

With summer films "Twister," "Eraser" and "Time to Kill" (each of which each broke the \$100 million sales mark), the company's film entertainment group tallied cash flow of \$146 million, up 13.2% from \$129 million in 1995.

Separately, Time Warner said that third-quarter cash flow for its wholly owned publishing, music and cable operations jumped to \$364 million

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from \$188 million a year ago, while the groups' combined revenue climbed to \$2.16 billion from \$1.98 billion.

Time Warner cable-operation cash flow rose to \$512 million, up 31.2% from \$390 million last year. The com-

pany's music group earned cash flow of \$143 million, up 151% from cash flow of \$57 million, including an \$85 million charge, a year ago. Time Warner publishing, which

includes *Time* magazine, saw its cash flow rise 15%, to \$99 million from \$86 million.

Time Warner's WB Network posted a loss of \$27 million, compared with a \$7 million loss last year. ■

WGN-TV/NBA headed back to court in 6-year-old case

Superstation will not be allowed to broadcast Bulls games during this round of litigation

By Jim McConville

Superstation WGN-TV Chicago will wind up back in court in its six-year battle with the NBA to air Chicago Bulls games nationally.

Last month an appeals court ruled that a federal judge had overstepped his bounds last year when he ruled in favor of WGN-TV. The three-judge appellate court ruling, handed down Sept. 10, temporarily bans Tribune-owned WGN-TV from airing Bulls games nationally. The decision by the Seventh Circuit U.S. Court of Appeals in Chicago vacates, but does not reverse, a 1995 federal court decision.

The case now returns to federal district court in Chicago, which four times has rejected the NBA's efforts to limit WGN-TV's Bulls telecasts. Earlier court decisions in 1991, 1993, 1994 and 1995 have held that NBA policies limiting or banning telecasts by superstations violate federal antitrust law.

WGN-TV, which has been allowed to continue its national satellite broadcasts during previous litigation, won't be able to do so this time.

"Our inability to deliver Bulls telecasts nationally is due to the punitive and unlawful television policies of the NBA," says Peter S. Walker, vice president/general manager of WGN-TV. "We intend to return to federal court

to win a reaffirmation of our rights to televise the Bulls."

The NBA, which in the past has argued that WGN-TV's broadcasts hurt the ratings of network-televized games, declined to comment on the suit.

Walker says the appeal probably will not be settled before the end of the 1996-97 regular season, which runs from Nov. 1 to next April. WGN-TV is slated to add five games (35 total) to its Bulls 1996-97 regular-season broadcast coverage. In the interim, WGN-TV viewers outside the Chicago area will see movies and first-run action/adventure programming, WGN-TV officials say.

WGN-TV, which has televised Bulls games since 1989, began its battle with the NBA in 1990, when team owners voted to reduce the number of games that could be telecast by a superstation. The station filed suit, challenging the move under federal antitrust law.

In 1991 the court ruled that the NBA owners' action was unlawful. The U.S. Court of Appeals in Chicago upheld the decision, and the U.S. Supreme



TELEVISION

Court declined to review the case.

In 1993 the NBA tried to adopt rules that would ban superstation telecasts. In 1995, however, WGN-TV and the Bulls owners won a federal court ruling halting the NBA's action as an antitrust violation.

A little more than a year ago, WGN-TV won a legal battle with the NBA over national broadcast rights fees for Bulls games. Federal Judge Herbert L. Will in September 1995 ruled that WGN-TV and the Bulls owners need pay only \$40,000, rather than the \$100,000 the NBA had sought, for each Bulls game broadcast outside Chicago. Will based his calculation on the consideration that the NBA receives more than \$2 million a year in copyright payments for Bulls games on WGN-TV. ■