weather department into the future. The successful candidate will know how to turn science into a forecast that means something to viewers. This person will have a great on-air delivery, be completely comfortable using computers and graphics to prepare weathercasts, and be highly competitive in handling severe weather situations. Degree in meteorology and 3 years broadcast experience required. Send tapes and resume by December 15, 1997. Reply to Box 01284. EOE.

Assignment Manager. Looking for hard-hitting, aggressive and experienced newspaper to run the assignment desk. Must know what makes good TV. We think out-of-the-box and so should you. Send resume and cover letter to Kathy Gazda, News Director, WXXA-TV FOX23, 28 Corporate Circle, Albany, NY 12203. No phone calls. EOE.

Assignment Editor, Atlanta, CBS affiliate needs "take charge, take no prisoners" leader to run our daytime assignment desk. Must have superior news judgement and logistical smarts, as well as good people skills. Minimum 3 to 5 years experience on a medium or large market assignment desk. Knowledge of Atlanta market and Georgia news is very important. College degree preferred. *No calls.* Resumes to Paul Powers, Assignment Manager, WGNX-TV, 1810 Briarcliff Road, NE, Atlanta, GA 30329 or email: ppowers@wgnx.com A Tribune Company/Station. EOE.

6 and 10 Co-Anchor/Reporter. Award winning Midwest NBC affiliate beginning search for weeknight 6 and 10 anchor to compliment female co-anchor. Our guy is moving up 100 markets after 4 years. We need a community leader, solid reporter, and someone who knows news. Send non-returnable VHS cassette to: News Director, KTTC TV, 601 First Avenue SW, Rochester, MN 55906. KTTC is an Equal Opportunity Employer.

Reporters and Anchor 3 positions open now! We are looking for 2 reporters who know how to dig and do serious reporting. These are key positions in a very aggressive and dynamic news room. We have the resources and the dedication to do it right. If you're experienced and excited about great reporting, then we should talk. Fill-in Anchor experience extremely helpful for one of the reporting positions. The ability to tell a story is critically important. We are also looking for an experienced anchor who is comfortable and confident. These are *not* entry level positions, experience is required. Send tape (less than 1 week old). Resume, references, and salary requirements to Allen R. Sandubrae, News Director, KARK-TV, 201 W. Third, Little Rock, AR 72201. Equal Opportunity Employer. Males, females, minorities are encouraged to apply.

Reporter. Solid well organized journalist to produce strong people oriented stories. Live experience needed. Non-returnable tape and resume to Jim DePury, News Director, WPMT FOX 43, 2005 S. Queen Street, York, PA 17403. A Tribune Broadcasting Station. EOE. Drug test. No calls.

Photographer/Editor: KJRH 2 News NBC in Tulsa seeking aggressive, eager, easy to work with photographer. Previous video photography and editing experience preferred. Must know how to operate a microwave live truck. No phone calls please. Send resume to KJRH 2 NBC, Lori Doudican, 3701 S. Peoria, Tulsa, OK 74105. EOE.

KULR 8 Television, the NBC affiliate in Billings, MT is seeking a News/Public Affairs Director. The candidate ideally will have a degree in Journalism from an accredited institute of higher learning, at least five years of work experience in the field, possess good written and verbal skills, have an affinity for people and the ability to work with others, have the will to win, administrative experience as a News Director/Assistant News Director/Assignment Manager or Executive Producer, and have a sincere desire to live and work in a great, small market television station. KULR 8 observes EEO and all related programs. Send correspondence only to General Manager, KULR 8 Television, PO Box 80810, Billings, MT 59108.

Meteorologist: A meteorologist is needed in Tornado Alley. Looking to complete a four-member weather staff at KJRH in Tulsa. Three years on-air experience preferred. No phone calls please. Send resume to KJRH 2 NBC, Lori Doudican, 3701 S. Peoria, Tulsa, OK 74105. EOE.

Weekend Anchor. Experienced anchor with solid reporting skills needed at #1 news station. Tapes and resumes to Dave Busiek, KCCI-TV, 888 9th Street, Des Moines, IA 50309. A Pulitzer Broadcasting Company station. EOE.

Writer/Producer Promotion. KARE11, The Gannett owned, NBC affiliate in Minneapolis is looking for a top writer/producer to join our exceptional staff. Demonstrated ability to do quality work under deadline pressure required. Two years minimum station promotion experience needed. Technical skills in Protocols and AVID editing systems are a plus. Send non-returnable reel and resume to: Tim Stanko, Executive Producer/Promotion, KARE 11, 8811 Olson Memorial Hwy., Minneapolis, MN 55427. No phone calls please. We are a drug free, equal opportunity employer committed to a diverse workforce.

HELP WANTED PROMOTION

Promotions Producer. East Texas FOX/UPN affiliates has an immediate opening for creative, aggressive writer/producer. Duties will include, but are not limited to, writing and producing eye-catching station promotion and daily episodic promos. College degree or equivalent. Computer skills essential. Minimum two years experience in writing and producing on-air station promotion. EOE/MF. Send resume and/or non-refundable tapes to Keith Paxton, Director of Marketing, KFXX-FOX 51/KFXL-FOX 30 UPN 22/48, 701 North Access Road, Longview, Texas 75602. Email: FOX51@JUNO

Promotion Writer/Producer. If you can write, edit and produce killer news topicals, we want to add you to our award-winning Promotion team. *KMTV, Omaha's CBS affiliate,* has an exciting opportunity for a Promotion Writer/Producer. Creativity, aggressiveness and self-motivation are a must. Strong organizational and personal skills are a plus. Minimum 2 years experience in broadcast news promotion preferred. No phone calls please! Send resume and reel to Janet Tidwell, KMTV, 10714 Mockingbird Drive, Omaha, NE 68127. KMTV is an Equal Opportunity Employer.

Promotion Producer/Writer. WNCN-TV/NBC6, an A.H. Belo subsidiary in Charlotte, NC, seeks a creative, aggressive promotion producer/writer who specializes in news promotion. Must be self-motivated with hands on editing experience. Ability to write and edit compelling topical and special report promotions that sell our newscasts is necessary. We are looking for someone with a minimum of 2 years experience in news/news topical promotions preferably with a network affiliate. Charlotte is market #28, we're metered and we're growing fast because our city is a great place to live and work. Please send your tape and resume with salary history to: *(No phone calls, please)*, NBC6, Human Resources Department, RE: Position 97-33, 1001 Wood Ridge Center Drive, Charlotte, NC 28217 or fax resume to 704-357-4984. EOE/M/F/V/H.

Topical Promotions Producer. W.L.A. Washington DC's ABC affiliate has immediate openings for a top notch addition to its promotions team. We need conceptually strong, creative talents who have imagination, energy and a contemporary style to make its mark in the #7 market. Promotion and advertising for all on-air news products, local program specials and news topicals. A minimum of 2 years as a news promotion/writer producer at a television station cable operation or broadcast network. Experience in Top 50 market preferred. No Phone Calls; EEO: M/F. Send your resume and a non-returnable reel to: Human Resources, WJLA-TV, 3007 Tilden Street, NW, Washington, DC 20006.

Promotion Director: Responsible for internal and external promotional activities of TV station. Interacts with public service organizations to ensure promotion opportunities on the station by assisting in the production of such ads. A degree in Marketing or closely related field preferred. Must write, shoot and edit effective TV commercials. Resume and tape to: EEO Officer, KJCT-TV, 8 Foresight Circle, Gard Junction, CO 81505. EEO

Promotion Guru wanted for growing market. Witty writing, great eye, nerves of steel, ability to juggle a must. Top FOX affiliate in 100+ market is looking for Promotion Manager to lead the troops to promo nirvana. Experience in media buying, analog/non-linear editing a plus. Winners send resume, references, and reel to Diane Frisch, General Manager, KTRV FOX 12, PO Box 1212, Nampa, Idaho 83653. No phone calls please. EOE.

Writer/Producer. Creative Promotion Writer/Producer needed! Soon-to-be Paramount O&O in top 20 market that produces 5 hours of news a day, is in search of versatile, creative writer/producer with a great attitude. Will work with news, sales and programming and must be a self-starter. AVID editing and/or shooting skills a definite plus. Salary DOE. Please send your creative, non-returnable demo reel along with a resume to KPWB-TV, Personnel CP 9-1, 500 Media Place, Sacramento, CA 95815. EOE. Qualified applicants will be called for interview.

HELP WANTED RESEARCH

Research Director. KDNL TV 30, St. Louis' ABC affiliate is seeking an experienced Research Director. Candidate should be computer literate and have experience with Nielsen, TVScan, Scarborough, Qualitap, market Manager, and Office '97. Strong analytical, written, and presentation skills are a must. Send resumes to: Personnel Administrator, KDNL TV 30, 1215 Cole Street, St. Louis, MO 63106. Pre-employment drug screening required. Minorities are encouraged to apply. EOE. No phone calls please. Resume deadline is 12/19/97.

Research Director/Internet Coordinator. Channel 7 WKBW-TV, Western New York's dominant ABC affiliate, is looking for a creative, sales-minded research director who will also handle some Internet duties. This motivated individual must be proficient in MS Office products, Harvard Graphics, and PageMaker. Knowledge of BMP/TVScan, CMR, Qualitative research, Columbine/S.A.P. and HTML preferred. If you can make sales one-sheets shine and produce effective targeted presentations, send your resume and samples of your work to Jeff Guilbert, GSM, Channel 7 WKBW-TV, 7 Broadcast Plaza, Buffalo, NY 14202. No phone calls please. Channel 7 WKBW-TV is a Granite Broadcasting station and an Equal Opportunity Employer.

Senior Research Analyst. Programming opportunity of a lifetime. Universal Television has an immediate opening for an analyst in their research department. You should have prior experience at either a TV syndication company, TV station or rep firm. This position requires a knowledge of all Nielsen systems and SNAP, excellent writing skills, in depth knowledge of both syndication and network TV, as well as a passion for this business. This position works closely with domestic syndication sales and our network production arm and affords excellent growth potential for the right candidate. Communications degree preferred, strong mathematical skills are a plus. Universal offers a competitive salary and benefits package and is an Equal Opportunity Employer. Please fax resume and cover letter to Universal Television, Sr. VP/Research, 818-866-5041.

HELP WANTED PRODUCTION

WV TELEVISION PRODUCER

FOR PRODUCTION FACILITY OF LEADING GLOBAL SPORTS ENTERTAINMENT COMPANY IN SOUTHERN CONNECTICUT

Must have extensive post-production experience; ability to work with on-air talent; strong management skills. Bilingual (Spanish) proficiency a big plus. The person hired will be very organized, possess excellent skills and thrive in a team-based environment.

Fax Resume To: (203) 359-5151

Or mail to: Human Resources Dept TV

Titan Sports, Inc.

1241 East Main St, Stamford, CT 06902

It's warm and sunny where we work and play! Looking to add several creative and talented shooters & editors with 2-3 years experience to our team. If you have strong lighting skills, audio abilities, Toaster and non-linear knowledge a plus, then send your resume and demo reel to The Firm Multimedia, Attn: Production Director, PO Box 770787, Ocala, FL 34477. EOE.



Creative Services Senior Producer & News Topical Producer

KDFW, the FOX O&O in the 8th market is looking for two producers. It's the perfect opportunity for creative, ambitious individuals to excel promoting a dynamic network, a major news operation and winning sports teams. Work with a Quantel Editbox, AVID Media Composer and ProTools audio production system. You'll enjoy the support of an Emmy award winning Design Department. You must be a responsible, hard working, self-starter with a serious commitment to excellence.

Senior Producer will concentrate on high end news, station and programming promotion. Sports promotion is strongly preferred.

News Topical Producer will handle daily news promotion and other productions as assigned.

Rush resume and reel to: Creative Services Personnel, 400 N. Griffin Street, Dallas, TX 75202. EOE/M/F/D/V

WJAC-TV, NBC in Central Pennsylvania, seeks an experienced Executive Producer. The ideal candidate has experience as a line producer, understands that hard news is our mission, has strong production, graphic and writing skills and knows how to communicate and motivate a staff. Send resume and a non-returnable tape of your best work to Mark Carros, News Director, WJAC-TV, 49 Old Hickory Lane, Johnstown, PA 15905. No phone calls. WJAC-TV is an Equal Opportunity Employer.

Broadcast Personnel. Technical Directors (GVG 300 Switcher with Kaleidoscope). Audio (mixing for live studio and news broadcasts). Studio Camerapersons (studio productions and news broadcasts). Chyron Operators (Infinite), Still Store Operators, Tape Operators (Beta), Maintenance (plant systems experience - distribution and patching). Lighting Director Engineer. Employment would commence fall/winter 1997. Out of town applicants accepted for these positions will be reimbursed for airtare, hotel, and per diem expenses. Send resumes to: MMS, Suite 345, 847A Second Avenue, New York, NY 10017 or fax 212-338-0360. This employment would occur in the event of a work stoppage and would be of a temporary nature to replace striking personnel. This is not an ad for permanent employment. An Equal Opportunity Employer.

Producer: WTVC is seeking a producer for our top-rated 5:30 PM newscast. Daily we take the first block of our 5:30 PM newscast and produce a detailed segment on a single story or issue. Need someone who can produce a strong first block with many elements each day for that single topic and, when appropriate, blend the topics into the rest of the newscast. Strong news judgement a must. Send cover letter and resume to Richard Simms, WTVC, P.O. Box 1150, Chattanooga, TN 37401, or via e-mail to RSimms@NewsChannel9.com. Equal Opportunity Employer.

ENG Personnel For A Major Broadcast Facility in NYC. ENG field operations with camera (and microwave) experience, video tape editors, and ENG maintenance, employment would commence fall/winter 1997. Out-of-town applicants accepted for these positions will be reimbursed for airtare, hotel and per diem expenses. Send resumes to: Media Management Services, Suite 345, 847A Second Avenue, New York, NY 10017 or fax to 212-338-0360. This employment would occur in the event of a work stoppage, and would be of a temporary nature to replace striking personnel. This is not an ad for permanent employment. An Equal Opportunity Employer.

Documentary Producer. KING 5 TV, a subsidiary of A.H. Belo and the number one station in the Pacific Northwest, is currently seeking a Documentary Producer. Will report, write and produce documentaries for news and public affairs and work closely with news anchors who will report and host most documentaries and specials. Must have a college degree with minimum 3 years documentary specials producing experience, excellent writing and production skills, solid news judgement, and ability to work closely with reporters, anchors, and managers, if qualified, send 2 copies of your resume to: KING 5 TV, Attn: HR Dept. #K97A47, 333 Dexter Ave. N., Seattle, WA 98109.

Broadcast Personnel Needed. ENG Field Operations with Camera and Microwave experience. Videotape Editors, Studio Operators, and Maintenance. For the Midwest. Would commence fall/winter 1997. Out-of-town applicants accepted for these positions will be reimbursed for airtare, hotel, and per diem expenses. Send resumes to: MMS, Suite 345, 847A Second Avenue, New York, NY 10017 or fax: 212-338-0360. This employment would occur in the event of a work stoppage and would be of a temporary nature to replace striking personnel. This is not an ad for permanent employment. An Equal Opportunity Employer.

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W*USA Channel 9
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EOE. No phone calls, please.



**HELP WANTED
FINANCIAL & ACCOUNTING**

KWBP-TV has an immediate opening for a Business Manager. Candidates must have a strong financial background, along with management experience in broadcasting or related field. Credentials should include a Bachelors degree in accounting. CPA preferred. Proficient in Computer Software is a must. Send resume to Steve Dant, VP/GM, KWBP-TV, 10255 SW Arctic Drive, Beaverton, OR 97005. KWBP is an Equal Opportunity Employer.

KSTU Fox 13 Television, a Fox O&O in Salt Lake City, has an opening for a Director of Finance. Full benefits package available. *Essential functions of the position include overseeing day-to-day accounting operations; performing month-end closing, weekly P&L, journal entries; participating in annual budget preparation; acting as liaison with home office personnel; assisting in identifying and improving station financial processes.* Essential qualifications include a bachelors degree in accounting/finance, business or related field or equivalent with 3-5 years experience as an accountant, preferably with a "Big Six" accounting firm or in the broadcasting field. If interested, please FAX resume with salary requirements to KSTU Personnel (801) 536-1315, 5020 W. Amelia Earhart Drive, Salt Lake City, UT 84116. KSTU is an Equal Opportunity Employer.

HELP WANTED CREATIVE SERVICES

Wanted: Experienced Art Director for a medium size market in the northeast. Must have two to three years working experience with Mac based Adobe PhotoShop, Illustrator, After Effects and Electric Image. Must be able to create 3D animations, graphics, opens and print in a busy television environment. Send resume and tape. WYOU-TV is an Equal Opportunity Employer. Please reply to Box 01282.

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HELP WANTED MISCELLANEOUS

WPSG/UPN57 Philadelphia. Flagship of the Paramount Stations Group. *Local Sales Manager:* Seeking motivated, aggressive and creative LSM to lead our sales team into our next growth stage. A proven track record and 3-5 years TV sales management required. Knowledge of inventory control, forecasting, Bias, Scarborough, TV Scan and CMR a must. Now is the time to have an impact on Philadelphia TV and Paramount. *Research Director:* Seeking a creative and motivated candidate to develop sales presentations and research. Must have experience with Scarborough, TV Scan, CMR. A true desire to equip our creative sales team with revenue generating sales tools a must. *Local Salesperson:* Seeking a competitive and creative salesperson who can turn our rating gains into immediate revenue. Proven track record with a "growth station" preferred. Knowledge of TV Scan and Scarborough a plus. Send resumes to Box 578, WPSG/UPN57, 420 North 20th Street, Philadelphia, PA 19130.



As one of the fastest growing, most progressive broadcast groups in the nation, **SINCLAIR COMMUNICATIONS, INC.** owns or provides programming services to 29 TV stations in 21 different markets and enjoys affiliations with ABC, CBS, FOX, WB and UPN. Our radio group operates in 8 separate markets and is also one of the largest in the country. As our phenomenal growth continues, we seek the one element which gives us the edge on the competition and the power to stay on top - the best people in the business. If you are a motivated team player with a successful track record, an opportunity may await you at Sinclair.

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- **Columbus - WTIE-TV-FOX Business Manager**
Immediate opening for a BM experienced in television broadcasting. Responsibilities include station budget, financial reports, payroll, AP/AR, supervision of two Business Ass'ts. Must be able to work under tight deadlines and stressful conditions. Send resume including daytime phone number BC#31.
- **Asheville - WLOS-TV - ABC/WFBC-TV - IND Reporters**
Previous on-air reporting exp. Live on-the-scene reporting. Familiarity with videotape editing. College degree. BC#32
- **Asheville - WLOS-TV-ABC/WFBC-TV - IND Photojournalist**
Immediate opening for a storyteller that can shoot, edit and gather information. Experience with ENG & ENG live trucks preferred but will train. NPPA style shooter that can work well with reporters or can shoot solo. One year experience recommended. Send tape and resume. BC#33
- **Wilkes-Barre/Scranton - WKAR-FM Account Executive**
Adding three new sales positions due to unprecedented sales growth. Prior sales experience necessary. Excellent salary, 401(K), paid vacation. BC#34
- **Wilkes-Barre/Scranton - WKAR-FM Production Manager**
Excellent at production. 3-5 years experience. Tape required. BC#35
- **St. Louis - KDNL-TV-ABC Research Director**
Computer experience in Nielsen, TV Scan, Scarborough, Qualtap. Market Manager and Office 57. Strong presentation skills a must. BC#36
- **St. Louis - KDNL-TV-ABC Audio Engineer/Utility Operator**
Proficient at operating audio consoles including IFB interface. Preparations of commercial for air. Equivalent experience is desired. BC#37
- **Sinclair Communications, Inc. Traffic Manager**
Western location. Experienced Traffic Manager needed AS-100 Columbine experience required. BC#38
- **San Antonio - KABB-TV - FOX 29 Reporter, Photographer, Producer & Videotape Editor**
Attention TV News professionals: KABB-TV will produce a 5:30 PM Newscast for its LMA, KRRT-TV, soon to be WB 35. Minimum 2 years experience required. No beginners. Send non-returnable VHS tape. BC#39
- **New Orleans - WWL 870-AM Local Sales Manager**
Exp. in selling the News-Talk Sports-Talk Radio format. Successful track record w/ major advertisers a must. Detail oriented, sales training, people skills and ability to motivate are part of what top billing station in New Orleans is looking for. Minimum 5 years in radio sales required. Send resume. BC#40
- **New Orleans - WWL 870-AM News Reporter/Anchor**
Enthusiastic, versatile news reporter/anchor w/ strong writing and communication skills. Ability to turn stories quickly. Minimum 2 years experience in radio news reporting and anchoring, personal vehicle, driver's license, good driving record. Must be team player w/ no fear or objection to working long hrs. and/or weekends. Please send resume, references, air check & letter of interest. BC#41

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HELP WANTED MISCELLANEOUS



Houston Operations Center

World's largest distributor of cable sports programming is currently updating its resume files. Resumes are being accepted for the following positions: Master Control Operators, Editors, Promotion Writer/Producers, Traffic Professionals, Operations/Maintenance engineers. Experienced only. Sports Knowledge a plus.

Resume to:

**Fox Sports Net
5251 Gulfton
Houston, Texas 77081.
Attn: Human Resources
Fax (713) 661-5601
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HELP WANTED PRODUCTION

Producer. A&E Television Networks is currently seeking a producer to support our production team in creating and editing programming for A&E and The History Channel. The individual will be responsible for researching, writing and producing program segments; rewriting, renarrating and post producing programs and producing special programs and projects as assigned. Qualified applicants must possess a minimum of 5 yrs. major national broadcast or cable TV production experience, including 2-3 yrs. writing/producing experience. Additional requirements include: strong writing & editing skills, prior experience working with talent, extensive experience with state-of-the-art audio & post production techniques & facilities, and knowledge of documentary program production. College degree preferred. Please forward resume with salary requirements to: A&E Television Networks, Attn: Human Resources/Prod, 235 East 45th St, New York, NY 10017.

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The University of Montana School of Journalism seeks two professionals for tenure-track faculty positions for its nationally recognized program in photojournalism and design and its developing curriculum in multimedia. Applicants must be well qualified in photography, publication design or multimedia, preferably in at least two of those areas. Significant full-time professional journalism experience is required. Teaching experience is preferred. Master's degree preferred. Courses in the program include news and documentary photojournalism, publications design and digital multimedia, among others. Send letter of application, resume and samples of work to Professor Shaown Barrett, Chair, Search Committee, School of Journalism, The University of Montana, Missoula, MT 59812. Review of applications will begin January 10, 1998. The University of Montana is an equal opportunity/affirmative action employer and encourages applications from women, minorities, Vietnam-era veterans and persons with disabilities.

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"For the Record" compiles applications filed with and actions taken by the FCC. Applications and actions are listed by state; the date the application was filed or the action was taken, when available, appears in *italics*.

Abbreviations: AOL—assignment of license; ant.—antenna; ch.—channel; CP—construction permit; D.I.P.—debtor in possession; ERP—effective radiated power; khz—kilohertz; km—kilometers; kw—kilowatts; m—meters; mhz—megahertz; mi—miles; T—transmitter location; TOC—transfer of control; w—watts. One meter equals 3.28 feet.

OWNERSHIP CHANGES

Granted

Vicksburg, Miss. (BTCH-961031GE)—Bishop Broadcasting Inc. for wbbv(FM): involuntary TOC from Bobby F. Bishop, deceased, to estate of Bobby F. Bishop, care of Billie J. Bishop, administrator. *Nov. 19*

Shamokin, Pa. (BALH-970915GG)—Northeast Broadcasting of Northumberland Inc. for wisl-FM: involuntary AOL from Northeast Broadcasting of Northumberland Inc. to Northeast Broadcasting of Northumberland Inc., debtor in possession. *Nov. 19*

Spokane, Wash. (BTCCT-970129IB)—KSKN Inc. for kskn(tv): involuntary TOC from Mel Querio to Roy Querio, executor of the estate of Mel Querio. *Dec. 2*

Filed

Dalton, Ga. (BTC-971114EA)—Pye-Wilson Broadcasting Inc. for wtti(AM): involuntary transfer of negative control from Robert R. Wilson, deceased, to L.F. Pye Sr. *Nov. 24*

Dalton, Ga. (BTC-971114EB)—Pye-Wilson Broadcasting Inc. for wtti(AM): involuntary

TOC from L.F. Pye Sr., deceased, to estate of L.F. Pye Sr. *Nov. 24*

NEW STATIONS

Filed

Antioch, Calif. (BPED-971114MD)—Stockton Christian Life College (Paul Price, chairman, 9019 West Lane, Stockton, Calif. 95210) for noncommercial FM at 89.7 mhz, 1 kw, ant. -8 m.; owns KCJH-FM Stockton, Calif.; is building a new FM in Livingston, Calif.; and has applied to build new FMs in Reno and Kalispell, Mont. *Nov. 24*

Baker, Calif. (BPH-971105MC)—Joseph G. Cavallo (319 E. 17th Street, Second Floor, Santa Ana, Calif. 92706) for FM at 94.9 mhz, 11.4 kw, ant. 147.3 m., 1.6 km W of intersection of Razor Road and Rte. 15. Section 10 in the Soda Mountains, SW of Baker. *Nov. 24*

Baker, Calif. (BPH-971107MS)—KHWY Inc. (Howard B. Anderson, president/50% owner, 12381 Wilshire Boulevard, Suite 105, Los Angeles, Calif. 90025) for FM at 94.9 mhz, 1 kw, ant. 399 m., Turquoise Peak, 23 km NE of Baker, owns KRXV(FM) Yermo, KHYZ(FM) Mountain Pass, KHWY(FM) Essex and KHYZ(FM) Ludlow, all Calif., and KCCN-AM-FM and KINE-FM Honolulu *Nov. 25*

Baker, Calif. (BPH-971107MP)—Point Broadcasting Co. (John Q. Hearne, president, 100 Wilshire Boulevard, Suite 1000, Santa Monica, Calif. 90401) for FM at 94.9 mhz, 25 kw, ant. 100 m., Nickel Mountain; owns 95% of KUTY(AM) Palmdale, KLXX(FM) Rosamond, KHJJ(AM)-KGMX-FM Lancaster, and 88.5% of KKZZ(AM) Santa Paula, KOCF-FM Camarillo, KTRO(AM) Port Hueneme, KCAQ-FM Oxnard,

KXSP(AM) Ventura and KKBE-FM Ojai, all Calif. *Nov. 25*

China Lake, Calif. (BPED-971114MG)—Family Stations Inc. (Harold Camping, president, 4135 Northgate Boulevard, Suite 1, Sacramento, Calif. 95834) for noncommercial FM at 91.7 mhz, 3 kw, ant. 391 m., El Paso Peak, 4 km W of Hwy. 395, 18.5 km S of center of China Lake; owns one TV, 32 FMs and seven AMs. *Dec. 1*

Lemoore, Calif. (BPED-971029MR)—Lemoore Union High School District (William T. Black, superintendent, 101 E. Bush Street, Lemoore, Calif. 93245) for noncommercial FM at 88.5 mhz, .1 kw, ant. 30.5 m., 101 E. Bust Street, Lemoore. *Nov. 25*

Lenwood, Calif. (BPH-971107ME)—Point Broadcasting Co. (John Q. Hearne, president/owner, 100 Wilshire Boulevard, Suite 1000, Santa Monica, Calif. 90401) for FM at 96.9 mhz, 2.3 kw, ant. 165 m., 33320 I Street, Barstow, Calif. *Nov. 24*

Port Reyes Station, Calif. (BPED-961107MT)—West Marin Community Radio Inc. (Richard Dillman, executive director, P.O. Box 1262, Port Reyes Station, Calif. 94956) for noncommercial FM at 90.5 mhz, .18 kw, ant. -87.5 m., 501 Mesa Road, adjacent to Red Barn building. *Nov. 25*

Colorado City, Colo. (BPED-971114MC)—Broadcasting for the Challenged Inc. (George S. Flinn Jr., president, 188 South Bellevue, Suite 222, Memphis, Tenn. 38104) for noncommercial FM at 89.9 mhz, 9 kw, ant. 44 m., 4.8 km SW of Cedarwood, Colo. *Nov. 24*

—Compiled by Sara Brown

Changing Hands

continued from page 88

RADIO: AM

WZOD(AM) (formerly WSTK) Richmond, Va.

Price: \$860,000

Buyer: Hibernia of Richmond LLC, Philadelphia (Mike Craven, Jim Thompson and Kevin Reymond, principals); owns WEZE(AM) Boston; is buying WHIM(AM) West Warwick/Providence, R.I.

Seller: Fletcher Communications Inc., Richmond (Dave Fletcher, president); no other broadcast interests

Facilities: 1290 khz, 5 kw

Format: Nostalgia, big band

Broker: Bergner & Co.

KVIN(AM) Turlock, Calif.

Price: \$350,000

Buyer: Threshold Communications, Modesto, Calif. (James Arata, 50% owner); owns KRVR(FM) Cop-

peropolis, Calif.

Seller: Silverado Broadcasting Co., Sacramento, Calif. (Marv Harris, principal); owns KWIN(FM) Lodi, KWNN(FM) Turlock and KSQR(AM) Sacramento, all Calif.

Facilities: 1390 khz, 5 kw

Format: Spanish

WJNC(AM) Jacksonville, N.C.

Price: \$300,000

Buyer: Jacksonville-Topsail Radio LLC, Emerald Isle, N.C. (Hoyle S. Broome Jr., principal); is buying wzsx-FM Topsail Beach, N.C.

Seller: WJNC Inc., Jacksonville (Glen Hargett, president); no other broadcast interests

Facilities: 1230 khz, 1 kw

Format: News, talk

Broker: Snowden Associates

WHEE(AM) Martinsville, Va.

Price: \$200,000 for stock

Buyer: William D. Wyatt Jr., Martinsville; no other broadcast interests

Seller: Nannette P. Wood and Debra

Doss, Martinsville; no other broadcast interests

Facilities: 1370 khz, 5 kw day, 500 w night

Format: Country, talk

KIMM(AM) Rapid City, S.D.

Price: \$150,000

Buyer: KIMM Radio Inc., Rapid City (Matthew Ward, president/owner); no other broadcast interests

Seller: Thomas E. Ingstad, Orono, Minn.; owns/is buying 10 FMs and five AMs

Facilities: 1150 khz, 5 kw day, 500 w night

Format: news, talk

36% of WIXE(AM) Monroe, N.C.

Price: \$50,000 for stock

Buyers: James E. Reddish and Archie W. Morgan, Monroe

Seller: Eleanor Gardner Randall, Marshville, N.C.

Facilities: 1190 khz, 1 kw


Format: C&W, gospel

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THIS WEEK

Dec. 8—Cleveland Achievement in Radio Awards recognizing excellence in Cleveland-area radio, presented by *The March of Dimes*. Wyndham Cleveland Hotel, Cleveland. Contact: Brendan Hurley, (914) 997-4588.

Dec. 8-9—"High Definition & Digital Television," conference presented by *IBC USA Conferences Inc.* Caesars Palace, Las Vegas. Contact: (702) 731-7110.

Dec. 9—"DBS '98: Executive Briefing," seminar sponsored by *DBS Digest*. Hyatt Regency/Alicante Hotel, Anaheim, Calif. Contact: (719) 545-1210.

Dec. 9—"New York Sports Critics," seminar presented by the *IRTS Foundation Sports Division*. Official All Star Cafe, New York City. Contact: Jon Kienker, (212) 867-6650.

Dec. 9-11—Broadcast, Cable & Satellite India '97/Communications India '97, exhibition and conference presented by *Creative Expos and Conferences*. Pragati Maidan, New Delhi, India. Contact: (508) 660-7099.

Dec. 9-12—The Western Show, presented by *California Cable Television Association*. Anaheim Convention Center, Anaheim, Calif. Contact: (510) 428-2225.

Dec. 11—*Federal Communications Bar Association* 11th annual FCC Chairman's Dinner. Grand Hyatt Hotel, Washington. Contact: Paula Friedman, (202) 736-8640.

Dec. 11—*Hollywood Radio and Television Society* Holiday Party Benefit. Beverly Hilton Hotel, Beverly Hills, Calif. Contact: Neith Stickells, (818) 789-1182.

Dec. 11—*New York Women in Film & Television* annual gala holiday luncheon and 1997 MUSE Award presentation. New York Hilton and Towers, New York City. Contact: (718) 263-6633.

Dec. 11-12—15th annual Telecommunications Policy and Regulation Conference, sponsored by the *Federal Communications Bar Association* and the *Practising Law Institute*. Grand Hyatt Hotel, Washington. Contact: Paula Friedman, (202) 736-8640.

Dec. 11-12—"Using Customer Opinions to Drive Corporate Profitability," conference presented by the *Strategic Research Institute*. Crowne Plaza New Orleans, New Orleans. Contact: Janet Wigfield, (800) 599-4950.

DECEMBER

Dec. 15—Deadline for entries for the fourth annual *Radio and Television News Directors Foundation/Radio in the American Sector Berlin Commission* competition for excellence in radio and television reporting on German/American issues. Contact: Pat Seaman, (301) 977-7210.

Dec. 16—Nashville Achievement in Radio Awards recognizing excellence in Nashville-area radio, presented by *The March of Dimes*. Music City Sheraton, Nashville. Contact: Brendan Hurley, (914) 997-4588.

Dec. 17—*International Radio & Television Society Foundation* Christmas benefit. Waldorf-Astoria, New York City. Contact: Marilyn Ellis, (212) 867-6650.

JANUARY 1998

Jan. 8-11—"International CES: The Source for Consumer Technologies," consumer electronics exposition presented by the *Consumer Electronics Manufacturing Association*. LVCC, Sands, Hilton and Alexis Park, Las Vegas. Contact: (703) 907-7674.

Jan. 9-11—"Civic Journalism: Advances in Reporting," workshop sponsored by the *Radio and TV News Directors Foundation* and the *Pew Center for Civic Journalism*. Terrace Garden Hotel, Atlanta. Contact: Sarah Pollack, (202) 331-3200.

Jan. 11—*The Caucus for Producers, Writers & Directors* 15th annual awards dinner. Regent Beverly Wilshire Hotel, Beverly Hills, Calif. Contact: David Levy, (818) 843-7572.

Jan. 15—*International Radio & Television Society Foundation* newsmaker luncheon. Waldorf-Astoria, New York City. Contact: Marilyn Ellis, (212) 867-6650.

Jan. 15-17—"Cable Sales Management School 1998," conference presented by the *Cabletelevision Advertising Bureau*. Grenelefe Conference Center, Orlando, Fla. Contact: Nancy Lagos, (212) 508-1229.

Jan. 16—40th *New York Festivals* International TV Programming & Promotion Awards and International Non-Broadcast Awards gala. Marriott Marquis, New York City. Contact: (914) 238-4481.

Jan. 18-21—*National Retail Federation Convention*. Jacob K. Javits Convention Center, New York City. Contact: (800) 673-4692.

Jan. 19-22—*National Association of Television Programming Executives* 34th annual program conference and exhibition. Ernest Morial Convention Center, New Orleans. Contact: (310) 453-4440.

Jan. 19-22—25th annual *Association of Local Television Stations* convention. Ernest Morial Convention Center, New Orleans. Contact: Angela Giroux, (202) 887-1970.

Jan. 23—40th *New York Festivals* International TV & Cinema Advertising Awards gala. Marriott Marquis, New York City. Contact: (914) 238-4481.

Jan. 26—*Nebraska Broadcasters Association* state legislative reception. Cornhusker Hotel, Lincoln, Neb. Contact: Dick Palmquist, (402) 333-3034.

Jan. 26-29—*Electromagnetic Energy Association* Short Course on Management of Electromagnetic Energy Issues: Relevant Strategies. The Fairmount Hotel, San Antonio, Tex. Contact: (202) 452-1070.

Jan. 28-30—"Building the Digital Platform," 10th annual *Society of Cable Telecommunications Engineers* Conference on Emerging Technologies. San Antonio Convention Center, San Antonio, Tex. Contact: (610) 363-6888.

Jan. 29—New York Achievement in Radio Awards recognizing excellence in New York-area radio, presented by *The March of Dimes*. The Super Club, New York City. Contact: Brendan Hurley, (914) 997-4588.

Jan. 29-31—*Eckstein, Summers & Company* annual conference on new business development for the television industry. Don CeSar Beach Resort, St. Pete Beach, Fla. Contact: Roland Eckstein, (732) 530-1996.

Jan. 30—Tampa Achievement in Radio Awards recognizing excellence in Tampa-area radio, presented by *The March of Dimes*. Ramada Inn Airport, Tampa, Fla. Contact: Betsy Herman, (813) 287-2600.

Jan. 31-Feb. 3—55th annual *National Religious Broadcasters* convention and exposition. Sheraton Washington, Washington. Contact: (703) 330-7000.

FEBRUARY 1998

Feb. 2-4—"Profiting from Research Today," 11th annual *CTAM* research conference. San Antonio Marriott Rivercenter, San Antonio, Tex. Contact: (703) 549-4200.

Feb. 3-4—"The Five Burning Questions," DBS conference presented by *The Carmel Group*. Sheraton Gateway Hotel, Los Angeles. Contact: Françoise McAvinchev, (408) 626-6222.

Feb. 3-4—*Arizona Cable Telecommunications Association* annual meeting. Airport Hilton Hotel, Phoenix. Contact: (602) 955-4122.

Feb. 5-7—32nd annual *Society of Motion Picture and Television Engineers* Advanced Motion Imaging Conference. Sheraton Centre Hotel, Toronto. Contact: John Izzo, (914) 761-1100.

Feb. 5-8—18th annual *Radio Advertising Bureau* Marketing Leadership Conference. Wyndham Anatole Hotel, Dallas. Contact: Dana Honor, (800) 722-7355.

Feb. 8-10—*North American National Broadcasters Association* annual general meeting. DIRECTV

Bldg., Los Angeles. Contact: (416) 205-8533.

Feb. 18-20—"Winning at Credit," 33rd annual *Broadcast Cable Credit Association* seminar. Tropicana, Las Vegas. Contact: Mary Teister, (847) 296-0200.

Feb. 18-22—*International Radio & Television Society Foundation* 1998 Faculty/Industry Seminar. Marriott East Side, New York City. Contact: Marilyn Ellis, (212) 867-6650.

Feb. 20—*International Radio & Television Society Foundation* newsmaker luncheon. Waldorf-Astoria, New York City. Contact: Marilyn Ellis, (212) 867-6650.

Feb. 24-25—Great Lakes Broadcasting Conference and Expo, presented by the *Michigan Association of Broadcasters*. Lansing Center, Lansing, Mich. Contact: (800) 968-7622.

Feb. 25-27—Texas Show '98, conference and exhibition presented by the *Texas Cable & Telecommunications Association*. San Antonio Convention Center, San Antonio. Contact: (512) 474-2082.

Feb. 25-28—29th Country Radio Seminar, presented by the *Country Radio Broadcasters*. Nashville Convention Center, Nashville. Contact: (615) 327-4487.

Feb. 28-March 3—*Small Cable Business Association* annual National Cable Conference. Washington Court Hotel, Washington. Contact: (510) 462-2473.

MARCH 1998

March 5—*Cabletelevision Advertising Bureau*. Cable Advertising Conference. Marriott Marquis Hotel, New York. Contact: Nancy Lagos, (212) 508-1229.

March 5—*International Radio & Television Society Foundation* newsmaker luncheon. Waldorf-Astoria, New York City. Contact: Marilyn Ellis, (212) 867-6650.

March 6-8—57th annual *Intercollegiate Broadcasting System* conference. Hotel Pennsylvania, New York City. Contact: Fritz Kass, (914) 565-0003.

March 9-13—Second *World Summit on Television for Children*. Queen Elizabeth II Centre, London. Contact: +44 (0)181 576 4444.

March 10-12—*NIMA International* Spring conference. Hyatt Regency Capitol Hill, Washington. Contact: (202) 289-6462.

March 12—14th annual *National Association of Black Owned Broadcasters* Communications Awards Dinner. Sheraton Washington Hotel, Washington. Contact: (212) 897-3501.

March 25—*International Radio & Television Society Foundation* Gold Medal Award dinner. Waldorf-Astoria, New York City. Contact: Marilyn Ellis, (212) 867-6650.

APRIL 1998

April 3-6—*Broadcast Education Association* 43rd annual convention and exhibition. Las Vegas Convention Center, Las Vegas. Contact: (202) 429-5354.

April 6-7—*Television Bureau of Advertising* annual marketing conference. Las Vegas Hilton, Las Vegas. Contact: (212) 486-1111.

April 6-9—*National Association of Broadcasters* annual convention. Las Vegas Convention Center, Las Vegas. Contact: (202) 429-5300.

MAY 1998

May 3-6—Cable '98, 47th annual *National Cable Television Association* convention and exposition. Georgia World Congress Center, Atlanta. Contact: Bobbie Boyd, (202) 775-3669.

May 17-20—38th annual *Broadcast Cable Financial Management Association* conference. Hyatt Regency Hotel, New Orleans. Contact: Mary Teister, (847) 296-0200.

Major Meeting dates in red

—Compiled by Kenneth Ray
(ken.ray@b&c.cahners.com)

The other side of the Hill

If he weren't a lobbyist for ABC/Capital Cities, Bill Pitts might be parliamentarian of the House of Representatives right now.

His former boss, retired Rep. Bob Michel (R-Ill.), who served as House majority leader from 1981 to 1995, called him "the most skilled legislative practitioner in the House in the latter half of this century." House Speaker Newt Gingrich also backed Pitts for the job of parliamentarian.

But Pitts became ABC's point man in Washington instead, running endgame strategies on Capitol Hill. His years of experience on the Hill so far have resulted in such victories for broadcasters as the Balanced Budget Act of 1997, the final version of which includes no spectrum auctions, fees or taxes.

"His word is good," says Bob Okun, who also is a network lobbyist—for rival NBC—and a former Hill colleague who worked for Pitts as a floor assistant to Michel.

At ABC, Pitts advocates deregulatory policy to Republicans and Democrats alike. "You end up picking winners and losers whenever you regulate," he says.

The former Georgetown University biology major is a scientist and inventor by nature, ready to fight complex legislative battles over spectrum auctions and compulsory copyright licenses.

Pitts's office displays gadgets and widgets, old radios and electrostatic generators from 1860; Pitts can explain how everything works. He also shows another prized possession: a leather-bound, gold-embossed copy of the rules of the House of Representatives.

The thick volume on his desk is new, but Pitts first received such a book when his House co-workers told him that if he wanted to learn the rules of the House, he should contact Parliamentarian Lewis Deschler. Specifically, he should ask for a leather-bound copy of the rule book, complete with index tabs marking the different sections.

Pitts immediately went to Deschler, not realizing that the Parliamentarian saved his advice for members and rarely spoke to staff. And Deschler certainly didn't issue leather-bound books to staffers. Those special versions were issued only by occasional House resolution.

But Pitts's eagerness to learn the rules swayed Deschler, who presented Pitts with a leather-bound copy about two weeks later. It was hidden in a brown paper bag.

"Open this when you get home," Desch-



"You end up picking winners and losers whenever you regulate."

William Rescorla Pitts Jr.

Vice president, Capital Cities/ABC Inc., Washington; b. Aug. 15, 1947, Washington; BA, Georgetown University, 1969; assistant manager, House Republican Cloakroom, Washington, 1970-75; floor assistant to Rep. Robert H. Michel, House Republican whip, 1975-80; floor assistant to Michel, House Republican leader, 1981-95; senior staff and parliamentarian at four Republican National Conventions, 1980-92; current position since Jan. 3, 1995; m. Mary Dunleavy (deceased); child: Amber, 22.

ler's assistant said, "and keep it there."

When Pitts talks about his 25 years on the Hill, he somewhat wistfully recalls meeting heads of state. Or he remembers shepherding legislation through the House by using arcane parliamentary tricks.

Pitts is the son of a Capitol Hill veteran; his father worked there for 41 years. In 1970 his father got him a job making \$10,000 a year as assistant manager of the House Republican cloakroom, "which is kind of a nerve center for the House," Pitts says. Soon he was advising members on what was happening on the floor, how to vote and when they could leave for their office, a hearing or their district. He also was spending his nights learning the House rules. "I was taking the precedents home and going through those dusty tomes at night. "I really loved it."

Medical school, once a goal, became an afterthought. Pitts worked in the cloakroom for five years, becoming manager and distinguishing himself as someone who could quickly come up with rules that the Republicans could use to their advantage.

In one such instance, the Democrats were trying to avoid a vote by not convening the rules committee. The chairman of the committee was staying out of sight.

Pitts went to then-House Majority Leader John Rhodes (R-Ariz.) with a rule: If the chairman of the rules committee is infirm, the House can direct the committee to meet. The chairman was old and wasn't showing his face, "but he wasn't infirm," Pitts says.

Pitts gave the resolution to Republican conference chairman (and later presidential candidate) John Anderson (R-Ill.). "John offered it, and the Democrats scurried around and went and got the rules chairman and literally pushed him on to the floor. The chairman of the floor said, 'Oh, he's obviously not infirm. There he is.'"

Soon, the House leadership asked Pitts to be Michel's assistant. Michel was running for the Republican whip spot of Les Arends. Pitts talked to his father, Arends's chief of staff, before accepting the job. His father suggested that Michel create a spot for Pitts on the floor, which Michel did. "I became not only the strategic thinker in the long term—mapping it out in leadership meetings—but sort of the tactician also."

When Michel retired, Pitts decided to collect his retirement and leave the Hill. He had many corporate suitors, but he ended up with ABC because the network "made me an offer I couldn't refuse." —*Page Albiniak*

Fates & Fortunes

BROADCAST TV

William Stough, president/GM, WGME-TV Portland, Me., is retiring at the end of the year. **William Anderson**, president/GM, WTWC-TV Tallahassee, Fla., will succeed him.

Pat Halty, general sales manager, WMDT-TV Salisbury, Md., joins WDCA-TV Washington as local sales manager.



Steiner

Andrew Steiner, VP, entertainment division, General Media, joins MSH Entertainment Corp., North Hollywood, Calif., as executive VP.

Virginia Tait, executive secretary, Planned Parenthood of San Antonio, joins KRRT-TV San Antonio/Kerrville, Tex., as public affairs/administrative director and coordinator, Kids Club.

Jeff Cole, senior producer/reporter, *Inside Edition*, King World, Los Angeles, named Los Angeles bureau chief, *Inside Edition* and *American Journal*.

Appointments at Gocom Communications' stations: **Matt James**, VP/GM, KTVE-TV El Dorado, Ariz., joins KCPM-TV Chico/Redding, Calif., in same capacity; **Johnny Lewis**, general sales manager, KTVE, named VP/GM; **Michael Caplan**, national sales manager, KTVE, named general sales manager.

Appointments at CFMT-TV Toronto: **Kelly Colasanti**, director, technical operations and engineering, named VP, operations; **Jim Nelles**, general sales manager, named VP, marketing.

Meg LaVigne, program and promotion director, WSBK-TV Boston, joins WGNT-TV Portsmouth, Va., as VP/GM.

Bonnie Barclay, creative services director, WSOC-TV Charlotte, N.C., joins WSB-TV Atlanta as director, programming and creative services.

Jeff McIntyre, VP, marketing, affiliate relations, CBS Television Network, joins WTAJ-TV Altoona, Pa., as GM.

John Turver, sales executive, KOVR-TV Sacramento/Stockton, Calif., joins KSAZ-TV Phoenix as local sales manager.

Monica Bueb, senior designer, WATL-TV Atlanta, joins WAGA-TV there as design director.

Brian Monihan, local sales manager, WPHL-TV Philadelphia, named general sales manager.

Joey Ford, director, *Caryl & Marilyn: Real Friends*, joins *The Maury Povich Show*, New York, in same capacity.

Appointments at KXTX-TV Dallas: **Bill Murphy**, president, LIN Sports, Dallas, joins as president/GM; **Nancy Dervin** named VP/station manager.

Victoria Gedrys Regan, VP/GM, WDTN-TV Dayton, Ohio, joins WPBF-TV West Palm Beach/Tequesta, Fla., in same capacity.

Jami Anderson, business manager, WSYM-TV Lansing, Mich., named controller.

Larry Amburgey, controller, WSYM-TV Lansing, Mich., joins KTNV-TV Las Vegas in same capacity.

Appointments at WGNT-TV Portsmouth, Va.: **Rick Stanley**, national sales manager, KTXA-TV Arlington, Tex., joins as local sales manager; **Rich Davis**, director, advertising and promotion, WBFS-TV Miami, joins as director, programming and promotion.

Arnold Routson, local sales manager, WDSU-TV New Orleans, joins WRoc-TV Rochester, N.Y., as general sales manager.

Kyrsten Bellen, account executive, WSTM-TV Syracuse, N.Y., joins WSYT-TV/WNYS-TV Syracuse as national sales manager.

PROGRAMMING

Turner Private Networks (TPNI), the company's out-of-home, place-based television networks division, has shifted some of its key personnel. Appointments: **Deborah Cooper**, VP/GM, CNN Airport Network, named senior VP, TPNI, Atlanta; **Barbara Dean**, director, operations, CNN Airport Network, named VP, network technology and operations, TPNI, Atlanta; **Jesse Paynter**, VP, sales and marketing, TPNI, will oversee all sales and marketing efforts for out-of-home networks. Paynter is based in New York. **Jack Womack**, executive VP, CNN Headline News, assumes additional responsibility of overseeing editorial content of

CNN Airport Network programming.

Brent Stephenson, director, engineering and operations, WMC-AM-FM-TV Memphis, named corporate director, engineering, Bahakel Communications, Charlotte, N.C.



Hickman

Hudson Hickman, consultant, post-production operations, MGM Worldwide Television Group, Santa Monica, Calif., named VP of the company's new in-house post-production department.

John Buckholtz, VP, sales, MTM Television Distribution, joins Warner Bros. Domestic Television Distribution, Burbank, Calif., as manager, Northeastern sales.

JOURNALISM

Appointments at WWTW-TV Traverse City/Cadillac, Mich.: **Carol Scimone**, anchor/reporter, KYMA-TV Yuma, Ariz.; **Nancy Lee**, anchor/reporter, WABG-TV Greenwood, Miss.; **Chris**

Appointments at KYW-TV Philadelphia



Gluck



Halford



Russell-Greene

Pat Gluck, executive editor, news, named news director; **Bruce Halford**, news director, KDFW-TV Dallas, joins as assistant news director; **Tracey Russell-Greene**,

assignment manager, named managing editor; **Dawn Stensland**, news anchor, WKYC-TV Cleveland, joins as anchor/reporter.

Williams, writer, WJRT-TV Flint, Mich., and **Brad Drazen**, reporter, TV 35 Los Angeles, join as reporters; **Reed Cohen**, reporter, WPBN-TV Traverse City, Mich., joins as morning anchor; **Sean Mahon** joins as chief photojournalist; **Blair McGowen** and **Andy Tathem** join as photojournalists; **Holly Para**, **Tenee Pone** and **Caroline McRae** join as producers; **Jim Gee**, producer, WMBD-TV Peoria, Ill., joins as assistant news director.

Appointments at WPGH-TV Pittsburgh: **Jay Harris**, anchor, American Urban Radio Networks, joins as reporter; **Katie Sesny**, anchor/reporter, WJAC-TV Johnstown, Pa., joins as reporter; **Peggy Drzal** joins as weekend assignment editor; **Stephanie Kwisnek**, morning producer, WJW-TV Cleveland, joins as weekend producer.

RADIO

Appointments at Albany Broadcasting Co. Inc.: **Mike Morgan**, operations manager, WFLY(FM) Troy and WYJB(FM) Albany, both New York, assumes responsibility for WPTR(FM) Voorheesville, N.Y.; **Rob Dawes**, production director, moves to WFLY as program director and creative imaging director, ABCI; **Rita Cox** named corporate promotions director; **Al Skop**, afternoon personality, WPTR, named host, morning show, and assistant program director; **Jaime Roberts**, overnight personality, WFLY, named midday host and music director, WPTR; **Dave Szpila** named afternoon drive personality, WPTR; **Victoria Weidman**, promotions director, WFLY, joins WPTR in same capacity; **Kristyn Ganim** named news director, WFLY and WPTR.

Vince Campagna, anchor, news producer and movie reviewer, KFVB(AM) Los Angeles, retired in November after 29 years with the station.

Teri Gidwitz, director, marketing and promotion, wxrt(fm) Chicago, joins JAMtv, Chicago, in same capacity.

CABLE

Douglas Woodrum, executive VP/CFO, Heritage Media Corp., Dallas, joins CNET Inc., San Francisco, as CFO.

Stacy Lifton, director, business affairs, Fox Kids Worldwide, Beverly Hills, Calif., named VP, business and legal affairs.

Peter Leimbach, manager, local and syndication sales research, ESPN, New

Catharine Frances Heinz, 1920-1997

Catharine Frances Heinz, historian, journalist, librarian and founding director of the Broadcast Pioneers Library, Washington, died Nov. 25 in Lake Forest, Calif. In the late 1940s, after working at several libraries, Heinz became assistant director of the hospital library bureau of the United Hospital Fund in New York. It was there that she developed her affinity for broadcasting while working with radio stations on book drives and promotions. In 1959 she played a role in the formation of the Television Information Office, where she worked for the next 12 years.

In 1971 Heinz became a consultant to the Broadcast Pioneers Educational Fund. During the next 24 years, she established and directed a library and reference center on the history of broadcasting. By 1994 the library housed some 10,000 books, 2,000 radio scripts, 22,000 photographs, 50,000 clippings, 900 oral history tapes and transcripts and 400 sound recordings. When the library was faced with financial adversity in the late '80s, Heinz took a large pay cut in order to keep the library accessible to patrons.

Heinz, who retired in 1995, was an active member of several organizations and a recipient of numerous awards. Survivors include two brothers and two sisters. Memorial donations may be made to the Broadcast Pioneers Library of American Broadcasting, c/o Mitt Younts, Media Services General, 6802 Patterson Ave., Richmond, Va. 23226.

—Denise Smith

York, named director, sales development research.

Appointments at The Golf Channel, Orlando, Fla.: **Robert Flynn**, senior director, advertising and public affairs, National Cable Television Association, Washington, joins as managing direc-



Flynn



Sweeney

tor, marketing and communications; **Debra Coudert Sweeney**, director, public relations, named senior director.

Appointments at Turner Broadcasting System International, New York: **Kevin Cohen**, director, business development, named VP; **Laura Fortner**, manager, international business development, Nickelodeon, joins as director, business development.

Appointments at Time Warner Cable Adcast: **Lucy Ungaro**, general sales manager, WWMG(FM) Shelby and WEND(FM) Salisbury, both North Carolina, joins as local sales manager; **Drew Niven**, local sales manager, Greensboro, N.C., office, joins Wilmington, N.C., office as general sales manager.

Jonathan Sichel, director, business and

legal affairs, E! Entertainment Television, Los Angeles, named VP.

Heather Wright, national account manager, Disney Channel, New York, joins Insight Communications, New York, as director, strategic marketing.

Bert Gould, independent senior marketing consultant, Classic Sports Network and Rainbow Programming, joins Comedy Central, New York, as senior VP, marketing and new business development.

Appointments at Cablevision Systems Corp.: Woodbury, N.Y.: **David Elen**, special counsel, legislation implementation, policy division, FCC's Common Carrier Bureau, joins as senior counsel, telephony, online and other digital services; **Nancy Larkin**, VP, community relations, MediaOne, joins as VP, community affairs.

Sullivan to head AWRT chapter

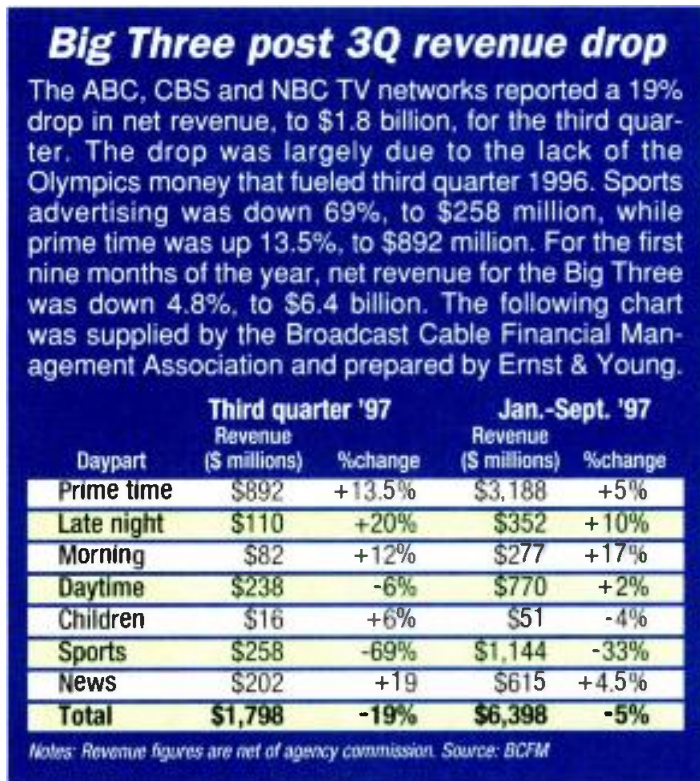
Patricia Sullivan, president and founder of Fresh Produce Entertainment Inc., Culver City, Calif., has been elected president of the Southern California Chapter of American Women in Radio and Television for 1998.



—Compiled by Denise Smith
e-mail: d.smith@b&c.cahners.com

Senate Commerce Committee Chairman **John McCain (R-Ariz.)** **officially asked the General Accounting Office Friday to launch an investigation into the activities of the General Services Administration and the FCC regarding the commission's move to the Portals** office development. McCain wants GAO Comptroller General James Hinchman to report to him "whether the public interest would be better served by the FCC's moving to the Portals or by remaining in its current facilities." The FCC told congressional investigators Nov. 26 that FCC officials spoke with Portals investor Franklin Haney or Washington lobbyist Peter Knight at least 11 times between 1994 and 1997. In probing the commission's planned move to the Portals, the House Commerce Committee is focusing on a \$1 million payment made to Knight, a former Clinton/Gore campaign manager. Committee investigators last month asked the FCC for records of contact between Haney or Knight and FCC officials. Former FCC Chairman Reed Hundt's personal schedule showed 11 such meetings, the commission responded. Late Friday, the committee asked about those meetings in a letter to Knight. The committee asked Knight to list all meetings with FCC, GSA and executive branch officials concerning the Portals and to describe how the \$1 million fee was structured.

Robert Urich says he wants to pull the plug on plugs. Urich, who will be hosting his own syndicated talk show from Buena Vista Television, has been making the talk show



rounds in Hollywood for 25 years. In the '70s he pitched *Vega\$*, in the '80s *Spenser for Hire* and in the '90s *Vital Signs*. "You are expected to come on and, in three and a half minutes, be charming, engaging ... pitch your book, movie or TV series and get off," he says. "I'm going to have a rule where you can't talk about your book, your movie or TV show [although he will billboard those projects with a graphic when the guest is introduced]." Buena Vista executives and Urich have yet to nail down a launch date. "It is a very complicated marketplace out there," says Buena Vista TV President Mort Marcus. "Some station groups have a need for fall of 1998 and some have midseason needs, and [the launch date] will really depend on what station or station groups we end up selling to." Marcus says that over the next few weeks Buena Vista will start showing stations the pilot, featuring guests Billy

Crystal and Fran Drescher. The hour daily show most likely will be brought to NATPE with no set launch date.

Moody's Investors Service upgraded a major chunk of EchoStar debt, rating EchoStar Satellite Broadcasting Corp.'s \$580 million in face value of 13.125% senior secured notes at B3, up from Caa1. Moody's also assigned the "Caa" rating to \$200 million in EchoStar Communications Corp. 12.125% redeemable exchangeable preferred stock and the \$115 million of 6.75% series C cumulative convertible preferred stock. Moody's also confirmed the B2 rating on Dish's \$624 million in face value of 12.875% senior secured notes and the Caa1 rating on EchoStar DBS Corp's (DBS) \$375 million of 12.5% senior secured notes.

MediaOne last week became one of the first cable companies to

openly take on emerging cable competitor DBS. The company launched a public relations campaign to tell consumers about its multimedia broadband network as well as the costs of satellite television. "With the holiday buying season under way, the satellite TV industry is targeting consumers with extensive come-ons," says Steve Bouchard, MediaOne VP of video marketing. The campaign will advise consumers to "read the fine print" when purchasing satellite systems and services, looking for "equipment costs, programming setup charges, costs to wire multiple TV sets and the loss of local broadcast signals."

Mandated free political airtime is not feasible, NBC President Bob Wright told the Gore commission last week. Testifying before the VP's public interest advisory group, Wright said that changed public interest obligations could be justified only if broadcasters use their digital spectrum to provide multiplexed programming. But he also said the multicasting business is filled with uncertainties and might not prove viable. "The universe of public interest obligations should not be bounded by free time for political candidates or more children's programming," Wright said. His testimony followed a morning of testimony in which free-airtime proponent Paul Taylor suggested that broadcasters pay either money or minutes into a fund for political airtime. Mark Lloyd, executive director of the Civil Rights Telecommunications Forum, called for reinstatement of FCC "ascertainment rules," which required stations to

record with the commission issues of interest to their communities.

Public broadcasters should not run sponsorships that promote products, said PBS President Ervin Duggan during a Washington luncheon last week: "It blurs the line between us and the commercial players." The FCC's Mass Media Bureau recently fined PBS affiliate WTTW(TV) Chicago \$5,000 for running sponsorships (from companies including Amoco, Prudential, Sun America and Zenith) that looked too much like commercial ads. WTTW ran such spots 181 times between January 1996 and March 1997, even though the bureau warned the station against the practice in October 1995.

PanAmSat is scheduled to launch a new satellite today (Dec. 8) from Cape Canaveral, Fla., for Galaxy Latin America, the company that provides DIRECTV to Latin America and the Caribbean. The all-digital Ku-band Galaxy VIII-i will be co-located in space with Galaxy III-R, the first satellite used for DIRECTV's Latin American DTH service, to allow the migration of GLA channels to the new Hughes-built bird in early 1998. Galaxy VIII-i will provide 32 transponders for broadcasting over 200 digital TV channels to 60-centimeter subscriber dishes. GLA is a partnership of DIRECTV Latin America Inc., Venezuela's Organización Cisneros, Mexico's Multivision and Brazil's Televisao Abril.

A diverse group of video providers held an informal session last week on how to advance their programming access agendas before Congress. All the attendees agreed that Congress needs to change the law, but there were several ideas on how it should be changed. "An essential component to competition for all of us at the meeting is congressional action to close the loopholes in the program access rules," said Andrew Kreig, president of the Wireless Cable Association. "There are those who would say that the FCC doesn't have the authority to solve all the problems." The program access rules require cable companies that own both systems and networks to make programming available to all distributors at equitable prices. EchoStar, DIRECTV, Ameritech New Media, BellSouth, the National Rural Telecommunications Cooperative and the Small Cable Business Association were among those attending the meeting.

HSNi-owned **Silver King Broadcasting has named Matti Leshem editor in chief of its WYHS-TV Miami/Hollywood, Fla.** The station is preparing to switch next spring from home shopping to a format featuring locally produced news, information and entertainment shows (collectively known as CityVision). Leshem, a former actor and educational film director, most recently owned Cobalt Moon, an Internet entertainment pro-

ducer. Among his credits is *Second City Headline News* on the Microsoft Network. Leshem will be responsible for the development, production, scheduling and marketing of all programs produced by the station. He will report to Doug Binzak, executive vice president of Silver King. Silver King also says that the station has signed Pulitzer Prize-winning *Miami Herald* reporter Edna Buchanan to do a weekly show about Miami crime. The station has also signed local comedian Monique Marvez to do a late-night variety/talk strip.

Former Reed Hundt aide **Julius Genachowski** is going to work for Barry Diller as general counsel for USA Network's broadcast division, sources say. Genachowski, who served as chief counsel to Hundt, left the FCC late last month and will assume his new position this week. Genachowski, who also will have the title of senior VP, will be based in New York.

The Milwaukee Digital Tower Complex has received final approval from the Milwaukee board of zoning appeals. It will begin construction this summer of a 1,221-foot digital communications tower that should be operational by late 1998. OmniAmerica, Inc., will design, finance, build and operate the tower and a companion technical center. OmniAmerica partnered with Milwaukee Area Technical College and Milwaukee Public Television to get zoning approval for the \$7 million project, which will provide transmission for up to 12 digital TV stations, 14 FMs and various wireless services.

Correction: In the Dec. 1 special advertising section on Cable Advertising, the caption for the photo of Larry Zipin on page S9 misidentified him. He is vice president, advertising sales, for Time Warner Cable.



Drawn for BROADCASTING & CABLE by Jack Schmidt
"When he said I'd learn about the cable business from the bottom up I thought he meant..."

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The price of success

Among the concerns of the cable industry going into this week's Western Show is that its newest round of rate increases (see story, page 6) may provoke Congress and the FCC to crack down. If past is prologue, those in the industry have reason for concern. They also have reason to defend the pricing and value of their service, as politically incorrect as that has become.

Thirty years ago, a young Bill Gates, for example, would have had to pay \$5 a month for cable service in Seattle. For that sum, subscribers got seven off-air channels, two access channels and an on-screen AP newswire channel (literally a camera trained on an AP wire machine). Today, the closest comparable service in Seattle—a stripped-down basic package of 12 off-air and three public access channels—is \$11.17. Over that same span, movie ticket prices have tripled, car prices have at least quadrupled and the cost of a first-class stamp has increased sixfold. Even extended basic—23 channels, including AMC, MTV, USA, FX, CNN, Family, Nickelodeon, Disney, A&E and more—is only \$23.30 a month, about the price of a tank of regular gas for the family car (which in 1967 would have cost, oh, about \$5).

Of course, if you add another 40 or 50 channels—including pay services—the price for today's cable goes up, as it does when you get more of anything (you'd think today's salad bar culture would understand that economic equation). In 1967 the sum total of Northwest Cablevision's acquired or produced programming was the eminently forgettable *Mack and Myer for Hire*. Northwest purchased rights to the series from Trans-Lux for \$25 per episode. Today the price of cable gets you some of the best made-fors in the business and more sports, news, series and movies than any 10 potatoes could watch if they never left the couch.

Are there instances of unreasonable pricing? Sure, just as there are for any commodity in demand. Are cable rates uniformly usurious? Far from it. We suggest that Washington lay

off cable rates and work on removing regulatory impediments to competition—a marketplace force that can do far more to regulate cable prices than anything bureaucrats can cook up.

The 'screw' tapes and letters

Just-released memos and recordings from inside the Nixon White House paint an ugly portrait of government pressure—make that extortion—on programming. It is a feeling with which today's broadcasters can sympathize, although lately the fist is often in a velvet glove. Nixon's was a bare-knuckle threat: Give us more and better coverage or we'll bring an antitrust lawsuit down on your heads. Or, as the President put it when deciding whether to bring the suit or simply hold the card: "As far as screwing them is concerned, I would be very glad to do it. But if the threat of screwing them is going to help us more with their programming than doing it, then keep the threat."

The memos from Charles Colson to H.R. Haldeman show kowtowing networks ready to play along to get along, but neither of those correspondents rates particularly high on the veracity meter. And even if some executives did sound conciliatory in confrontations with powerful government agents, it would be naive to conclude that such words necessarily equated with deeds. One correspondent with no credibility problem is Bob Pierpoint, who covered the White House for CBS during the Nixon years. In a letter to the *Washington Post*, which first published the latest example of Nixon excesses last week, Pierpoint wrote, "I was never, not one single time, pressured by Frank Stanton, president of CBS Inc., or any other CBS executive to change anything about my coverage of the Nixon presidency."

What is easier to conclude is that government pressure on program content has a long and checkered past and remains a clear and present danger.

Washington 1705 DeSales Street, N.W. Washington, DC 20036
Phone: 202-659-2340 Editorial Fax: 202-429-0651

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213-549-4100; Fax 213-937-4240
Lynette Rice, bureau chief
Joe Schlosser, staff writer

Denver 28310 Pine Dr., Evergreen, CO 80439;
303-670-4124; Fax 303-670-1082
Price Colman, bureau chief

Broadcasting & Cable

Peggy Conlon, vice president/group publisher
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International Group
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Television Asia □ Television Europe
Randi T. Schatz, associate publisher
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Lisa M. Murphy, international advertising coordinator

London, Broadcasting & Cable (Editorial)
Paramount House, 162-170 Wardour St. W1V3AT,
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