

Warner details hybrid WB Network

Cable complement to broadcast stations is crucial, says Kellner

By Joe Flint

Cable will play a pivotal role in Warner Bros.' efforts to launch the fifth network.

"It's absolutely critical," says Jamie Kellner, chief executive and part-owner of the studio's newly christened WB Network, that the cable element of the network—which will need to reach at least 10% of the country—succeed if WB is to have a fighting chance. Kellner and company officials outlined plans for the new network in Los Angeles last week.

To make it work, Warner Bros. is turning to top affiliates of the established broadcast networks and is asking them to negotiate for a cable channel (on a low channel position) with which the WB Network can affiliate in markets where there is no independent station. The network affiliate would then pay Warner Bros. about 10 cents to 15 cents per subscriber for WB Network programming. The affiliate could sell all the ad time for the WB programming.

Of course, the cable operator would no doubt also want a cut, meaning that the station and cable operator may end up sharing the ad inventory.

In time periods where there are no WB Network shows, the local broadcaster would be responsible for programming. That would likely include local programming and library product from Warner Bros. and other studios.

Broadcasters who become WB cable affiliates would be responsible for promotion costs as well as headend and other technical costs.

Team seen as easier route

Why not go directly to cable? Kellner figures that by teaming with a local station, the WB Network will have an easier go of promoting itself. The stations would have an incentive to see the network succeed that the operator would not have. "Local broadcasters bring programming and promotion expertise," says Kellner.

Group owners of network affiliates already contacted by Warner Bros. include Allbritton Communications,



Gathered for the official christening of the new WB Network (l-r): Ed Trimble, VP, television station division, Gaylord Broadcasting; Barry Meyer, executive VP, Warner Bros.; James Dowdle, president and CEO, Tribune Broadcasting; Jamie Kellner, chief executive, WB Network; Robert Daly, chairman and CEO, Warner Bros., and Dennis FitzSimons, president, Tribune Television.

Retlaw Broadcasting and Granite Broadcasting.

Stuart Beck, president of Granite, says that if WB Network "delivers first-rate programming" that viewers can't get over the air, the operator would have the incentive to make a deal with a broadcaster to carry the network.

But some cable operators aren't convinced. "I'm a little skeptical that too many stations that have managed to secure a channel for some vaguely defined service will be able to put on programs of any impact," says a cable executive at one of the biggest cable operators.

The idea of carrying a channel that may be only partially programmed also causes concern for cable operators.

Says the executive: "I don't want to prejudge, but by and large I'm not sure there are a lot of channels available." But, he adds, "there may be some isolated situations where this could fly."

'Great opportunity'

Kellner counters that broadcasters will jump at this chance to participate. "This is really their chance to become multichannel broadcasters. It's a great opportunity," says Kellner.

That opportunity will start next summer when Warner Bros. rolls out the first night of its network. The cable element, though, would not kick in until year two. During the first year, competing network affiliates would be asked to clear the four hours of WB Network shows in time periods that won't pre-empt the existing network's programming.

But affiliate relations executives at rival networks question what dayparts affiliates have to themselves.

"If they don't pre-empt our programming, there are not too many viable time periods left for WB programming," says ABC affiliate relations chief George Newt, who adds he does not think that any affiliates would pre-empt ABC programming for WB programming.

Another rival network executive says that he "can't imagine an affiliate of any network thinking it would be a good idea to confuse their identity by mixing it with another network."

WB Network plans to be at full speed by 1998 with programming in virtually every daypart (see chart). Part of that programming, though, may consist of Warner Bros.' buying or providing affiliates with off-network shows to air in the 5 p.m.-6 p.m. time