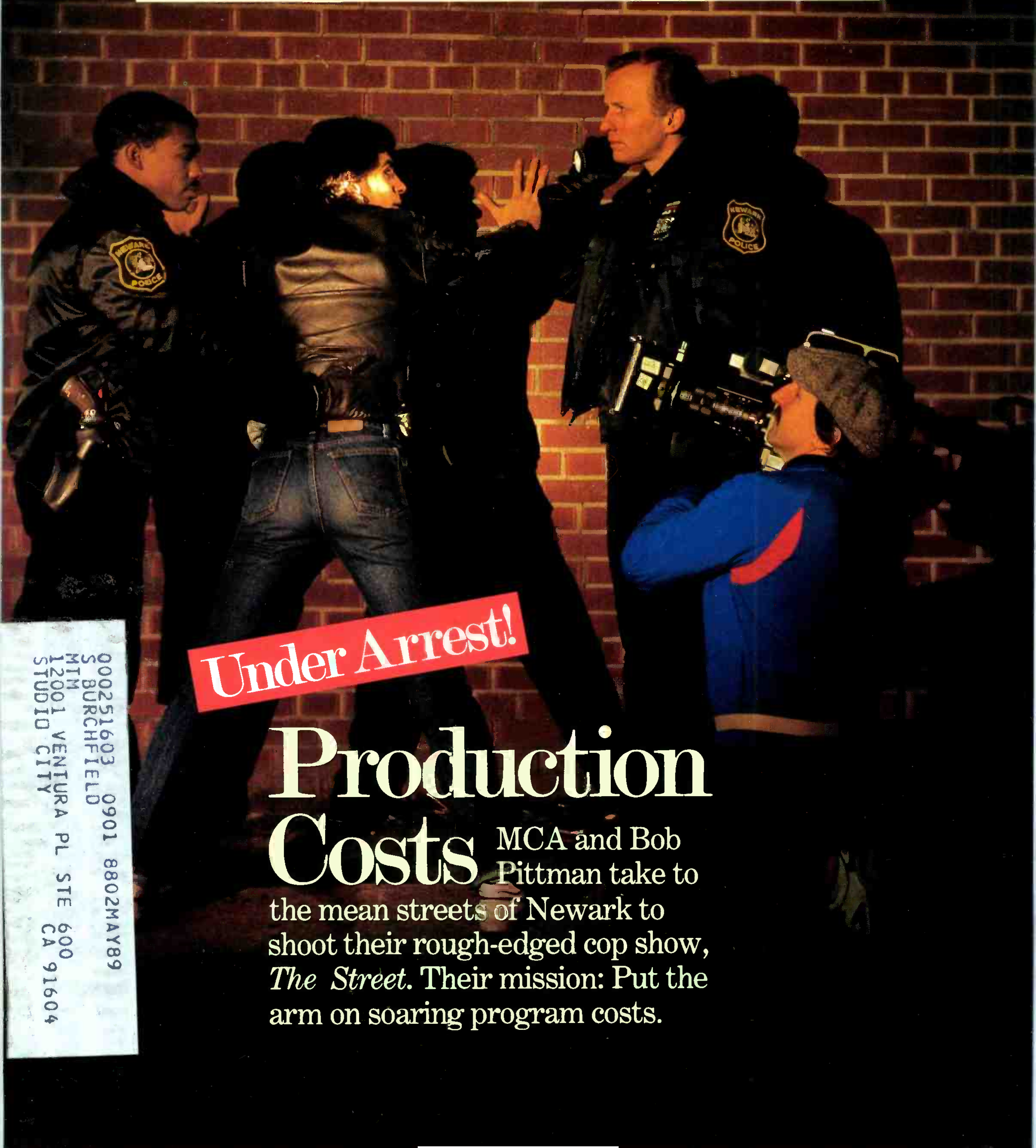
NATPE PREVIEW

Inside: The Programmers' Handbook

CHANNELS

FEBRUARY | THE BUSINESS OF COMMUNICATIONS | 1988



Under Arrest!

Production Costs

MCA and Bob Pittman take to the mean streets of Newark to shoot their rough-edged cop show, *The Street*. Their mission: Put the arm on soaring program costs.


TO FIND OUT MORE ABOUT
THAT OUTDELIVERS
WASHINGTON, DC
+28%
68
E.T.
53
WHEEL OF FORTUNE
WJLA
WUSA
WOMEN 18 – 34
+20%
124
E.T.
103
WHEEL OF FORTUNE
WJLA
WUSA
WOMEN 18 – 49
ATLANTA
+10%
46
E.T.
42
WHEEL OF FORTUNE
WSB
WXIA
WOMEN 18 – 34
+11%
88
E.T.
79
WHEEL OF FORTUNE
WSB
WXIA
WOMEN 18 – 49
SEATTLE
+27%
33
E.T.
26
WHEEL OF FORTUNE
KING
KOMO
WOMEN 18 – 34
+13%
52
E.T.
46
WHEEL OF FORTUNE
KING
KOMO
WOMEN 18 – 49
MIAMI
+14%
33
E.T.
29
JEOPARDY
WSVN
WPLG
WOMEN 18 – 34
+32%
75
E.T.
57
JEOPARDY
WSVN
WPLG
WOMEN 18 – 49
INDIANAPOLIS
+14%
24
E.T.
21
WHEEL OF FORTUNE
WRTV
WTHR
WOMEN 18 – 34
+ 5%
42
E.T.
40
WHEEL OF FORTUNE
WRTV
WTHR
WOMEN 18 – 49
DAYTON
+21%
17
E.T.
14
JEOPARDY
WHIO
WKEF
WOMEN 18 – 34
+22%
33
E.T.
27
JEOPARDY
WHIO
WKEF
WOMEN 18 – 49
Source: NSI, November 1987, station totals (000).
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THE SYNDICATED PROGRAM WHEEL AND JEOPARDY. . .

TIME PERIOD RANK

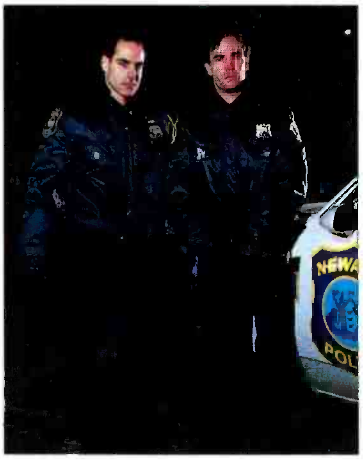
		WOMEN 18 – 49	WOMEN 25 – 54	COMPETITION
San Francisco/KRON	7:30PM	#1	#1	EVENING MAGAZINE, MASH, NEW NEWLYWED GAME
Dallas/WFAA	10:30PM	#1	#1	TONIGHT SHOW, MASH, ALL IN THE FAMILY, LATE SHOW-FOX
Washington, D.C./WJLA	7:30PM	#1	#1	WHEEL OF FORTUNE, MASH, CHECKERBOARD, JEFFERSONS
Miami/WSVN	7:30PM	#1	#1	JEOPARDY, MASH, CHEERS, HIGH ROLLERS, TAXI
Phoenix/KTSP	10:30PM	#1	#1	TONIGHT SHOW, ABC NIGHTLINE, LATE SHOW-FOX, BARNEY MILLER
Indianapolis/WRTV	7:00PM	#1	#1	WHEEL OF FORTUNE, CBS NEWS, FACTS OF LIFE
Hartford/WFSB	11:30PM	#1	#1	TONIGHT SHOW, ABC NIGHTLINE, LATE SHOW-FOX
Nashville/WTVF	10:30PM	#1	#1	TONIGHT SHOW, MASH, FAMILY TIES, LATE SHOW-FOX
Harrisburg/WGAL	5:30PM	#1	#1	PEOPLE'S COURT, MASH, MAGNUM, HAPPY DAYS
Dayton/WHIO	7:30PM	#1	#1	JEOPARDY, BENSON, WORLD OF DISNEY
Oklahoma City/KTVY	11:30PM	#1	#1	ABC NIGHTLINE, CBS LATE NIGHT, ODD COUPLE
Mobile/WKRG	5:00PM	#1	#1	DIVORCE COURT, MASH, SILVER SPOONS
Honolulu/KGMB	10:30PM	#1	#1	ABC NIGHTLINE, MASH, LATE SHOW-FOX

Source: NSI, November 1987.

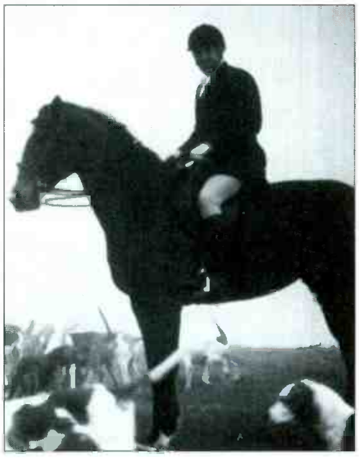
1-213-468-5000.

ENTERTAINMENT® TONIGHT

CHANNELS
THE BUSINESS OF COMMUNICATIONS
VOL. 8, NO. 2 FEBRUARY 1988



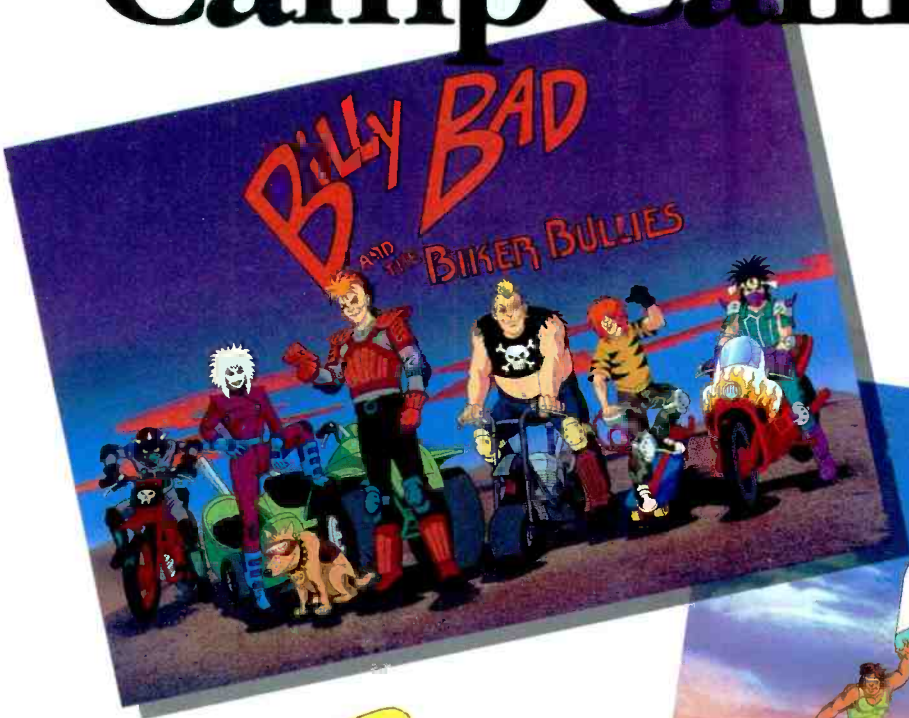
Policing production costs........................48

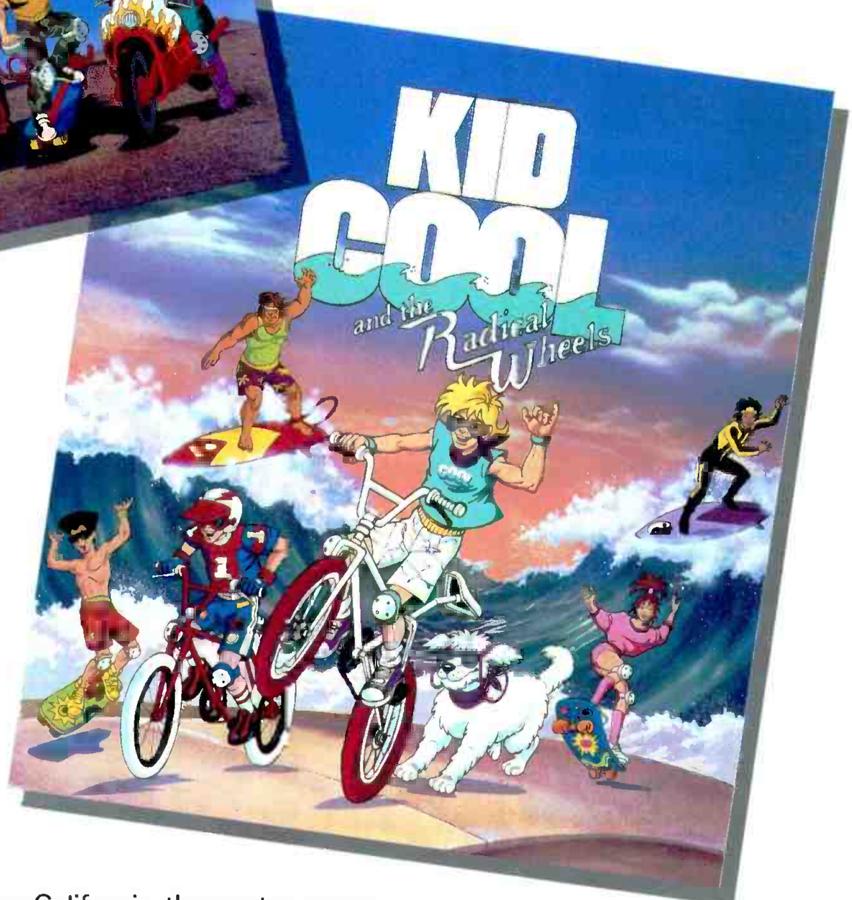


Are media brokers going to the dogs?.....................76

Cover photograph: Eddie Adams

Take A Look At Camp California.





Camp California™

Welcome to Camp California, the next success from DIC and Access Syndication. With its contemporary, character driven stories up to date music tracks and fashion, Camp California has the look and feel to which today's young audiences can relate. Access is offering stations a unique, one year commitment of 40 episodes in the first season with a renewal option of 25 new episodes, all on an advertiser supported basis. The action in Camp California takes place in Surf City, home of the coolest k ds ever to heat up the waves, Kid Cool and the Radical Wheels. They "don't roll over for nobody," including their arch-rivals Billy Bad and the Biker Bullies. In fact, there's only one thing that can get them working together and that's teaming up to defeat your competition. With Beverly Hills Teens and Camp California, your station will have the hippest one-two punch under the sun. Take a look at Camp California. Your young audiences certainly will.

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access SYNDICATION

PUBLISHER'S NOTE

A Winter Report

As an intensely busy season in the television business opens, there's no better time to take a moment to review and preview activities at *Channels*. It's been a time of excitement and renewal here and it is with great anticipation that we face a set of new challenges.

Last year at *Channels*, great strides were taken in refining our product and developing increased awareness of the magazine's role in the industry. Advertising sales efforts reflect that success. For the year, our advertising pages soared by 64 percent, the result of enhanced sales efforts, new marketing programs, progress on implementing our circulation strategy and continuing editorial growth.

We've added significant muscle to our sales team with the opening of a California sales office headed by western advertising manager Nelda Chambers. In addition, Andy Kapit and Barry Nitzberg, eastern advertising managers, joined the sales team in New York. It is the work of these three talented sales professionals that accounts for much of our 1987 success.

We believe that our relationships with advertisers go beyond simply the pages of the magazine, and that among the services and systems we can provide are marketing programs that give people in the industry multiple opportunities to speak to their constituent audiences. To that end, *Channels* unveiled several new marketing programs last year, such as our *Channels* Advertiser Marketing Program (CHAMP), which gives contract advertisers value-added marketing opportunities. Frontline, another new effort, focuses on providing convention-season assistance to programmers and others.

And, newest of all, *Channels* has begun three network sales programs with other publications in our company, ACT III Publishing. THE DECISIONS NETWORK enables advertisers to reach not only *Channels* readers, but also the media and advertising communities through *Marketing & Media Decisions*. Second, we've introduced THE TECH-NET, a program in conjunction with ACT III's Broadband Communications publications, *Broadcast Management/ Engineering*, *World Broadcast News* and *Educational and Industrial Television*. And we're launching, with our acquisition of the Broadcast Information Bureau, THE CHANNELS NETWORK, supplementing *Channels'* coverage of the syndication marketplace with BIB's monthly programming magazine, *TV Facts Figures & Film*. All in all, we think these programs give us a host of unique opportunities.

Editorially, we're continuing to add new departments, such as last month's introduction of Technology Management, a department designed to explore hardware and engineering issues. We've also added a regular department on Advertising and another, Data Base, a unique compilation of information useful to people in all sectors of our industry.

All the while, we'll continue to learn as much about our readers' needs as possible by our regular attendance at dozens of industry functions and conventions, but also through more formal survey research we conduct with Frank N. Magid Associates, one of the leading television and media research companies. Our latest surveys tell us that increasing numbers of readers are finding the magazine more vital than ever. We appreciate your loyalty and support, and we look forward to another year of accomplishment and growth.

CHANNELS
THE BUSINESS OF COMMUNICATIONS

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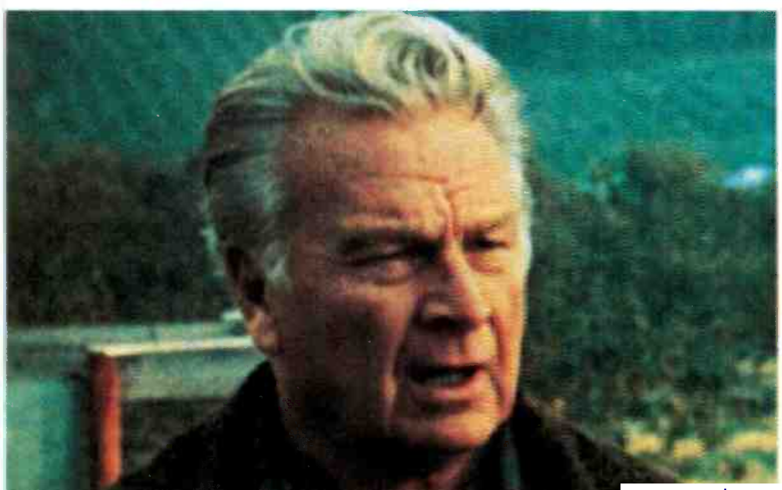

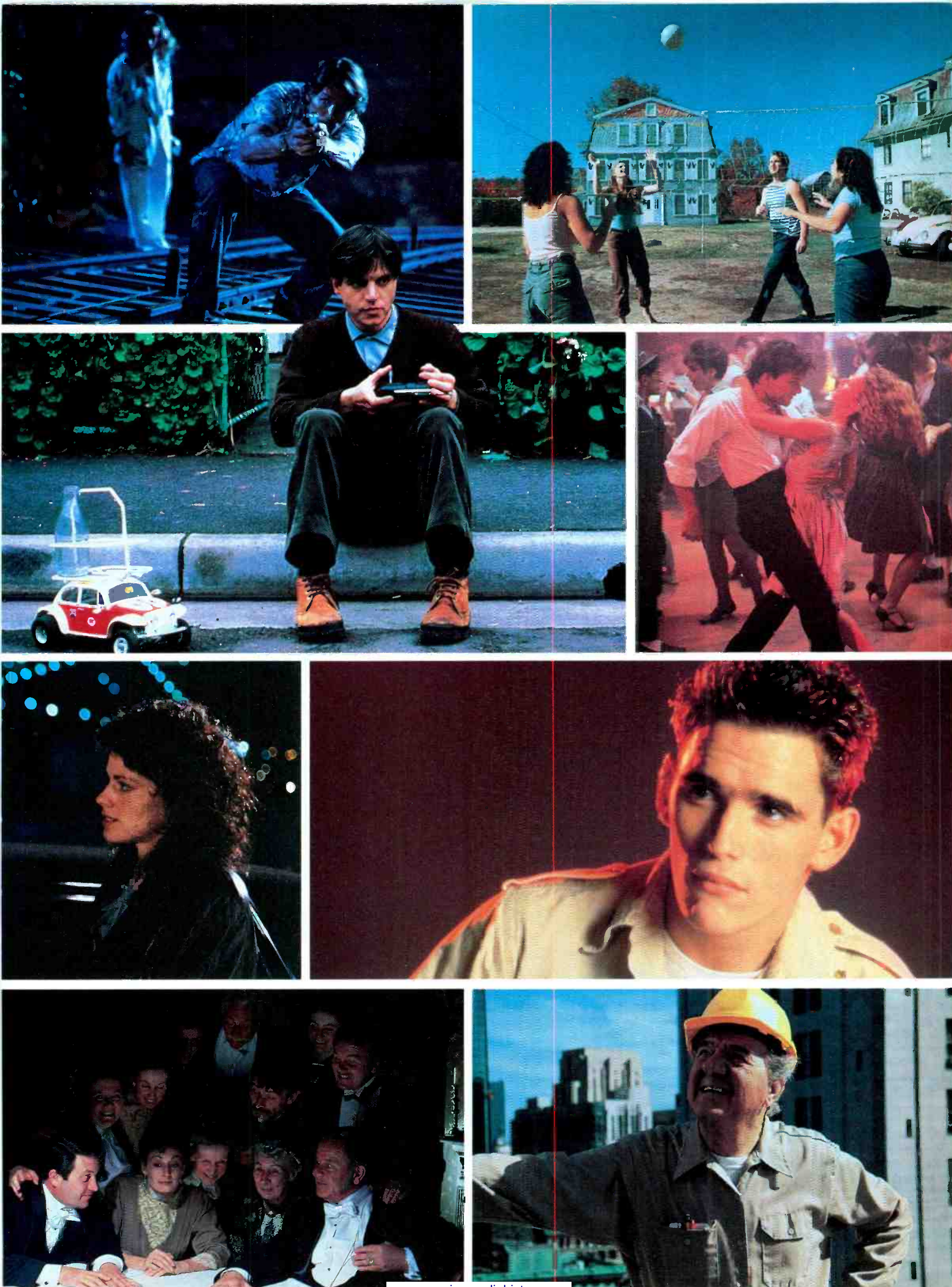

One big reason why the NWA has a...

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43% female comp!

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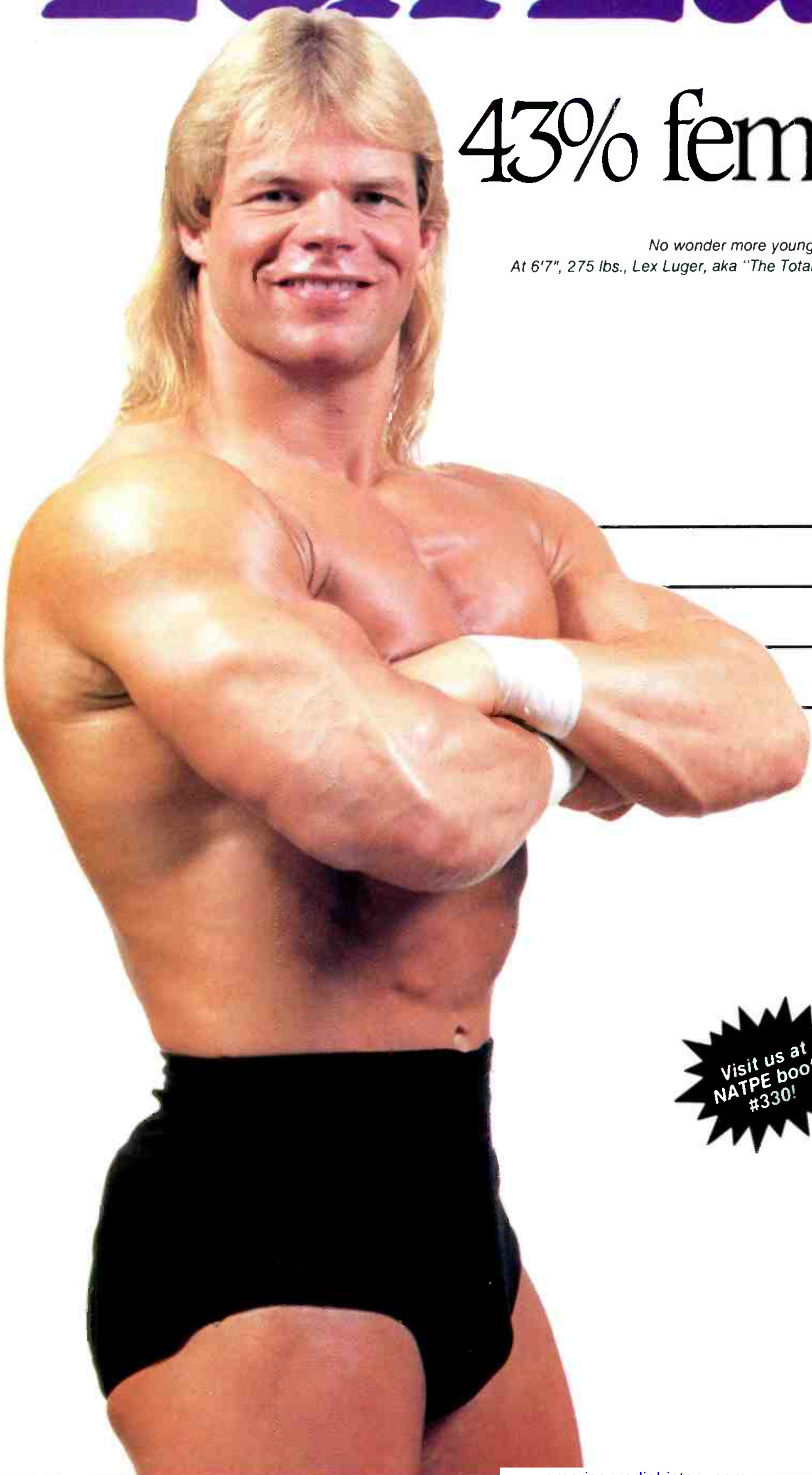
At 6'7", 275 lbs., Lex Luger, aka "The Total Package" — is the future of professional wrestling!



Of the top ten syndicated shows NWA Wrestling enjoys...

#1 teen comp!
#2 12-34 comp!
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The National Wrestling Alliance has the best balanced audience in wrestling:
69% of our 18+ audience is 18-49...
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REPORTS

Covering the Elections: Will Fewer Images Mean More Issues?

Network news switches to a zone defense for campaign '88.

With newly restricted budgets and an awareness that candidates manipulated coverage of the 1984 elections, network news teams are changing their campaign reporting.

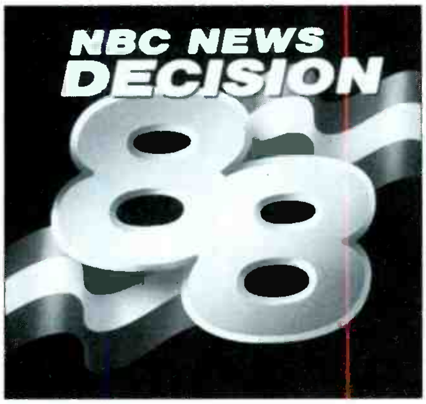
"There's no question that there's a lot of pressure here to do things differently and rethink the way we cover politics," says Richard Cohen, CBS executive producer for the '88 elections. "The traditional way to cover campaigns has always been to put full contingents on every candidate, but that's enormously impractical, expensive and inefficient. All those people didn't get on the air all that much. And there was a tremendous amount of waste."

This year the networks will get more material from their affiliates, use junior reporting staff, whom they'll train and monitor, and use lighter and less equipment, enabling them to cut back on support staff.

The expense and complexity of covering such a wide field of '88 presidential candidates on a man-to-man basis has forced network news divisions to adopt a "zone" system of coverage. Instead of assigning reporters to follow candidates wherever they go, news producers will assign reporters to key areas. Using New Hampshire and Iowa as a litmus, they'll try to predict which candidate will make news. When one makes significant inroads, they'll switch tactics to cover him more intensively.

Will the zone technique leave gaps in campaign coverage? "There will be less awareness of change in each particular camp," acknowledges Joseph Angotti, executive producer of NBC's election coverage. "But even in the golden days of TV, when we didn't have to worry about how we spent our money, we could never have afforded to assign crews to 13 candidates."

CBS's Cohen concurs: "There are calculated risks. There will be times when we won't get something a candidate said that we otherwise would have. But you've got to take intelligent risks and live with the consequences."



NBC News' 1988 election-coverage logo.

Reaction to the new approach among political observers varies widely. "The idea of going from man-to-man to zone coverage is probably necessary for the cost of running TV news organizations, but is not good for the system in the long run," says Robert Squier, a Washington political consultant. "A reporter who is always traveling with a candidate and listening to what he is saying is better able to report on whether he is speaking out of the same side of his mouth in all parts of the country"

Political columnist Jack Anderson, however, finds merit in the new system. "I've never really favored one camera crew or one reporter covering one candidate. There's too much danger of becoming a propagandist for him rather than an observer of him."

Network news producers say they're going to concentrate more on the issues and less on the personalities. "The people who put politics on our broadcasts," says Cohen, "are making an effort to be more analytical."

That won't be a cut-and-dried task. Last fall, the International Platform Association asked all candidates to fill out a questionnaire to identify exactly where they stand on the issues. However, notes Jack Anderson, president of the association: "We've gotten a lot of resistance to filling out the questionnaires from the same people who say they want issues—and not personalities—to be debated. They don't want to be pinned down. They like to appear to both sides of an issue to be friendly."

Journalists developed a new wariness of the political image-makers of 1984, especially after post-election analysis, such as David Broder's *Behind the Front Page: A Candid Look at How the News is Made* and Martin Schram's *The Great American Video Game: Presidential Politics in the Television Age*, showed how the media had been manipulated. As Angotti points out, "Everything they do the minute candidates walk out the door in the morning—their every move—is designed to have a positive affect on people who are taking their pictures. That's hard to control."

CHERYL GERBER

Scene from the good old days: 'A lot of pressure at CBS to rethink the way we cover politics.'

Proven pe
for tough

Your prime access franchise.

A Current Affair

Your weekend wonder.

Small Wonder

Your Monday to Friday worker.

9 to 5

Visit us at

ABC Series Getting In Touch With Audiences' Feelings

thirtysomething's approach has viewers emoting. But can it replace the couch?

Syndicators apparently missed the point when they launched a spate of reality-based therapy shows recently, most of which met with an immediate demise. It seems that Americans are looking to the ABC dramatic series, *thirtysomething*, not only for entertainment but for insight into interpersonal and psychological problems.

Dozens of therapists, high school teachers and college professors have written the show's producer, MGM/UA Television Productions, requesting tapes or informing executives that they're using the show to reinforce their own work.

Not about baby-sitters.

A handful of therapists have even written laudatory letters to MGM/UA, joking that patients have quit therapy so they could be home to watch the show.

"One of the couples in our group mentioned the show," says Judy Schulman Miller, a clinical social worker from Van Nuys, Calif., who also teaches a Ph.D. seminar on couples therapy. "It captures the essence of many communications problems."

In her sessions, Miller uses one of the most-requested *thirtysomething* episodes, in which an argument is replayed from four points of view. "It demonstrates one of the rules of communication," she says. "You can't be a mind-reader; you can't assume what's going on in your spouse's head."

The *thirtysomething* cast: allowing filmmakers to express a personal vision on television.

thirtysomething's executive producers, Marshall Herskovitz and Edward Zwick, have also used dream sequences, trick shots and fantasies to act out characters' psyches. "We try to see that each show is a little movie," says Herskovitz. "It's not a cookie-cutter show."

"I think people really thought, when they saw the pilot, that this was actually a show about having trouble finding a baby-sitter," says Herskovitz. "That's not what this show is about. The baby-sitter was the device upon which other things hung, the exploration of a relationship between a couple and the changes that take place when they have a baby. I think that's a pretty universal experience."

George Lindrum thinks it's a universal experience, too. He teaches a class at Belmont High School in California called "Marriage and Family," and he uses *thirtysomething* and other shows to demonstrate life after high school. "Many youngsters haven't looked that far ahead," he says. "*thirtysomething* is like a real family, like real people."

Such sentiments have earned the show a consistent 25 share in its Tuesday post-*Moonlighting* slot, and are the result, says Herskovitz, of an attitudinal change at the networks. "It's a fairly new phenomenon that filmmakers are allowed to express a personal vision on TV," he says. "And we are seeing more of it. *The Days and Nights of Molly Dodd* is an example of it and so is *Moonlighting*. It allows the work to have more integrity in the sense of being one vision and not a hodgepodge of fifteen different peoples's ideas of what it should be."

Those visions are striking emotional chords with viewers. One reported that an episode in which a leading character works out her relationship with her mother set the viewer on a crying jag that lasted all night. The next morning, she picked up the phone and patched up her own troubled relationship with her mother. "People look at the show and say 'Hey! I'm feeling that, too,' " says Miller, "and that's a nice feeling to have."

KEVIN PEARCE

"The ratings are already suggesting that Syndicast has a

HIT!

...a fresh, funny half hour that could easily develop into this year's cult classic."

RICHARD HACK
HOLLYWOOD REPORTER

RATINGS UP IN MARKET AFTER MARKET!

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Chicago UP 21%!
Dallas UP 37%!
New York UP 19%!
San Francisco UP 8%!
Seattle UP 338%!
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SYNDICAST SERVICES, INC.

*NIELSEN NSI OCT 1987 VS SAME TIME PERIOD IN OCT 1986
**NIELSEN NSS POCKETPIECE REPORT, SEASON-TO-DATE FOR EACH PROGRAM THROUGH OCT 18, 1987

Vanna Grows Up

by Erin Kelly

FEBRUARY 4-MARCH 2: The **Nielsen sweeps**. As the networks go head to head, the cable webs are divided on how to deal with the sweeps period. **David Kenin**, senior programming v.p. at **USA Network**, sees the lines blurring between the Big Three and cable networks. "Cognizant" of the sweeps, Kenin says USA prefers to compete in the winter periods rather than the September tests, but sees USA's competitiveness growing as it "competes vigorously in the sweeps period, each year increasingly." In February, USA plans three new episodes of the revamped ***Airwolf*** in an ***Airwolf* Adventure Weekend**, a basic-cable premiere of ***Reds***, over two nights, and the first of its new ***Alfred Hitchcock Presents***. **TBS** has held back a **National Geographic** special for the period and has scheduled the color premiere of film classic ***The Roaring Twenties*** for February 25. **A&E** plans a number of special shows but insists that the programming is in celebration of its fourth anniversary and not a recognition of the sweeps. **HBO**, **Cinemax** and **Showtime** plan typical months, "taking pity on the audience," as Showtime v.p. **Stu Ginsburg** explains. He admits, "Obviously competition with the networks is something we have at the back of our minds. We'd love to have the Olympics, the World Series . . ." but feels that "counter-programming is counterproductive" and chooses, for the most part, to ignore the sweeps. As the broadcast networks choose increasingly to rely on their regular programming rather than "stunting" during the sweeps periods with miniseries and other novelties—which have become less reliable for drawing ratings—cable seems to see continuity in scheduling as a strength.

. . . .

FEBRUARY 8: At **The International Film, TV and Video Market** in Monte Carlo and also at **NATPE** in Houston, and at **The American Film Market** in Los Angeles on February 25. ***Channels*** senior v.p. **Les Brown** launches a new magazine, ***Television Business International***, a coventure of *Channels* and ***Cable and Satellite Europe***. The new magazine, now published monthly, will cover the global television marketplace. Brown will continue to write his monthly editorial column, "The Public Eye," for *Channels*.

. . . .

FEBRUARY 15: On PBS, "News: The Power of Pictures," part two of the four-part introspective series ***Television***, hosted by **Edwin Newman**. Also this month: **"News: Point of View"** on February 22 and **"Drama"** on February 29. **Michael Winship**, *Television* co-producer and writer, points out that television works best when it entertains *and* informs: he maintains his show does both. In crafting the series, Winship had substantial cooperation from the networks, and surmises: "The people at the networks must recognize the value of an all-encompassing show."

. . . .

FEBRUARY 18: Vanna White's birthday. Vanna remains an eternal 25 as **Wheel Of Fortune** rolls into its fifth season as the number one syndicated program on American TV. The show, though it undergoes changes periodically, "keeping the look fresh," according to **King World** v.p. **Betsy Vorce**, has no plans for White's birthday. ***La Roue de la Fortune***, France's *Wheel*, continues there atop the ratings on the **TF 1** network. Hosted by **Anne Pujol** and **Christian Morin**, the French *Wheel* resembles the original markedly, though some cultural changes have been made in the nature of the questions and the prizes. King World sells only the program's format in European markets and allows the locals a certain latitude in the show's design. Italy and West Germany have bought the format as well. The original *Wheel* did not fare as well in one foreign market, with Montreal's **CFCF-TV** canceling the show when it didn't pull anticipated numbers. CFCF sales director **Bob Lamle** thinks that the phrases were too unfamiliar to the predominantly French audience. **Stanley Whyte** of ***The Montreal Mirror*** agrees: "Traditionally, Montreal is a very strong market for English- language game shows, but, while something like ***The Price Is Right*** cuts across language barriers, it was hard for French Canadians, and even bilingual ones, to develop much interest in decoding the English colloquialisms that *Wheel* is based on."

Assistance: CHRIS KELLY

CALENDAR

Feb. 16-17: Wisconsin Broadcasters Association annual convention and legislative reception. Madison, Wisc. Contact: John Laabs, 608-255-2600.

Feb. 17-19: Television Bureau of Advertising Sales Advisory Committee meeting. La Posada, Scottsdale, Ariz. Contact: Bob Grebe, 212-486-1111.

Feb. 17-19: Texas Cable Television Show, sponsored by Texas Cable Televsion Association. Convention Center, San Antonio, Tex. Contact: W.D. Arnold, 512-474-2082.

Feb. 18-19: Broadcast Financial Management Association board of directors meeting. Intercontinental Hotel, San Diego, Calif. Contact: Robert E. McAuliffe, 312-296-0200.

Feb. 18-20: "Minorities and Communications: A Preview of the Future," sponsored by Howard University School of Communications. Howard Inn and Blackburn Center, Washington, D.C. Contact: Virginia Stewart, 202-636-7491.

Feb. 24: Federal Communications Bar Association luncheon. Marriott Hotel, Washington, D.C. Contact: Teri Lear, 202-429-3845.

Feb. 25-29: NATPE Convention. George Brown Convention Center, Houston, Tex. Contact: Phil Corvo, 213-282-8801.

March 7-8: "Investing in Broadcast Stations," seminar sponsored by Federal Publications. La Playa Hotel, Carmel, Calif. Contact: J.K. Van Wycks, 202-337-7000.

March 13-15: West Virginia Broadcasters Association spring meeting, Marriott Hotel, Charleston, W.Va. Contact: Marilyn Fletcher, 304-344-3798.

March 15: International Radio and Television Society newsmaker luncheon, Waldorf-Astoria, N.Y. Contact: Marilyn Ellis, 212-867-6650.

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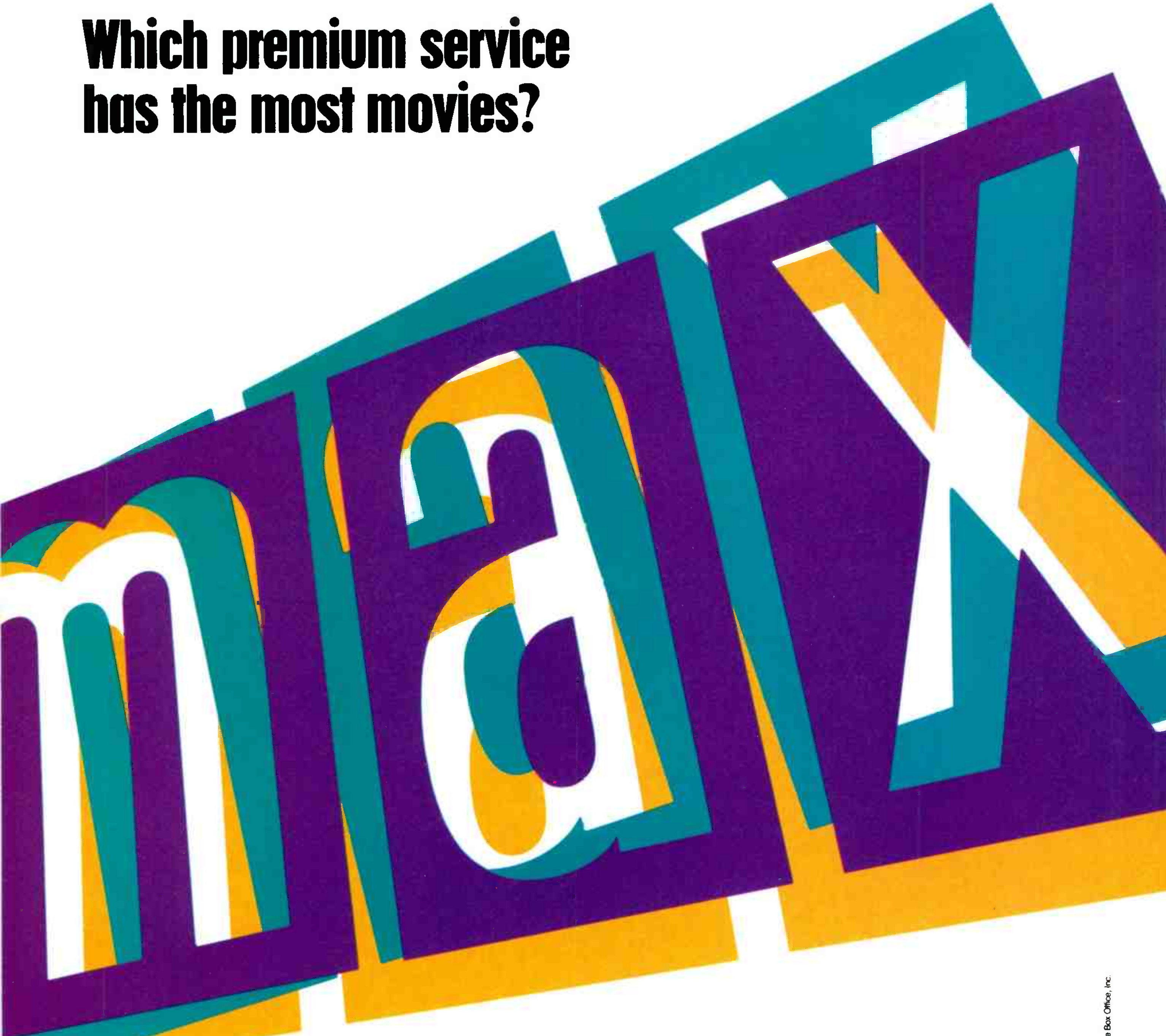

When consumers look into pay TV, chances are they're looking for movies. And no other premium service offers them more movies than Cinemax.® Over 110 each month! Today's smash hits. Comedies. Foreign films. Romances. Action-packed adventures. Timeless classics. Westerns. The kind of movie volume and variety that keeps subscribers tuned in and their pay services turned on.

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cinemax®

The most movies on pay TV.

Knowing the Market's Mind *by Steve Behrens*

Now available locally, psychographics give stations new insights—and a sales tool.

Psychographics, the intriguing marketing tool that Madison Avenue uses to zoom in on customers grouped by their attitudes and lifestyles, has been brought into local broadcast markets by 55 television stations, and according to these pioneers, it's none too soon.

Selling airtime by ratings and demographics had lost its artistry, they say. "It had degenerated to the point that clients had all the numbers and all they wanted from us were the prices," says Jody McCoy, general sales manager of WBTV in Charlotte, N.C. "We didn't want to be reduced to a commodity."

"It helps take us out of the domain of cost per point and cost per thousand," says Dick Williams, vice president for sales development at Katz American Television. "We've been mired in that kind of conversation for years." Believers in lifestyle data see salvation from the tyranny of numbers in, ironically, a whole *new* sheaf of numbers. Now the station sales rep can play marketing maven, helping the advertiser to identify its target consumers by their psychographic types, conceive ads that push the desired consumers' personal "hot buttons" and put together the right media plan to reach them.

Having the data transforms the sales call, says Bruce Baker, general sales manager of Cox Enterprises' WSB-TV in Atlanta: "We are not spot jockeys; we are sitting there talking with our client about *his* customer, about *his* long-term marketing plans."

Similar psychographic tools have been used to shape many an ad campaign on the national level, such as the Cybill Shepherd and James Garner testimonials for the Beef Industry Council, created by Ketchum Advertising. The Beef Council had a problem: Light and moderate beef-eaters were consuming less and less red meat. Ketchum turned to psychographics to identify the target culprits, find the right things to say to them and hire the right spokespersons for the $22 million media campaign.

The agency enlisted Shepherd to appeal to the so-called "Inner-directed" types and address their health worries about beef, according to Jerry Hamilton, senior vice president and director of marketing research at Ketchum in San Francisco. And Garner was picked to attract status-conscious "Achievers" and assure them, as Hamilton puts it, that beef is "stylish and acceptable in today's world."

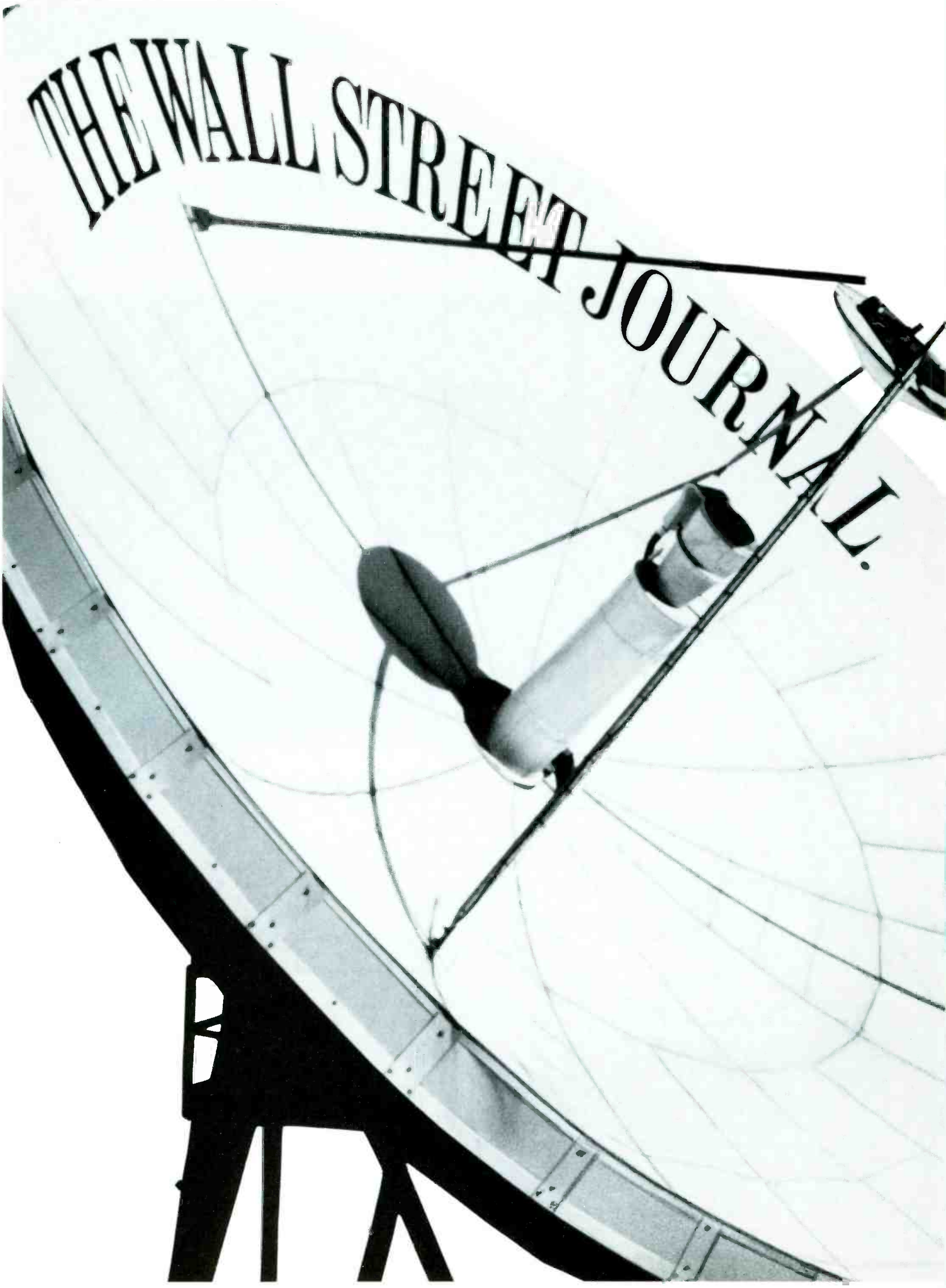
Leisure and loyalty: Lifestyle data told WBTV which 'hot buttons' to push in spots for a Honda dealer.

Such consumer segmentation methods, still doubted by many detractors in the ad world, grew out of lifestyle research in the 1960s and '70s at the SRI International think tank and Young & Rubicam, among other places, and became standardized in the early '80s when SRI put forth its VALS (Values and Lifestyles) typology. National advertisers buy data on the product and media habits of VALS types from Simmons Market Research Bureau and other research services, and local agencies can have local surveys done through SRI.

Increasingly, local broadcasters as well are commissioning exclusive local-market surveys through two national research firms. Seattle-based Leigh Stowell & Co. has provided its own brand of psychographics as a standard part of its Consumer Market Profile for six years and now serves 44 TV and 22 radio stations. And for the past year, Pittsburgh's Marshall Marketing and Communication has offered VALS data as an option in its Target Dollars service. Eleven of the 37 TV stations using Target Dollars pay a premium to add VALS data to their local surveys.

Certainly one thing they get is a fascinating device that carves the classless American society into classes, and reflects the attitudinal split that deepened during the 1960s and '70s. VALS divides the national public into nine types, though on the local level Marshall generally uses just three big VALS groups (a local sample of about 1,000 isn't large enough to yield solid data on the smaller groups). Stowell's different typology divides each market into six to nine psychographic groups, as suitable to local survey findings.

But psychographics serves as more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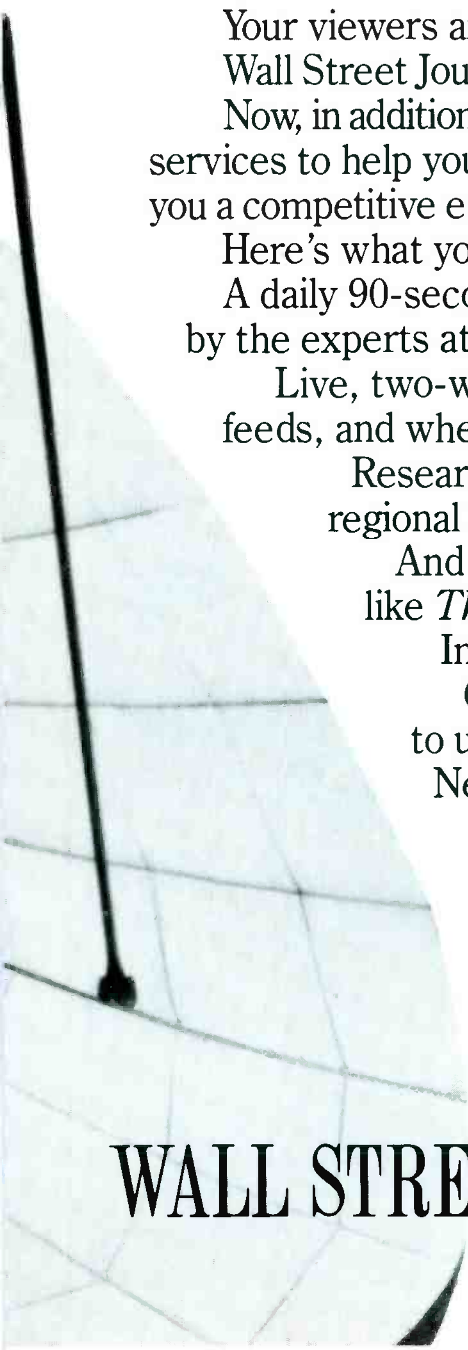

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than a conversation piece. It has helped stations sell time by sharpening more than a few ad campaigns. "If left solely to retailers' experience, their ads will focus almost universally on price," says Spencer Williams, marketing research manager of KCRA in Sacramento, Calif. But when the station brings in lifestyle data, other selling points shine forth:

- In the old spots for McDougall Honda in Charlotte, a pitchman barks about "great buys" on "lots of models and colors," while cars flash by in canned footage. Jefferson-Pilot's WBTV helped the dealer target Stowell's hard-working, hard-playing, upscale Group I types and the optimistic, loyal and family-minded Group IV folks who abound in Charlotte. In a new spot, a pretty WBTV personality, with tennis racket tucked under her arm, confides that buying a car from McDougall was "like making a new friend," and predicts she'll return whenever she buys a car.
- Target Dollars VALS data showed that an underused hospital in Jacksonville, Fla., was healing a lot of upscale Achievers but relatively few of the Middle-American Belongers, says Jerry Campbell, local sales manager of Post-Newsweek's WJXT. The station pointed out that the hospital's ads were reinforcing an alienating image. Now the ads show families driving up in Chevys instead of Mercedes-Benzes.
- LIN Broadcasting's WISH in Indianapolis, another Target Dollars subscriber, detected a similar problem for a local sporting-goods chain, which was short on Belongers among its customers and facing an onslaught by national chains. WISH deduced that the retailer's image was too pricey and brand oriented, according to Scott Blumenthal, sales manager, and helped roll out new ads playing up the local family-owned chain with fair prices.
- Outlet Communications' WJAR in Providence, R.I., a Stowell client, used psychographics in creating new spots for a grocery chain that hadn't done much TV advertising. The chain decided to go after Group II consumers—a busy and price-conscious group including many two-income families—who tended to shop at other stores. In a new spot, a working woman bustles into her home, laden with groceries. The message: She shops where she can save time and money for the more important things. Her son beams at her, revealing braces on his teeth.

In these cases and others, the lifestyle data served the double function of helping the advertiser shape its commercials while helping the station salesperson get a foot, knee or entire torso in the advertiser's door. The data also sometimes suggest a daypart or program with the right target audience, since both Stowell and Marshall Marketing offer limited viewing data by lifestyle group in their annual surveys.

Believers in psychographics see salvation from the advertisers' cost-per-point tyranny in a whole new sheaf of numbers.

But selecting appropriate airtime—usually the prime application of audience data—seems a very secondary use of psychographics. The major ratings services don't compile viewing data by VALS types, so agencies don't use VALS in routine time buying. Even Ketchum, a VALS stronghold, uses the data in media buying only to "tweak" a package, adding and dropping specific spots.

Other national agencies maintain that psychographics don't identify target consumers any more accurately than demographics do—and that age and income are the operative factors underlying VALS groups anyway. Perhaps 60 percent of ad people range from skeptical to disbelieving, says Spencer Hapoienu, managing director of SAGE Worldwide, a unit of Ogilvy & Mather. Hapoienu himself uses VALS to fine-tune marketing plans, but says others expected too much: a panacea.

To some extent, lifestyle data simply "amplifies common sense" about consumers, in the words of a prominent research executive. "We always said this is a great new-business pitch," he says. "It gets you all excited and thinking." And occasionally it provides counterintuitive insights. For instance, ambitious Achievers, not downscale Belongers, are the heaviest buyers of romance novels, according to SRI.

Even when VALS provides little more than a well-informed hunch about human nature, the stacks of data serve their purpose. "What are statistics for?" asks Dick Williams, mischievously. "They're to make us feel comfortable about our judgments." ●

MINDSETS IN THE MARKET

VALS psychographics compiled from Atlanta's local Target Dollars survey indicate that the early morning daypart is a relatively good time to reach "Inner-directed" consumers. How to read: 21.1 percent of Inner-directed adults in the market said they watched TV yesterday between 6 and 9 A.M.

	BELONGERS	ACHIEVERS	INNER-DIRECTED	TOTAL IN MARKET
TV dayparts viewed yesterday				
6 to 9 A.M.	12.8	11.0	21.1	14.6
Noon to 4 P.M.	29.5	4.0	8.5	14.6
4 to 5:30 P.M.	20.5	11.0	14.1	14.2
6 to 7:30 P.M.	52.6	41.0	36.6	36.9
Favorite leisure activities				
Fishing/hunting	22.9	17.5	7.5	13.8
Golf	5.7	14.3	3.2	9.0
Movies/theater	0	5.2	14.0	6.1
Reading	31.4	23.4	23.7	23.7
Running/jogging	1.9	7.8	11.8	7.2
Stores visited in past 30 days				
Discount chain A	81.0	69.5	54.8	67.6
Dept. store B	62.9	65.6	76.3	65.1
Dept. store C	7.6	9.7	19.4	11.7

Source: Marshall Marketing and Communication Inc.

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NETWORK

Who's The Boss?
Juarez
The Real
Ghostbusters

Designing Women
Trial & Error
Houston Knights
The Young &
The Restless

227
The Facts Of Life
My Two Dads
Days Of Our Lives

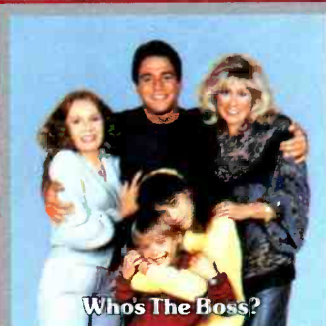
Married...With
Children
Werewolf
Women In Prison

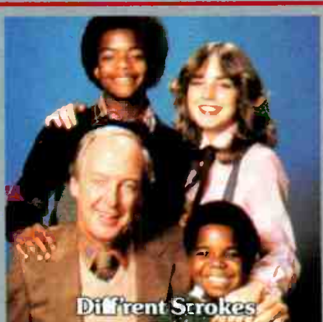
OFF-NETWORK COMEDY


Barney Miller

Sanford & Son

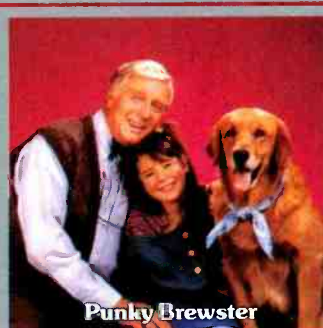

The Jeffersons


Who's The Boss?


Diff'rent Strokes


Silver Spoons

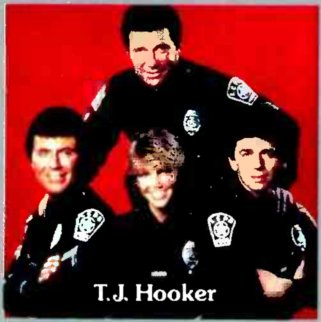

Good Times


Punky Brewster

Archie Bunker's Place
Barney Miller
Benson
Carson's Comedy Classics
Carter Country
Diff'rent Strokes
The Facts Of Life
Fish
Good Times
The Jeffersons
Maude
One Day At A Time
Punky Brewster
Sanford & Son
Silver Spoons
Soap
Square Pegs
The Three Stooges
Who's The Boss?

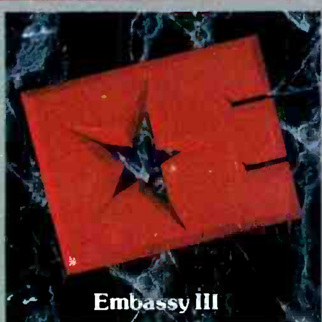
OFF-NETWORK DRAMA

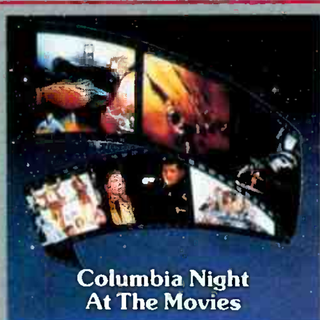
Charlie's Angels
Fantasy Island
Hart To Hart
Police Story
Police Woman
S.W.A.T.
Starsky & Hutch
T.J. Hooker

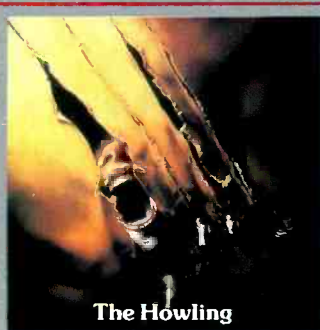


MOVIES & ANIMATION

Columbia Night At The Movies
Columbia Gems
Columbia Gems II
Entertainer Of The Year
Embassy II
Embassy III
TV 20
Volume IV
Volume V
Volume VI
The Real Ghostbusters







Columbia Pictures Television
A unit of Columbia Pictures Entertainment, Inc.

Hey, Big Spender

by Bill Bancroft

With 19 Lone Star markets to reach, candidates need deep pockets and ad savvy.

The way the presidential candidates talk about it, Texas is one big, dominant Southwestern state, the largest Super Tuesday presidential primary plum. But the candidates' television-advertising buyers know better. To them, Texas is several small states—19 Arbitron ADIs to be exact—with widely varying geography and dramatically differing voter philosophies. And that diversity, the political media buyers agree, will make Texas one of the toughest states in the nation in which to make buys for the upcoming March 8 primary sweepstakes.

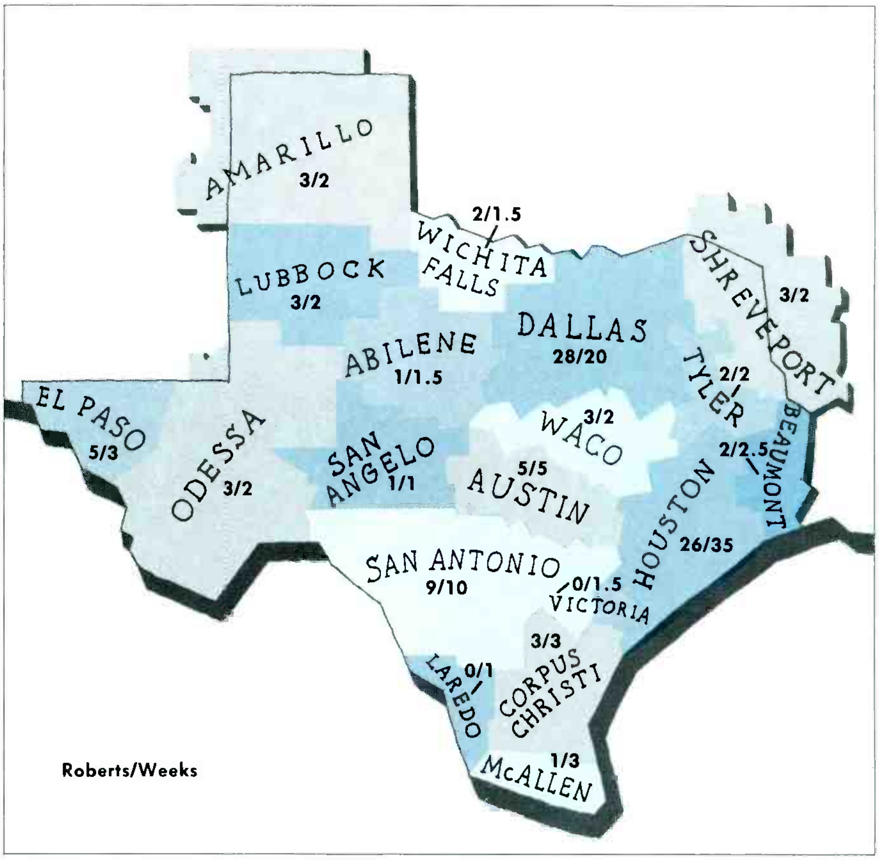
"It takes a good bit longer to figure out," says Robin Roberts of National Media Inc., a Washington-based political media-buying firm that is working with Republican congressman Jack Kemp's presidential campaign. "It takes many hours and days to analyze the markets in Texas. You have 65, 70, 75 TV stations you have to consider."

Consideration means utilizing the same methods used in other states: Buyers take information from statewide candidate polls broken down market by market and indentify the characteristics of voters most likely to vote for their candidates. They check the polling against voter-turnout records from previous elections to see whether the current pattern of support is different from similar, previous candidates'. Then, using Arbitron data, they pick the shows, stations and markets they believe will best reach their voters.

But with Texas, the input is more voluminous and the possible answers more numerous and costly. Voters in conservative Dallas, for example, with its large number of *Fortune* 500 company headquarters, vary from voters in more liberal Houston, with its oil-based economy. Austin, in the Hill Country south of Dallas, is a university and high-tech town, whereas El Paso's livelihood is predominantly based on trade with Mexico. Amarillo residents in the Panhandle, with their Midwest Anglo, farming orientation, are dramatically different from McAllenites in the Rio Grande Valley, including a large number of Hispanics, who make their money off citrus and tourism. On Super Tuesday, March 8, Amarillo may well be digging out from from a spring blizzard while McAllen likely will be basking in sunshine and temperatures in the 80s.

A candidate in a normal Texas election who wants to reach all these disparate people and places will have to spend a minimum of $4 million, agree both Roberts and David Weeks, of Austin-based Media Southwest, who is buying for Democratic Sen. Lloyd Bentsen's reelection bid. That's enough money, Roberts says, to get about 3,600 gross rating points in the last eight weeks of the campaign at today's prices.

With less than $4 million—because of federal campaign-spending ceilings, presidential candidates are likely to have less than $4 million to spend in Texas for March 8—campaigns and buyers will have to make hard decisions. They must choose between reducing advertising dollars in some markets or



RICHARD OSAKA MAP SOURCE: ARBITRON RATINGS CO.

David Weeks in Austin and Robin Roberts in Washington were asked to project spending in the last week of a primary, Weeks for the Democrats and Roberts for the Republicans. They had $500,000 to spend—neither a small nor big sum. The numbers indicate the percentage breakdown of the total they would spend in each market. The right-hand numbers indicate the Democrats, the left ones the Republicans. They caution that this was a rough, generic exercise and buying varies from campaign to campaign.

Bill Bancroft is a Dallas-based freelance writer.

cutting out other markets altogether. Again, the task is trickier in Texas because of quirks in the different markets.

It helps to know, for example, that Laredo residents watch a substantial amount of San Antonio television, says Sarah Kitchell, a v.p. with the Austin-based political media-buying firm of Media West. It helps to know that Victoria residents tune in to Houston, that Abilene bleeds into San Angelo, that East Texas watches Shreveport and that a substantial number of Houstonians tune into the local news on KRIV via cable from 7 to 8 P.M., but that most of the rest of the state ignores cable.

Operatives for Vice President George Bush's presidential campaign, for instance, have looked at the polls and decided to spend their money (they won't say how much) in big-city markets with their greater transient populations. "We must take care to spend sums in districts where a handful of newcomers can override normal Republican voter habits," says Jim Oberwetter, chairman of Bush's Texas effort.

Inevitably, as campaigns buy according to their polling rather than from suggestions by station advertising reps, Kitchell predicts that some stations will question those buys. They don't understand, she says, that each campaign is unique: a primary is different than a general election, a Republican's needs differ from a Democrat's, a proposition isn't the same as a candidate. "They want their fair share of the dollars and they don't understand that the campaign is guided by polls."

After adjusting their buying for each ADI, buyers say Texans are pretty much like people elsewhere around the country. Democrats, Republicans and independents in the Rio Grande Valley and East Texas watch the same shows as do their counterparts in New York or Los Angeles.

John Deardourff of the Washington media consultanting firm of Bailey, Deardourff and Associates, which did the buying for Texas Gov. Bill Clements' successful comeback bid in 1986, says some shows such as the morning talk shows and golf tournaments are better for Republicans than Democrats. "By looking at income and education levels," says Deardourff, "you can easily determine that a spot on *60 Minutes* would be a better buy for a Republican candidate than would a spot on *The Jeffersons* or even *Cosby* for that matter."

"I would never buy an ad on a golf sports program," agrees Democratic strategist Dwayne Holman, who managed former Gov. Mark White's campaign against Clements. "Our folks don't watch golf. Now football and baseball, I'll pay out the hickey for."

Holman says he makes more buys around local news programs during primary campaigns to reach opinion leaders and contributors, and buys more prime time during general elections.

At other times during the day and night, he always buys the sitcom *M*A*S*H*. "The type of people who watch it are lots of draftee military time servers, and they identify with all the snafus," says Holman, "and then the dove types who think that the military is one big screwup anyway."

Both Holman and Deardourff maintain that they try to avoid buying programs voters don't watch. "You don't want kiddie shows or teeny boppers," says Holman.

He says former Gov. White, during one of his campaigns, caught the flu and had to stay home on a Saturday. He ended up watching television with his daughter and at the end of the day, "called mad as hell because he hadn't seen one of his ads all day. I told him," Holman says, "he was the only registered voter who had been watching TV all day." ●

Mid-afternoon Pickup

by Steve Behrens

KSDK's task: introducing *Santa Barbara* locally, three years after its network debut.

Late last summer the creative-services department at Multimedia's KSDK in St. Louis got an uncommonly juicy, high-priority promotion job: to introduce the NBC soap opera *Santa Barbara* that the station had been preempting for the past three years. Starting a new soap in the '80s, as NBC had proven, wouldn't be a snap.

It would take promotion dynamite to dislodge fans from CBS's *Guiding Light* and ABC's *General Hospital*. Back in '84, KSDK management had doubted NBC would stick with the new soap, but *Santa Barbara*'s producers kept tinkering. They invented the Carnation Killer to remove an excess of look-alike blonde characters, recalls Susan Morse of *Soap Opera Digest*, and they unexpectedly thrilled viewers with the Chicano/WASP romance of detective Cruz Castillo and a surviving blonde, Eden Capwell.

By last summer, the show's national share was up from its initial 10 to 16, and KSDK found a sudden need for the soap. When the CBS affiliate, KMOV, moved *The Oprah Winfrey Show* from morning to 3 P.M., KSDK retaliated with counterprogramming—moving its strongest NBC soap, *Days of Our Lives*, to the same hour. As a bridge into that soap at 3, leading out of *Another World* at 1 P.M., *Santa Barbara* was clearly preferable to the game shows KSDK had been running. *Santa Barbara* came to KSDK on August 31.

Rich Brase, the station's creative services director, launched a 12-week promo barrage worth a hefty 300 gross rating points (GRPs) a week—nearly as much as the aggressive station spends to promote its newscasts. Besides selling an unfamiliar soap, Brase's team had to remind *Days of Our Lives* fans to tune in at 3 P.M. instead of 12:30, the time *Days* had aired for years.

Promo producer Laurie Theiss stitched together clips to make sexy generic spots for the new soap block ("Afternoons on Channel 5, we're going to make your day!"), and sent scripts to Burbank, where the *Santa Barbara* cast taped teasers introducing their characters (Gina Capwell: "OK, so maybe I'm not the girl next door, but I sure could show the *boy* next door a good time!"). Brase backed up the spots with nine ads in each of five issues of *TV Guide*, plus 17 radio spots starring a housewife who bubbles over about the day's plot developments.

Then in November, NBC supplied three cast members for a couple of suburban mall appearances to start word-of-mouth publicity. A thousand fans turned out. But the station didn't rely entirely on the performers to create hysteria. It also held a contest, promising the winner a trip to Burbank and a bit part on-air.

Santa Barbara still has a way to go before it conquers St. Louis. The show averaged a 3 rating and 12 share in the market's November Arbitron book, still behind the national Nielsens (5 rating/17 share). Every little bit helps NBC, however, says Brian Frons, network v.p. for daytime programs. NBC lobbied for years to get *Santa Barbara* onto KSDK. Now it gets a few more tenths of a rating point—vital because *Santa Barbara* trails second-place *Guiding Light* by less than a point nationally.

Locally, however, KSDK is still a distant third. But the station isn't finished promoting the show. Brase planned a second contest in January, in addition to more radio spots and increased on-air spots up to 400 or 500 GRPs a week.

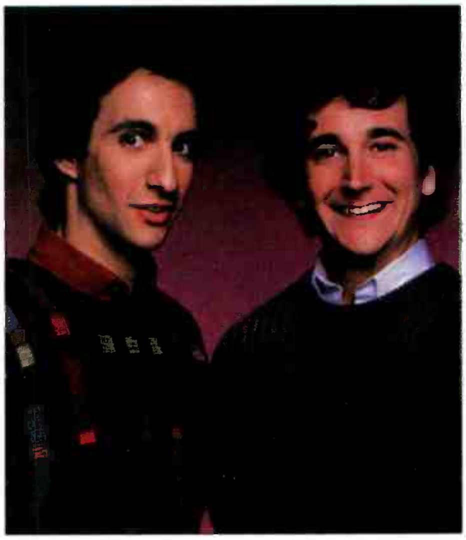
"We are going to win this time period," Brase predicts. "I don't like to lose. Nobody in this building likes to lose."

He's counting on a little bit more publicity this month when the winner of the first contest goes to Burbank for her moment in the sun of *Santa Barbara*. Her name was pulled out of a drum just before Thanksgiving: Laurie Keener, who turns out to be a good-looking young woman from nearby Illinois—reportedly a model. Fate has disappointed Brase: "We were kind of hoping she would be a frumpy housewife," he grouses. "This looks a little rigged." ●

KSDK tagged its libidinal clips with a promise: "We're going to make your day!"

AND NOW, A FEW WORDS ABOUT A VERY SERIOUS MATTER.

HA.HA.HA.



Miller/Boyett Productions in association with Lorimar Television

Miller/Boyett Productions in association with Lorimar Television

A Lorimar Television Production

SOURCE: NTI, NSS/SON season to date through 12/6/87

The Public Eye

by Les Brown

Like No Business...

Charles ("Chick") Ireland was never able to make his mark as CBS president. He died in 1972 after only nine months in office, and spent about half that time just studying the company. Frank Stanton, the former president who, on Ireland's arrival from ITT, assumed the title of vice chairman, had asked his successor to spend a few months examining the corporation's various businesses and then report back with some observations.

Ireland's single recommendation was that CBS get rid of its recording division, even though it was the most successful record company in the world. He said he was uncomfortable with any business that couldn't be budgeted; that couldn't predict its yearly revenues.

About a year after Ireland's death, Stanton told me how troubled he was by that recommendation. Much as he liked Ireland personally, he had feared CBS picked the wrong person to shape the corporation's future. Ireland's ITT training in acquisitions and finance had equipped him poorly for the business CBS was in, which after all was show business.

> Selling CBS Records altered the sensibility of CBS Inc. It's now truly a different company traveling under an established name.

Show business, subject as it is to a volatile marketplace and unpredictable shifts in public taste, is less predictable than other businesses. But there is always a jackpot in view. Some would say it is more a crapshoot than a genuine business—not an endeavor suitable for everyone, only for those with the gut for it.

Fifteen years after Ireland's death, Laurence Tisch, the consummate businessman who is actually going to guide CBS's future, did sell off CBS Records, because he liked the $2 billion offered by the Sony Corporation. Some Wall Street analysts have applauded Tisch for making the company cash-rich in the post-crash period, and for trimming CBS down to its essential business, broadcasting.

But this ignores the fact that recordings were always one of CBS's essential businesses and part of the company's creative fabric. The radio network began in 1927 as the Columbia Phonograph Broadcasting System. Twelve years later it bought out its partner, the Columbia Phonograph and Records Co., and built Columbia Records into a leader in the field, even as the CBS network was rising to leadership.

Tisch has yet to demonstrate that he has any more stomach for the unpredictable business of show business than Ireland displayed in his brief tenure. As head of Loews Corp., Tisch seems to believe he can make the industry conform to the logic and fiscal disciplines of his other businesses—insurance, tobacco, hotels and other real estate and the like.

My bet is that he can't reform show business. He won't be the first to have tried. The latest preceding him was Coca-Cola, which, in buying up Columbia Pictures, Embassy and Merv Griffin Productions, contended that the film business was practically a twin of the soft-drink business. Coke knew all about mass marketing and distribution, so no big deal running a film studio.

The regime of sharp Coke businessmen promptly found ways to reduce the risks in filmmaking by pre-selling the back end. And while these executives were concentrating on refining movie-business practices, Columbia was issuing a stream of disappointing titles, the symbolic dud of which was *Ishtar*. Distribution, finance and marketing are all important facets of the film business, but none of them avails if you can't produce popular pictures that the public wants to see.

Apparently disillusioned, Coke has been retreating from Hollywood. A recent merger of its Entertainment Business Sector with Tri-Star Pictures has led to a reorganization involving a shutting down of divisions and heavy layoffs of staff. Coke, as a drink, may be associated with leisure-time activities, but as a business it caught the wrong wave in show biz.

The lesson learned, yet again, is that the mastery of one business does not make Jack the master of all.

CBS Records did not produce programs and stars for CBS-TV, but it provided another kind of synergy: It kept top management directly in touch with the heartbeat of show business, to the ultimate benefit of the network. In selling off CBS Records, Tisch has altered the sensibility of CBS Inc. It's now truly a different company traveling under an established name.

I believe Tisch will fail to return CBS to its former greatness because he lacks the impresario's savvy and derring-do. He may know how to sell off the assets, but how will he stem the decline in CBS's ratings, which are off 14 percent this season, more than any other network's? And how is he equipped to deal with the fact that network television is a more competitive business, programming-wise, than ever before? ●

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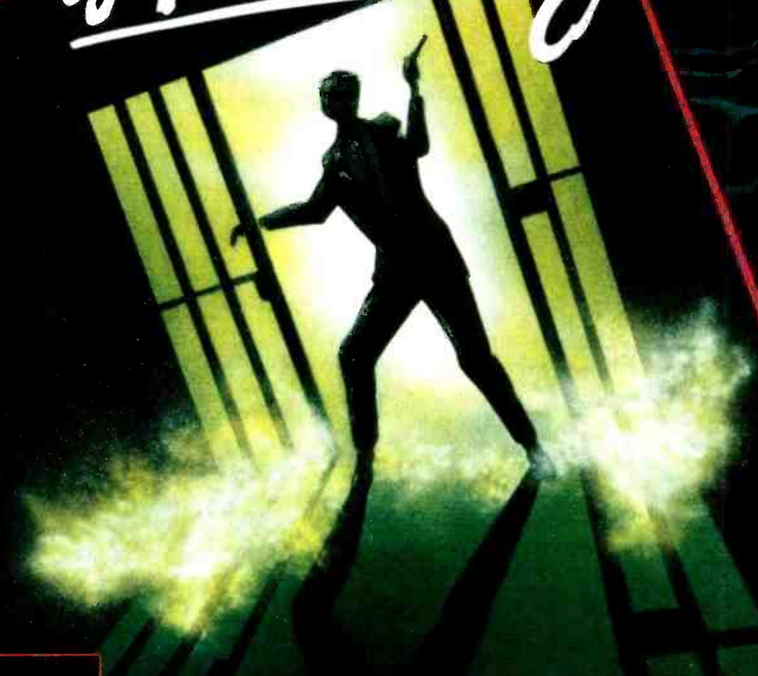

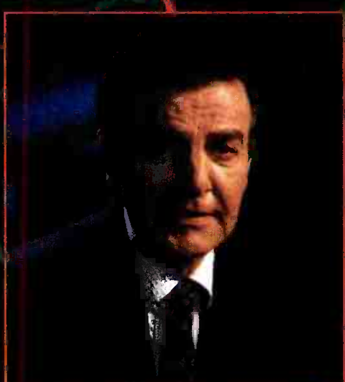

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AVAILABLE FALL '88

The Business Side

by Merrill Brown

Murdoch Night at the Movies

Among the many provocative things about the success of the winter hit films *Broadcast News* and *Wall Street* is the fact that they were produced by Rupert Murdoch and Barry Diller's studio, 20th Century Fox. And beyond the stories behind the screen, seeing the two Fox films—in my case, one after another, on a blustery New York night—is a provocative capsulization of the state of money and television in 1988.

For one thing, from a film-business point of view, the success of the two films is testimony to Diller's creative and managerial skills in turning around the formerly moribund Fox film production operation. Moreover, the successes suggest that the Fox team might now feel free to take the time they require to create and succeed with the Fox network, a challenge that surely can't be pulled off with only a half decade or so of patience.

The success of the two films also suggests that Diller's management might also be as much attuned to the nation's entertainment appetites as his previous creative team at Paramount, which—with the help of Michael Eisner and Jeffrey Katzenberg—was eminently successful at producing mass-market entertainment.

> The fact that *Wall Street*'s financiers are vitally important to American business and to the media industry, in particular, will not go away.

But the Fox turnaround story aside, the issues of contemporary values raised by the two films are particularly interesting since Murdoch, who's expanded a global media empire through the now tarnished financing vehicle of high yield or "junk" bonds, and who's often accused of superficial, sensationalist tactics, is behind *Broadcast News*, a tough-minded but basically fair look at the morals and mores of television news in the '80s.

Release of both movies comes at a time when pundits are searching for the larger meaning of the stock crash and the accompanying discrediting of yuppiedom. Some have concluded that the combination of events spells the end of an era, the thinking that led *Newsweek* to proclaim last month that "The '80s Are Over."

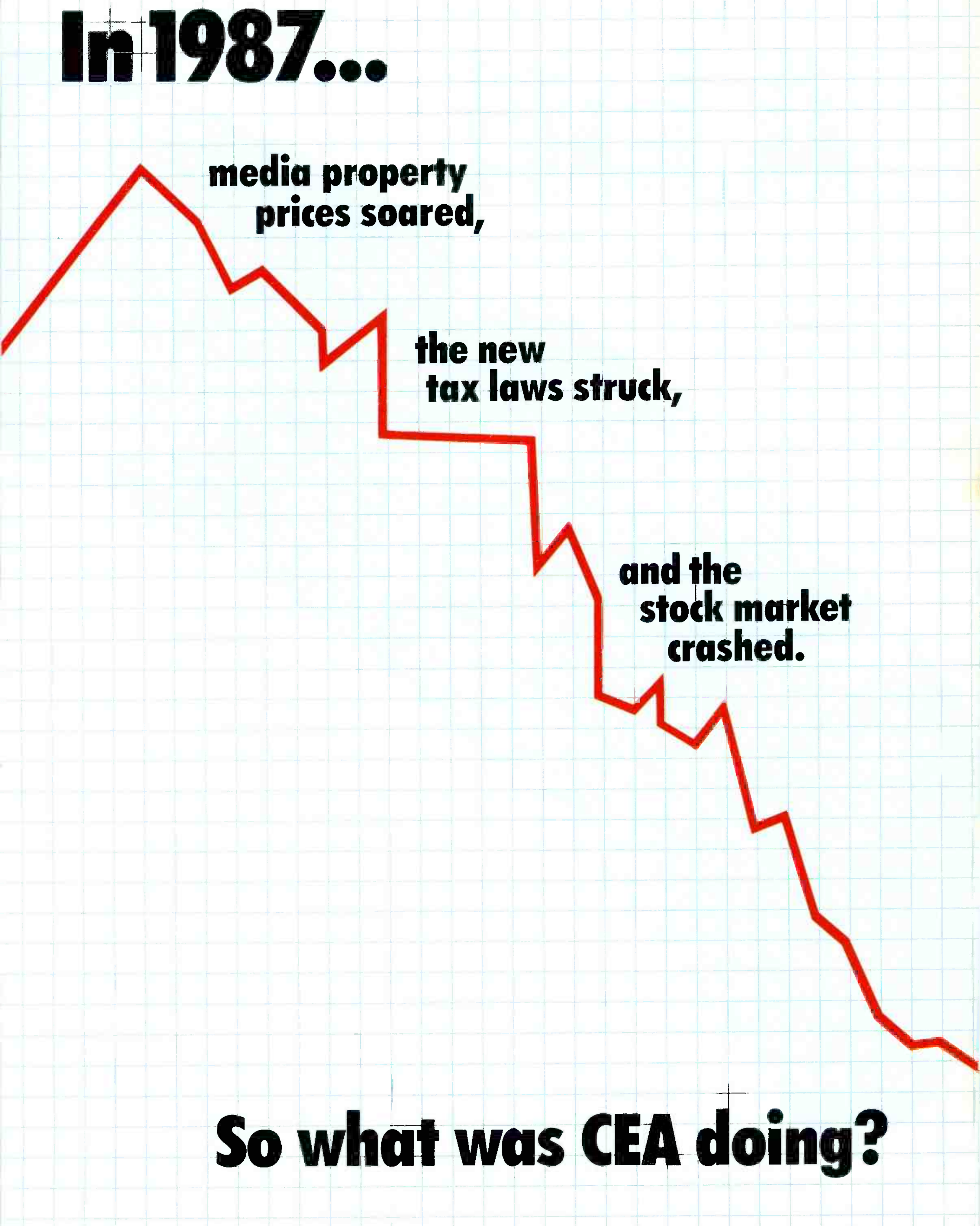
Perhaps they are. But the fact that Wall Street financiers are vitally important to American business and to the media industry, in particular, will not go away. The stock market crash and the close of the '80s boom only makes more urgent the need to understand the underappreciated impact of finance on American life and on the media business. After all, it is Wall Street's aggressiveness as well as technological developments and the changing requirements of audiences and advertisers that have resulted in a fundamental restructuring of the nation's media. In many ways, the nightly news has become the news and, in *Broadcast News*, the entertainment as well.

The major themes of *Broadcast News* (ignoring sex and romance for just a moment) revolve around the impact of television's new economics on news gathering. Those new economics were, in part, created by the decline in power of old-line broadcasters and the appearance on the scene of Wall Street-oriented owners and their financiers. It is a story about intense competitive pressures in news that can, at times, allow froth to succeed over substance and pretty faces over experienced if weathered ones. It also features glimpses of the intense commitment nearly all broadcast journalists share toward their profession, and the pain that has accompanied massive layoffs in the field.

The themes of *Wall Street*, the film—the reasonably realistic and gross accumulation of ludicrous amounts of wealth during the 1980s, the lack of concern by investment bankers for the impact of their financial maneuvering, the "greed is good" mind-set of the film's lead, an obnoxious arbitrageur—are somewhat parallel to those of *Broadcast News*.

But the films suffer from not portraying enough character diversity. In *Broadcast News*, everybody, even the airheads, are well-intentioned. Hard as it may be to believe, great journalistic institutions—even network news divisions—do employ some number of bozos who wouldn't know a great story if it landed in their laps, but who are instead consumed with résumé-enhancement, hairdos, organizational politics and salaries. And the people of *Wall Street* are either evil, naive, nauseating or all three. Of course, those types exist in finance, as do talented people eager to help companies lick their problems and who in their off hours do things more worthy than filling their wallets, bellies and noses.

There's one important conclusion to draw from *Wall Street* and *Broadcast News*, Rupert Murdoch's first major contributions to American film culture. It is that the legacy of the nation's devil-may-care attitude toward financial and television giganticism is a set of large, powerful and deeply troubled institutions. One of the pieces of good news about television news is its increasing decentralization. Let's hope that before the '80s are "over," the same diffusion of power remakes the financial world as well. ●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Syndicators entered the fall '87 season knowing change was in the wind, but few knew quite what to expect. In 1987, the TV business was in turmoil: New owners had taken over at all three networks; major station groups were bought and sold; independent stations fought financial troubles; and cable began asserting new power. Syndicators' glory days were over, and the first signs of a tightening market appeared.

One year later, the effects are widely felt. Stations are playing it safe by renewing shows or buying those with a familiar ring. Many stations that underwent ownership changes delayed buying decisions. And a top tier of high-priced, high-rated shows have locked up lucrative time periods and in many cases all but used up stations' program-acquisition budgets. The market is now glutted with programming, and small and mid-level syndication companies, especially, are feeling the pinch. Syndicators are having to adapt, but amid the whirlwind changes, it's sometimes difficult to see beyond one's own new programming idea.

In this *Channels* Focus, our largest, our editors pick apart the elements of syndicated programming and the marketplace. The opening article, by Ed Cray, looks at the changes and how syndicators can best survive long-term. *Channels* West Coast editor Neal Koch explains the growing tendency and, from producers' perspective, need, to cut production costs. Carol Hall assesses the performance of last season's shows and isolates genres that hold hope for the coming year. And John Motavalli outlines how at least one industry is benefiting from the tumult. With a list of syndicators, product and new shows, our package should prep you for the '88-89 TV season and guide you through the National Association of Television Program Executives convention at the end of this month.

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The Toughest Year

Get set for the big squeeze as dozens of syndicators with hundreds of shows vie for limited spots on the nation's stations. **BY ED CRAY**

Too many shows, not enough time periods. That simple, recent fact of syndication life has thrown the marketplace for a loop in the last year and made syndicators nervous. "I had a station call and leave a message that said, literally, 'Don't call us, we'll call you,' " says Marvin Grieve, president of MG/Perin and head of the Association of Program Distributors. "Now, you tell me that doesn't signify how difficult things are out there." Adds Robert Turner, president of Orbis Communications, "It was a disgusting year. The pressure point is off the mark."

If nothing else, the 1987-88 year in syndication will go down as one of the most surprising. Syndicators became spoiled when some 100 independent stations came on the market in the early 1980s, opening up a whole new level of demand for syndicated shows. Not only were indies buying more product, they were buying defensively in an effort to keep shows that seemed promising out of the hands of the competition. It was a "buying frenzy," says Turner, "and business was booming." New syndication companies came on the scene and the possibilities seemed endless.

But problems at independent stations signaled impending trouble for syndicators. Last year, some 20 indies were in bankruptcy, the hardest blow hitting when Grant Broadcasting, with stations in Chicago, Philadelphia and Miami, went into Chapter 11 in December '86 owing $215 million to program suppliers. At the same time, station managers reined in spending and positioned themselves for a new era of cutting costs and maximizing profits. A spate of station-group sales also occurred—such as TVX's purchase of five stations from Taft Broadcasting, one of the year's biggest transactions—putting a number of program-buying decisions on hold.

The changes sent reverberations throughout the industry. Other independents attempted to renegotiate deals with suppliers, and cost-conscious broadcasters began to play it safe, as Access Entertainment president Ritch Colbert says, "by renewing programs that were status quo instead of taking enormous risks with new shows," as they might have done in the '70s and early '80s. Syndicators, mostly those small and mid-sized companies in the so-called second tier behind majors like Paramount, Columbia Pictures Television, Lorimar Telepictures, King World and MCA, got caught in the cracks. "The gap has never been greater," says Colbert. And the secondary tier of product—"solid, useful, the great bulk of what syndicators are selling"—was also "badly hit," says Dennis Gillespie, Viacom senior vice president for marketing.

Even some of the majors felt the squeeze as industry stock values, reeling from the October crash, kept declining (Lorimar dropped from 16⅝ in August to 9⅞ by the first of the year; King World was down from 30½ to 17⅛ in the same time period). In the last year, the competition among syndicators intensified as they vied to get their shows into a limited number of available slots. As Harold Brown, president of Peregrine Film Distribution, once said, "I never saw so many feet trying to squeeze into the same pair of shoes."

If this last year has been the most competitive in the history of the syndication business, as MGM/UA told shareholders in its 1987 annual report, syndicators and stations are bracing for the 1988-89 season. In addition to the slate of programs already in syndication, about 80 new first-run and 15 off-network shows will be shopped around at the National Association of Television Program Executives convention at the end of this month. At least half won't make it past the convention.

But with the rewards of success higher than ever, syndicators—despite the high odds of failure—are flocking to stations and promoting their schedule of product, driven by the hope that they might have the one show that does for them what *Wheel of Fortune* did for King World.

The spoils, however, are not spread widely. *Wheel* and *Jeopardy*, for example, together earned more than $180 million for King World last year; *The Oprah Winfrey Show*, about $31 million. The record-setting rollout of *The Cosby Show* skimmed off well over $500 million from the market—and Viacom's one minute of retained barter time will generate an additional $100 million for the company, according to a source close to the show.

Program suppliers with proven hits have driven license fees up an average of 10 percent in the past year. A mega-hit like *The Oprah Winfrey Show* has in some cases commanded 300 percent increases. Kansas City's WDAF paid an estimated $1,000 per episode for *Oprah* during its premiere-year run, but lost the show the following year when it balked at the new $4,000-plus price tag. Competitor KMBC then picked up.

Those are prices for shows that are proven performers. Even more disconcerting to the industry are prices being paid for off-network shows such as *Cosby* and *Who's the Boss*, both of which fetched highs estimated at $240,000 a week—*Cosby* at WWOR in the New York market and *Boss* at KHJ in Los Angeles—and neither of which has a track record in early fringe or access time periods.

The high prices have stirred concern among stations *and* syndicators. In a number of cases, purchases of *Wheel*, *Jeopardy*, *Oprah* and *Cosby* have all but used up program-acquisition budgets, according to Janeen Bjork, vice president and director of programming at rep firm Seltel, and "made it impossible for stations to buy programs for other dayparts. If you haven't got it on the shelf," she adds, "it better be barter. People made it that tough. *Cosby*'s got to work."

And the high price and lackluster performance of *Cheers* in syndication (an

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$80,000 per week high in 1986 when it was sold) has the industry fearful that stations that purchased *Cosby* and *Who's the Boss* might have trouble turning a profit from them. "I don't know if *Cosby* will be strong enough to keep viewers pinned to the channel," says Richard Kostyra, executive vice president at J. Walter Thompson USA.

Other factors may keep stations from making money, as well. A soft ad market and October's stock-market crash delayed major purchases of airtime as advertisers waited to see which way the economy would go. At the same time, many year-long upfront commitments were delayed for scatter or spot markets. At WWOR, 11 30-second spots in *Cosby* will be priced at $5,600 each—the station charges $3,800 per 30 for popular Mets games.

Despite the syndication market's upheaval and talk of doom and gloom in the last year, syndication companies have held on—some just barely. Insiders predict a shakeout, but so far only one syndicator has gone into Chapter 11 and at least one—Casablanca IV—has started up in the midst of the turmoil and made some headway with the launch of a late-night strip, *Hit Squad*, and Howard Cosell's *Speaking of Everything*.

Many syndicators remain optimistic. Says Marvin Grieve: "Thank God stations chew up programming 18 to 24 hours a day. Sooner or later they have to come back and buy." Adds Ritch Colbert: "It's almost as if all of us out there talking about how bad the business is have sold each other on how bad it is. The fact is that we're going through a normal cyclical transition." Colbert says syndicators who make it in the long-term will have to adapt to the new climate: "Companies that are focused, lean, efficient and properly resourced, they'll survive and remain competitive in a hostile market. Others that follow the system that was *de rigueur* in the '70s and early '80s—throw stuff up against the wall to see if it sticks—they'll have trouble." Adds Shelly Schwab, president of MCA TV Enterprises, "There have been more changes in the last three years than in the previous ten. In a way it's frightening, but it's also challenging and creates opportunities."

Part of making it in the new climate will mean getting a better grasp on program pricing and production costs, and more carefully planning and scheduling new shows. The cable industry has benefited from the changes as syndicators are forced to consider other outlets for their product. Cable networks don't offer the reach of broadcast and don't pay the prices that syndicators are used to, but when faced with choosing between running a show on cable television or having it sit on a shelf because broadcast stations won't buy it, syndicators are opting for the former.

Pricing, many believe, has begun to

hit a ceiling, especially as the new breed of cost-conscious station managers start to pass up high-rated, high-priced shows in favor of low-priced but solid, mid-level performers that have a good chance of blackening the bottom line. Says JWT's Kostyra, "The basic issue is no longer ratings but how much money am I making." Adds Bruce Paisner, president of King Features Entertainment: "Some stations ran the numbers and were willing to take lower ratings and lower ad revenues while paying lower programming costs."

Some stations have passed on *Wheel* and *Jeopardy*, for example, expecting—or perhaps hoping—that the shows have peaked. That doesn't mean, however, that King World and other syndicators don't at this point continue to get the prices they want. In many cases, competing stations in a market are happy to pick up what has been a proven winner in the hopes that it will edge them to the top. KMBC in Kansas City dropped *Wheel* because of its high price and King World then sold it to the station's competitor, KCTV, in September '86. Now KCTV consistently beats out both KMBC and WDAF in the 6:30 to 7 P.M. time slot after years of trying with programs including *Family Feud*, *The Price is Right* and *$1,000,000 Chance of a Lifetime*.

With station managers increasingly unwilling and unable to shell out big bucks for the bulk of syndicated product, pressure is on producers to hold the line on production costs, which have crept up inexorably. Some are experimenting with shows produced at absolute minimum expense. But budgets for first-run shows—on the networks or in syndication—continue to be high: a half-hour first-run syndicated sitcom, between $285,000 and $350,000; an hour drama, between $500,000 and as much as *Star Trek: The Next Generation*'s $1.3 million; game and talk shows, significantly cheaper at $3 million to $8 million for 195 half hours (a year's run); and so-called "reality" shows, such as *Entertainment Tonight* and GTG's *USA Today*, about $500,000 for a week's strip of five half hours.

Another way producers are holding down costs is through increased sales of barter advertising. In the last six years, there's been a steady rise in the amount of barter time in first-run shows, now

> 'Thank God that stations chew up programming 18 to 24 hours a day. Sooner or later they have to come back and buy.'

representing a third of all first-run revenues. And in the last year alone, barter overall grew from $700 million to $825 million.

Smaller producers and syndicators would rather not concern themselves with time-consuming barter sales and many stations are wary of it as well. If a bartered show does not perform as a station expects, it can take it off the schedule or shift its time period, but usually it must run the bartered commercials at the originally agreed-on times. There's also ongoing debate about whether money for barter advertising comes out of network or spot ad budgets. But as a way to keep programming costs down, both syndicators and stations are yielding to barter. Barter can also sometimes be used as a tactic to get station managers in desirable markets to clear a program.

As a general rule, a show can't make it without a run in the top markets—especially New York, Los Angeles and Chicago, which are necessary to put together the 70 to 75 percent coverage commercial sponsors look for. But programming decisions in the larger markets rest primarily with a few: the networks and large station groups including Fox, Gannett, Tribune Broadcasting and TVX Broadcast Group. Decision-makers at these groups are more likely to give a show a run if they don't have to put their cash on the table. Hence, barter. "The smaller markets," says Richard Gold, president of Casablanca IV, "won't make commitments until they see what the larger markets have done."

With production costs high and a limited demand for product, it's become risky to produce a show for which there isn't a clear market. Research regarding what the audience likes to watch during a particular time period is driving program development more and more, especially as stations shelling out large sums of money for a show are often unwilling to give it the time it might need to catch on. Gold says Casablanca went forward with plans to sell *Fast Copy*, a magazine show, after research indicated that the public would watch "infotainment" programs scheduled against game shows in prime access. *Fast Copy*, which takes stories from 15 of the country's top magazines and transfers them to video, was done originally for NBC, where it had a seven-episode run. Now Casablanca is trying to sell the concept in syndication.

Fast Copy also points up another phenomenon in syndication in the last year: reliance on the familiar. With a programming glut and stakes for stations and syndicators ever higher, both are attempting to minimize risks by bringing back recognizable shows and concepts. But last year, playing it safe gave way to few breakthrough shows and no hot genres. Little innovation is on the horizon for this year. The two new offerings causing the greatest flurry—GTG Entertainment's *USA Today* and LBS Communication's *Family Feud*—have both capitalized on the familiar, *USA* relying on the popularity of the national newspaper and *Family Feud* on the longtime success of its predecessor, canceled in 1985. Access' Colbert calls them "safe purchases." "*Family Feud* is guaranteed a sampling because of its prior run," he says, "and *USA Today* is a natural to run adjacent to newscasts."

With the odds overwhelmingly against the success of first-run shows, as they are for network rollouts, even the familiar can backfire. Paramount's *Star Trek: The Next Generation* took off in a streak of success last fall, but Lorimar's *Truth or Consequences* fizzled on the launch pad. It's a fickle business and syndicators know there are few guarantees. As TVX president Tim McDonald has said, "You can spend hundreds of thousands of dollars developing an idea, millions producing and marketing it, and then a nine-year-old kid with a peanut-butter-and-jelly sandwich in one hand and a remote control in the other goes 'click,' and you're out of business."

Put a bit more optimistically by Dennis McAlpine, an analyst at Oppenheimer & Co., "It's an ever more risky business. But if you catch the brass ring . . . " ●

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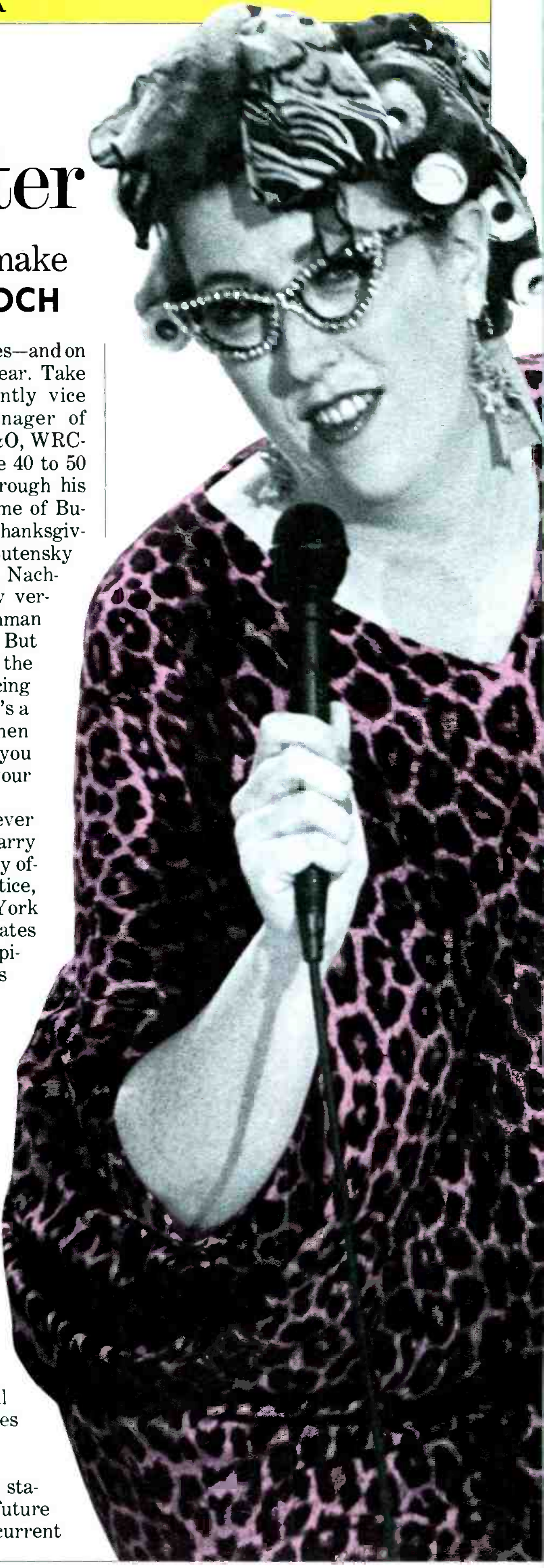

Ave Butensky's jaw nearly hit the floor when he entered Washington, D.C.'s, WRC-TV late last fall to pitch his wares as executive v.p. of Fries Distribution Co. "There were four people before me and two after me," he said at the end of what had become a very long day, his voice filling with exasperation. "That would make *seven* syndicators in *one* station in the *same* day!"

In the midst of a product glut, program syndicators like Butensky are struggling for increasingly scarce shelf space, a tussle that's turning creative programming into a commodity and squeezing prices for virtually all but the top shows. "It will be the most difficult year in terms of the number of programs available and the number of time periods they're chasing," says Shelly Schwab, president of MCA TV Enterprises, MCA's syndicated programming-development arm.

With an average of 15 to 20 available shows for each time slot, estimates Butensky, "television cannot support all the product that's being produced for first-run." With the exception of such proven hits as *Wheel of Fortune* or new shows backed by big names, such as Grant Tinker's *USA Today*, "the stations will be paying rock-bottom prices," he laments.

There are several reasons for the glut. To begin with, first-run and off-network hit shows, led by *The Cosby Show* and *Wheel*, are draining more and more dollars from the secondary syndicated-programming market. Furthermore, the Fox broadcasting network has grabbed a portion of prime time slots on 117 independent stations around the country. Many stations, heavily leveraged and shaken by bankruptcies within their ranks, were made even more cautious by last October's stock-market crash. The market nosedive carried with it the spectre of a recession, hardly an incentive to spend for much beyond proven hits. Thus, many stations have fallen back on their programming inventories, opening up fewer slots in their schedules for new shows.

The effects on program prices—and on cash "compensation"—are clear. Take Jerry Nachman, until recently vice president and general manager of NBC's Washington, D.C., O&O, WRC-TV, who estimates that some 40 to 50 distributors were coming through his doors monthly around the time of Butensky's appointment near Thanksgiving. Despite this clutter, Butensky managed to hit a soft spot in Nachman's heart with Fries' new version of *Queen for a Day*. Nachman had grown up on the original. But even if WRC were to go after the show, Nachman chuckled, pricing would be "the easiest part. It's a commodities market. When there's no room at the inn, you have to pay more" to get your show on the air.

While Nachman says he's never accepted cash payments to carry syndicated programs, industry officials say it's a common practice, especially in the key New York market. One executive estimates that in today's soft market, typical cash compensation runs $5,000 to $20,000 a week for a half-hour show. "Several years ago it was unheard of," says Mort Marcus, president of telecommunications at Hal Roach Studios. But, he adds, "the national advertisers won't advertise on a show that's not in New York."

Studios and distributors have been consoling themselves with the notion that the market has to improve. A heavy reliance on inventory now, they've been telling each other, means that stations will have to replenish their supplies sometime soon.

But the equation is more complicated than that. Some stations are already stockpiling future programming through their current spending. "None of us got into first-run sitcoms because we wanted to get into first-run sitcoms," said Steve Bell, GM of Los Angeles' KTLA-TV, at a Paul Kagan seminar last fall. With off-net prices going through the roof for half hours, he said, stations have bought into first-run sitcoms as a way of building a library of strippable shows before the programs' prices can rise on the back end.

For producers, the soft market has increased incentives to cut costs. Paramount may be taking the most direct approach to cutting costs on first-run projects. Lucie Salhany, Paramount's president of domestic television, declared unequivocally last fall that the studio wouldn't launch a series with expected deficits in excess of anticipated foreign earnings. Salhany claims the company covered all expenses for *Friday the 13th* that way. Production costs for *Friday*, shot in Canada, are $450,000 an episode.

But it's the success of *Star Trek: The Next Generation* that has most encouraged Paramount. Paramount was able to project profitability for the show—despite its $1.3 million-per-episode budget—after only three weeks on the air. So the studio quickly began talking about unearthing its rights to the old sci-fi movie *War of the Worlds* for another first-run series.

Cash 'compensation,' unheard of a few years ago, runs $5,000 to $20,000 per week for a half-hour program.

Old Hollywood hand George Schlatter opted for a personally risky approach to cost-cutting to produce his *Comedy Club* series. In a format reminiscent of the party scenes in his innovative *Laugh-In* show of 20 years ago, *Comedy Club* features fast-cutting between a variety of young stand-up comics performing before a studio audience. Schlatter tapes the half-hour show at his George Schlatter Productions, with post-production work done at his wholly owned firm The Editing Co. He took an equity stake in the show by using his own lighting equipment, studio space and staff time—overhead expenses he was already carrying. While the comedians earn $1,250 per show, Schlatter's daughter, Maria, acts as co-producer and Schlatter contributes his own time. In sum, Schlatter says he shaves $100,000 off what would otherwise be a $350,000 show. "There's no way a syndicated show could pay the fees that I charge a network," he says.

Comedienne Martha Jane on a roll for George Schlatter's *Comedy Club*.

Fearful of large deficits, MCA has gone to great lengths to try new ways to cut costs. It went to Australia to film the pilot for *Tender Loving Care*, a sex farce about two male students at an all-girl nursing school, and to Canada to shoot its *Secret Identity* pilot, about a comic-book fan who develops super powers. MCA also last year secretively undertook what quietly became known as an "experimental" late-night soap opera for men, being shot at night on the streets of Newark, N.J. The *cinema verité*, five-night-a-week, half-hour police show features new faces (read "low-paid") and was targeted at $50,000 an episode. (See following story.)

In general, studios have also cut costs by requiring stations to commit to some 24 or more episodes before launching production. Tribune/MCA's *Charles in Charge*, for instance, had an initial firm commitment for 52 episodes. With that much work to promise both above- and below-the-line talent, studios can negotiate what amounts to bulk discounts on individual contracts. "You either do it that way," says MCA's Schwab, "or you're out of business."

To be sure, some Hollywood stalwarts maintain that cutting costs means slashing quality, and along with it the odds of succeeding in a demanding marketplace. "I have not been able to find a way to do it in first-run syndication," insists Michael Lambert, executive v.p. for domestic syndication at 20th Century Fox, which syndicates *Small Wonder* and *$100,000 Pyramid*. "If you want to produce quality shows you've got to spend money."

Nevertheless, Hollywood's cost-cutting juggernaut seems inescapable, at least so long as the buyer's market rules. Paradoxically, though, syndicators do have a potential source of greater revenues, but it's one they've been reluctant to pursue too enthusiastically—delinquent accounts. Studio officials admit that too many financially strapped stations have been slow to pay for shows they've already ordered. But distributors and producers fear exacting payment at the price of killing off their buyers. So syndicators strain to put the best face they can on the situation, often by directing attention away from the soft domestic market, focusing instead on expanding foreign sales.

"We've been able to place *Car 54* in Europe," Joe Levinsohn, v.p. for international sales at Republic Pictures Corp., bragged at a Kagan seminar last fall. After a long pause and a shrug, he added, "Only in Iceland. But . . . we've already been paid for it." ●

MCA's Cost-busters

The powerhouse studio tries a bold production experiment on the streets of Newark. **BY NEAL KOCH**

Talk is cheap. MCA's betting on it.

The studio that's been talking tough about cutting production costs has taken its hopes and crews to the nighttime streets of Newark, N.J., to videotape a first-run cop show centered around raw language, blue-collar humor and the travails of working-man stiffs trapped in limited lives. The payoff, MCA hopes, will be a breakthrough series that can be brought in for $50,000 an episode while winning a late-night audience five days a week. "One person described it as the dark side of *The Honeymooners*," says Bob Pittman, president and CEO of New York-based Quantum Media Inc., which produces *The Street* for MCA TV Enterprises to syndicate. "It's 180 degrees from *Miami Vice*."

That's true both in cost and content. Let other cop shows pay for fancy wardrobes, car crashes, harrowing chases and bomb blasts. In *The Street*, targeted at young, adult males, the plots revolve around talk—lots of tough, cinema-verité talk of cops on the beat. The clothes run to urban street garb and police uniforms.

Pittman, who was a pioneering force behind MTV and who owns 50 percent of Quantum (MCA owns the other half), has helped fashion the show's plot to focus on the relationships between two sets of policemen on night-shift patrol. "It's about how these guys, stuck in a box, rolling around Newark at night, get along," he explains. "You spend a lot of time just listening to these guys rap."

One pair of characters, who were Catholic schoolboys together, joined the police force with little education but high hopes for their lives. But, says Pittman, "The idealism wears off. They think they'd probably want to do something else. But, lo and behold, they're not trained for anything else."

A guiding force behind the series, Jim Korris, vice president of the MCA Television Group, says he was inspired by the low-budget movie *Signal 7*, an independent film about bad actors working as taxi drivers while they search for performance work. Filling the film are scenarios dug out of urban low-life and the small problems of working-class people caught in miserable lives. Says *Signal 7* director Rob Nilsson, whom MCA hired to do *The Street*'s five pilot episodes: "I personally don't like the picture-postcard approach to filmmaking."

He brought with him what MCA officials enthusiastically describe as a "gritty" style, given newscast-like immediacy by the use of videotape and a shooting approach in which cameramen appear not to always know who will speak next. It has a certain compelling appeal, heightened by the lack of soundtrack music, which is reserved solely for the show's opening. Lighting and sound are uneven.

But the show's off-center look may have as much to do with cost-cutting as with aesthetics. During the pilot tapings, anything beyond master shots was rare. "Mostly we didn't do coverage," Nilsson says, referring to close-ups and other detailed shooting work. "When we *would* do a second take, that mostly constituted coverage." Sometimes the camera's difficulty in focusing seems painfully real. While Pittman denies it, others following the production say Quantum went prospecting among film-school students for cameramen. "They were looking to recruit these types of kids," says Mike Proscia, vice chairman of the New Jersey Motion Picture and Television Commission and an official of IATSE, the union representing below-the-line workers.

Newark's IATSE Local 21 set out to organize the show's crew late last year by calling on the city's Policemen's Benevolent Association for support. It seems Newark's police department supplied *The Street* with cars and uniforms for the pilots.

MCA managed to staff *The Street* with non-union crews—despite the giant studio's signature on IATSE contracts—by using Quantum. Although half-owned by MCA, Quantum itself never signed with IATSE. It's part of a trend among Hollywood studios that feel hamstrung by union rules: More and more, they're quietly setting up limited partnerships, and what they argue are independent corporations, to produce product. While these new companies may still pay prevailing wages, work rules ease, as do obligations toward union pension and welfare funds.

As to why it shoots in New Jersey, publicly, MCA officials say it carts its crew and cast across the Hudson River at significant expense because "Newark is real undiscovered" territory. Privately, sources indicate other reasons. MCA Broadcasting, owner of Secaucus-based WWOR-TV, wants to take credit for bringing production business to the state, they say. Originally, New Jersey had objected to MCA's purchase of WWOR fearing the company might move the station—the state's only VHF outlet, and, consequently, the major broadcast forum most readily available to New Jersey's political candidates—back to Manhattan.

The series is set to begin airing this spring on the strength of initial orders for 40 episodes from independent stations WWOR and KCOP in Los Angeles. The show is being sold on a cash-plus-barter basis, with MCA keeping one of seven minutes of advertising time per episode.

Still, *The Street*'s future remains unclear. With former *National Lampoon* writers on staff and with Pittman's uncanny sense of his marketplace, it could turn out to be the

EDDIE ADAMS

No-frills television: Trucking cast and crew across the Hudson to shoot on tape after dark, five nights a week.

hottest thing in late-night since *Mary Hartman, Mary Hartman.* But, by the new year, Quantum had yet to prove it could consistently bring the show in below the $80,000 price of the pilots. Moreover, MCA will have to find a way to maintain the breakneck shooting pace of the first five episodes, which were shot in six nights, generally from 5 P.M. to 5 A.M., with one session lasting 20 hours. To maintain that pace, suggests one source, the show may regularly roll over lead characters as actors burn out. A side effect would be to keep *The Street* from becoming heavily dependent upon any one actor whom the show might propel to stardom—and higher salary demands.

Street executives have recently expressed concern about possible flack over the show's raw language. Among the first five episodes, plot lines revolved around castration by gunfire, speculation as to the contents of vomit, the trading of traffic tickets for sex, and a racist cop. To be sure, others have probed the limits of acceptable broadcast language, most recently Steven Bochco's *L.A. Law*, Fox Broadcasting Co.'s *Women in Prison* and the growing number of independent stations running uncut theatrical films. But Pittman, as he proved while at MTV, tests his own ground. In *The Street*'s first two episodes, his characters use the phrases "fellatio," "get on it bitch," "pissed," "asshole," "shitty," "horny," and "take a whizz." Pittman says individual stations may need to make cuts to conform to local standards.

Clearly, the show's future will also rest with viewers, who must signal whether they will turn on their television sets to stare into a mirror. N.K.

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Cable Enters the Mix

When broadcasters gave them the cold shoulder, syndicators decided to take their shows elsewhere. BY JOHN MOTAVALLI

At last year's National Association of Television Program Executives (NATPE) convention in New Orleans, Anthony Lynn, then Coca-Cola Telecommunications' president for cable, pay TV and home video, outlined his plans for selling four original series to CBN cable network, including *Bordertown*, which debuted last month. Lynn, an HBO veteran, remarked that cable had come a long way since its early days when the only true original product was minor-league sports and pornography on Manhattan Cable.

A lot has changed since last year's NATPE. Coke's entire entertainment division, for example, has been restructured in its merger with Tri-Star Pictures, and Lynn is now with MGM's TV division. But the trend that Lynn and others foretold at the convention—cable networks becoming major customers for Hollywood program producers—has continued with a vengeance.

John Motavalli is a New York-based television writer.

The program-hungry quartet of WTBS, CBN, USA Network and Lifetime has been busy over the past year building a major beachhead in the syndication marketplace, primarily through the acquisition of suddenly affordable off-network dramatic hours, including Orion's *Cagney & Lacey* (Lifetime), MCA's *Miami Vice* (USA), Columbia's *Remington Steele* and *Crazy Like a Fox* (CBN). Lorimar Syndication's Dalton Danon, senior vice president of pay cable and feature film sales, notes that his company has a deal with Turner Broadcasting to supply *Dallas* to the planned TNT (Turner Network Television) channel in 1990, should TNT be launched. Cable networks, program suppliers say, are suddenly willing and able to pay more than $200,000 an episode for hour-long shows that are a hard sell in the broadcast marketplace.

Cable's sudden clout in the programming arena is a direct result of major increases in advertising revenue and per-subscriber fees. According to figures released by the Cabletelevision Advertising Bureau, ad-supported networks will generate $1.4 billion in ad revenues this year—a 22 percent increase over last year. Those numbers go hand in hand with the number of broadcast viewers defecting to cable. Last year, prime time ratings for ABC, CBS and NBC dropped a collective 3 percent—representing shares below 50 percent for the first time ever—while ad-supported cable networks and superstations together posted a 15 percent gain.

"What's happened over the past few years in cable has been profound," says Phil Howort, president of telecommunications at LBS Communications. LBS sales to cable in the past two years—including *The Monkees* to MTV and Nickelodeon, *The Story of Rock 'N' Roll* to MTV and VH-1 and an original psychotherapy show, *Our Group*, to Lifetime—have totaled more than $12 million. Though LBS has sold a variety of product to cable, most of cable's big deals with major suppliers have been for hour-long shows. "If the

USA Network paid about $200,000 per *Vice* episode when stations' romance with the show ended.

In the early days, the only true original product on cable was minor-league sports and pornography on Manhattan Cable.


Cagney & Lacey debuts on Lifetime this month and anchors the network's prime time schedule.

indies are pulling in their horns and living off inventories, cable networks are going to continue to be a viable alternative for us," says J. Scott Towle, president of Orion Television Syndication.

Most agree, however, that it will be years before cable competes with broadcast TV for hot programming. With the price of top-tier syndicated sitcoms averaging $350,000 an episode, cable for the most part can't afford them, especially when one considers that cable's CPMs run as much as 35 percent behind broadcast's and that a 3 rating—minute by broadcast standards—is a victory for cable. Last October, Lifetime posted only a 0.4 average rating (138,000 households) in prime time; USA scored a 1.2 (408,000 homes). The money, producers and syndicators know, is still with first sales to broadcast networks and then syndicating the show to broadcast stations. "When it comes to shows like *Golden Girls* [which airs on NBC], basic cable can't begin to match the money we make," says Robert Jacquemin, senior vice president at Buena Vista Television, Disney's production and syndication arm.

USA's four-year arrangement to carry *Miami Vice* is a good example of the way syndication deals are made with cable. MCA, which splits ownership of USA with Paramount Pictures, took *Vice* to last year's NATPE. But the company ended up shopping it around to cable when it became clear that the soft market for dramatic hours, mixed with a dip in *Vice*'s ratings and concern about whether the show would maintain its trendy aura, was making it a tough sell to skeptical station managers. But at a $300,000-per-episode price tag—almost twice what any cable network had ever paid for an off-network hour—cable balked.

To turn around *Vice*'s syndication prospects, MCA scheduled the show for a special run last September on WWOR-TV, New York, which it owns. The show delivered impressive ratings, sometimes as high as 12.9, but its performance still was not good enough to attract the kind of broadcast sales MCA wanted. It did, however, create interest among cable networks again, especially when MCA talked lower prices. Several cable networks bid for the show, according to Don Menchel, president of MCA's domestic syndication unit, and it was USA's higher bid, rather than MCA's half ownership of the network, that clinched the deal, which is said to be worth about $200,000 an episode.

Program suppliers maintain they can sell shows such as *Vice* to broadcast stations after a cable run. Menchel and others reason that with half of TV homes still not subscribing to cable, there are plenty of viewers who won't see the shows and will want to. But that philosophy is being challenged already as some stations that signed with Orion to run *Cagney & Lacey* are talking of canceling their contracts because of the exposure the show will get on Lifetime.

From the perspective of cable networks, the soft climate for hour-long programs is a window of opportunity. Highly recognizable shows bring in respectable ratings and help shore up cable networks until they can afford complete schedules of original programs. USA's *Airwolf*, for example, and CBN's *Paper Chase* both consistently garner ratings in excess of 2.0, higher than any other shows the networks have put in the prime time slot.

USA has also pioneered a kind of risk-free approach to providing original programming. Its arrangement with MCA for *Airwolf* and *Alfred Hitchcock Presents* combines purchase of off-network episodes with rights to produce new episodes. The made-for-USA episodes are produced in Canada with non-union crews. In the case of *Airwolf*,

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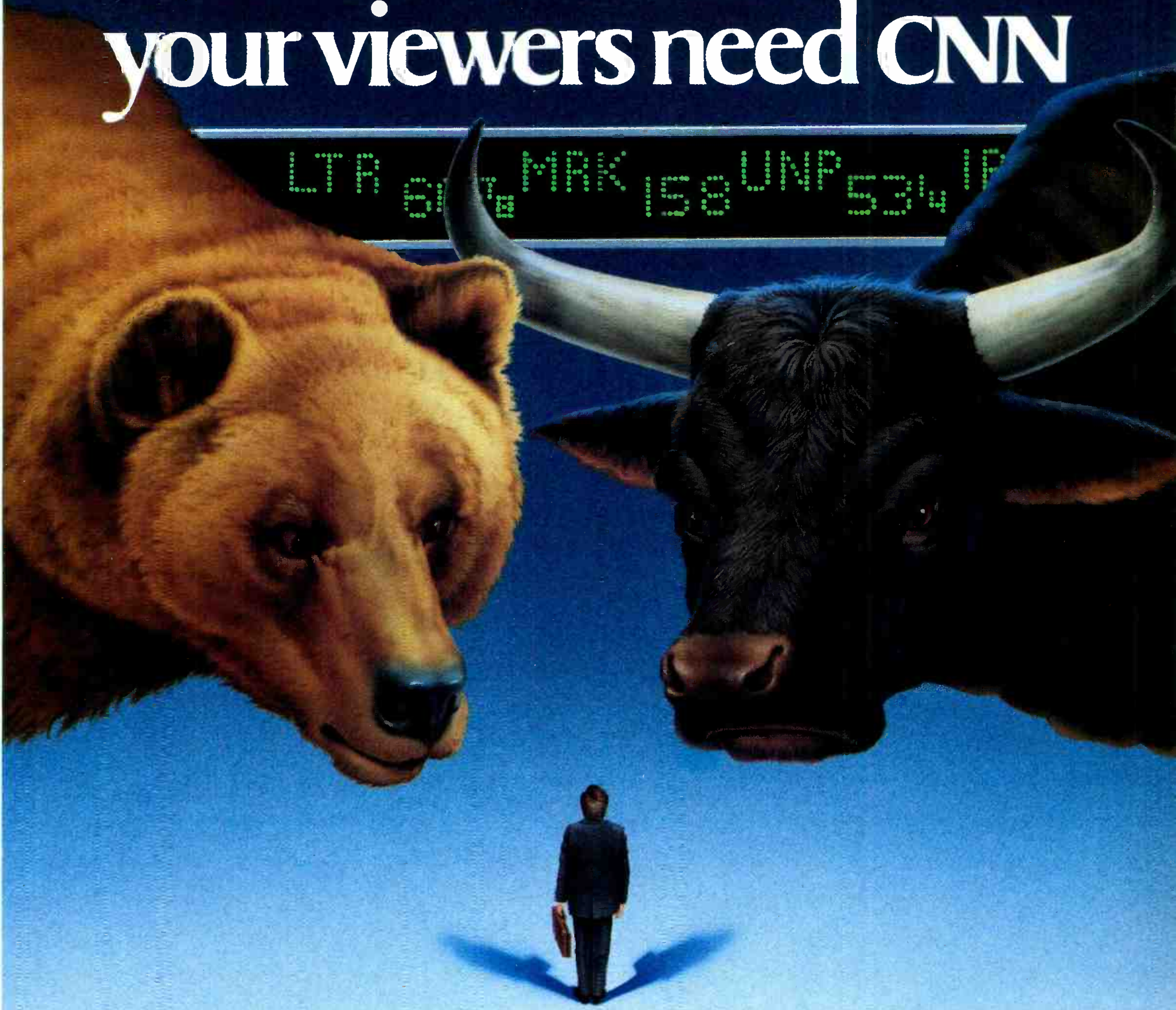

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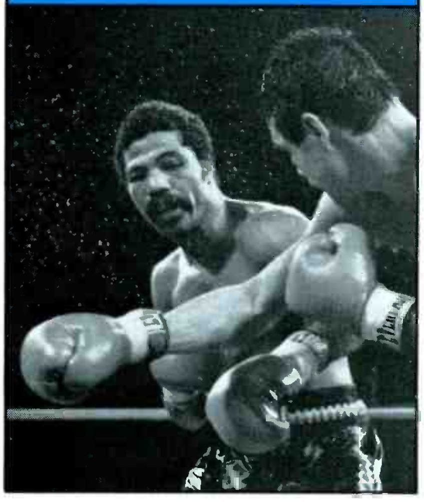
FRIDAY 2/5



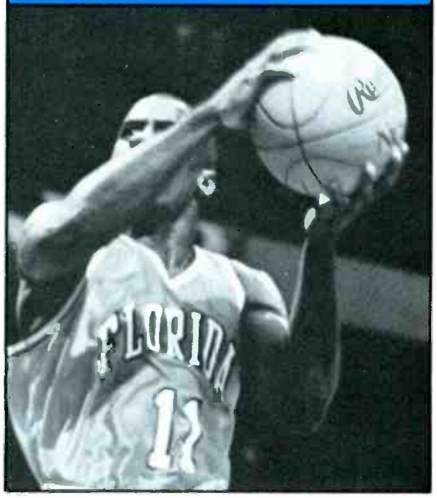
2:00PM
LPGA GOLF: MAZDA CLASSIC
2ND ROUND

8:30PM
NFL'S GREATEST
PERFORMANCES '87

9:00PM
BUDWEISER PRESENTS:
TOP-RANK BOXING

MIDNIGHT
COLLEGE BASKETBALL:
MIDDLE TENN. AT TENN. STATE

SATURDAY 2/6



NOON
LPGA GOLF: MAZDA CLASSIC
3RD ROUND

2:00PM
COLLEGE BASKETBALL:
NC STATE AT DUKE

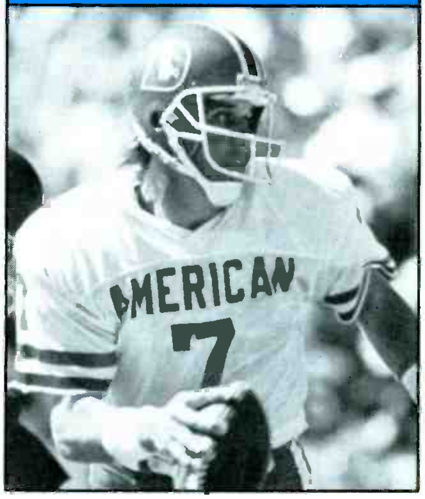
5:00PM
BUDWEISER PRESENTS:
RACING ACROSS AMERICA—
1987 ECLIPSE AWARDS SPECIAL

6:00PM
US SKIING NATIONALS:
70M & 90M JUMPING

7:00PM
COLLEGE BASKETBALL:
AUBURN AT FLORIDA

9:00PM
COLLEGE BASKETBALL:
BYU AT UAB

SUNDAY 2/7



NOON
LPGA GOLF: MAZDA CLASSIC
FINALS

5:00PM
SUBARU SKI WORLD

5:30PM
STEVE GARVEY CELEBRITY
SKI CLASSIC

7:00PM
1987 NFL FILMS ALL-PRO TEAM

8:00PM
AFC/NFC PRO BOWL

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TUESDAY 2/9

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ALL-STAR
GAME

8PM
LIVE

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Falcon Crest ratings hit 0.5 on Lifetime—bombing on cable as it did in broadcast syndication.

'If indies are pulling in their horns and living off inventories, cable networks are going to continue to be a viable alternative.'

costs amount to less than $500,000 a show—half of the cost for the originals. *Airwolf* is produced without its original high-priced stars, Ernest Borgnine and Jan-Michael Vincent, and USA also avoids costs associated with the show's centerpiece, the futuristic helicopter, by using stock footage of the craft.

So far, production of original series for basic cable has had mixed results. Paramount's *Sanchez of Bel Air* on USA did a quick fade, while D.L. Taffner's *Check It Out* with Don Adams on USA increased audience 70 percent last year and was renewed for a fourth year. CBN's *The Campbells* and *Butterfly Island* are also entering their fourth years.

Original programming deals also offer the possibility of additional revenue for cable networks. Viacom last November entered into a co-venture with the Fox stations to syndicate *Double Dare*, its game show for kids telecast on its Nickelodeon channel. With both production and syndication divisions, Viacom has concentrated on sales to broadcast networks. But Joseph Zaleski, president of domestic syndication, says the increased possibilities for multiple revenue streams from cable has spurred new interest in creating product for Viacom's own cable networks—MTV, VH-1, Nickelodeon and Showtime. It also sharpened the company's eye for placing cable product on broadcast outlets, as with Showtime's *It's Garry Shandling's Show* on the Fox network.

HBO has had success with such tactics, as well. HBO Enterprises, for example, sold the made-for-pay feature *The Park Is Mine* (an HBO Pictures production) to Orbis Communications for syndication. It has also carved a niche in foreign distribution with films such as *Mandela*. Two recent deals—USA's acquisition of HBO's series *The Hitchhiker* and *Ray Bradbury Theatre*—point to the potential for syndicating made-for-pay product.

And there is a growing emphasis on original programming industrywide. WTBS increased its budget for original programming to $100 million last year (it has a multiyear commitment to MCA for *The New Leave It to Beaver*), and Jack Petrik, TBS executive vice president, says the company is looking to capitalize on its MGM library, possibly by remaking old series like *Gilligan's Island*. At Lifetime, Chuck Gingold, vice president of programming, has long maintained that purchase of off-net product is merely a stopgap measure until the network runs an all-original schedule. But its purchase of *Falcon Crest* from Lorimar for $50,000 an episode was a hard lesson. After receiving ratings that hovered in the 0.5 range in its 8 P.M. spot last fall, the show was moved to 11 A.M. and hasn't fared any better. Gingold concedes that he erred in thinking that *Falcon Crest* would work on cable even after a bad syndicated run on broadcast stations.

But Lifetime has moved aggressively into original programming with *Attitudes*, a daily talk show; the movie review program *Sneak Previews*, picked up from PBS; and the variety show *Way Off Broadway*. It is also building production facilities in Queens, N.Y.

The major cable networks' rush into off-network and network-style programming does not mean that diversity is being abandoned wholesale. Besides fully differentiated channels like The Nashville Network, CNN and FNN, others such as Arts & Entertainment and The Discovery Channel have managed to rely on syndicated programming that allows them to maintain distinction. Cable is using its growing clout to bid competitively for syndicated shows and strengthen its position in the eyes of the Hollywood production community. Its day as a major player in the programming arena, while not quite here yet, is not far off. ●

Divining the Fall

How to figure what show will fly in the future? Take a close look at what crash-landed last year. BY CAROL HALL

The 1987-88 television season was a tough one for syndicated shows. An estimated $2.5 billion in licensing fees and barter advertising was invested in first-run syndicated programs that delivered, for the most part, meager ratings and few breakthroughs. While prices for top-flight syndicated product continue to rise along with the number of available new shows, the marketplace this year is more competitive than ever. As always, station managers and syndicators are searching for the next *Wheel of Fortune* that will shoot them to the top.

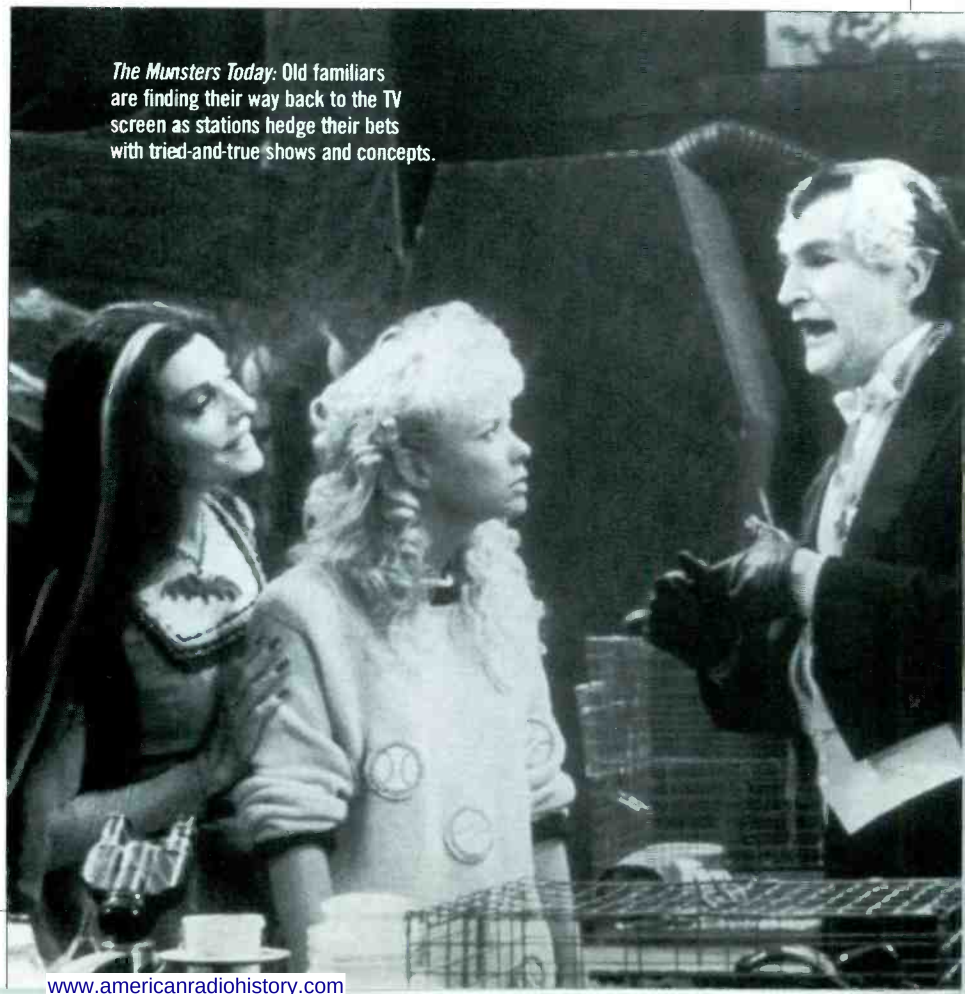
But pinpointing the next hit is a nearly impossible task. Generally, there's little by which to foretell viewing trends save some well calculated hunches, most of which are based on the performance of the previous season's shows. This year, the problem is that last season's syndicated shows have left even less than normal to go on.

There were no blockbuster hits. And besides being for the most part "lackluster," as many in the industry describe the '87-88 syndication slate, actual performance was muddled by new people-meter ratings methodology, whose numbers no one completely understands yet. (A.C. Nielsen Co. admits that shows with low ratings could actually have a margin of error of plus or minus 50 percent.)

Shows that were expected to be hits, such as Group W's *The Wil Shriner Show* (launched amid mountains of research and fanfare) and Lorimar Syndication's highly promoted revival of *Truth or Consequences*, were disappointments. At the same time, Paramount's *Star Trek: The Next Generation* (see box) and Buena Vista's game show, *Win, Lose or Draw*, were pleasant surprises. Still, a careful look at specific programming genres reveals some signs that may foretell where next season's best hopes lie.

Though *Shriner* turned up ratings in the 2s, that doesn't mean the talk-show format is hopeless. The problem with *Shriner*, says Hank Price, director of programming and marketing at WUSA in Washington, is "there's nothing distinctive about the show. Here's another bright young person sitting behind a desk." Others say the comic Wil is working in the wrong format. But the success of King World's *The Oprah Winfrey Show* is still fresh in the industry's mind and, with low production costs, talk shows are good risks for syndicators. If a show fails, not much has been lost. If it's a winner, licensing fees rise while production costs remain fixed—and profit margins improve. With *Oprah* and *Donahue* in afternoon spots in many markets, and with access time at a premium, morning and daytime slots—where talk shows generally perform well—are easier to move into. As many as eight syndicated talk shows are on the market, some focusing on a kind of "lite" chit-chat led by such proven lightweights as *Good Morning, America*'s Joan Lunden (in Paramount's hour-long *The Daytime Show*) and Regis Philbin and Kathie Lee Gifford (*Live with Regis and Kathie Lee* from Buena Vista Television). Others include Hal Roach's *The Family Show*, hosted by former NFL star Ahmad Rashad, husband of *The Cosby Show*'s Phylicia Rashad, and a power-of-positive-thinking talkie hosted by motivational speaker and author Rita Davenport and distributed by Harmony Gold.

Carol Hall is a New York-based communications writer.



The Munsters Today: Old familiars are finding their way back to the TV screen as stations hedge their bets with tried-and-true shows and concepts.

Paramount's *Geraldo!*, a talk show formated like *Donahue* and *Oprah* starring Geraldo Rivera, surpassed expectations with an average 3 rating for the fall (*Oprah* scored a 9.2 and *Donahue* a 6.2). That show's relative success, along with the nation's recent fascination with shock radio, are no doubt the impetus for several new talk shows whose hosts are wont to be arrogant, abrasive, rude—or otherwise strong personalities. *Liddy*, a one-hour weekday show hosted by Watergate conspirator, former secret-service agent and one-time congressional aspirant G. Gordon Liddy, has raised eyebrows in the industry. Called a "talk-confrontation" show by its distributor, All American Television, *Liddy* will deal with controversial subjects such as the death penalty and AIDS. Carl Menk, All American v.p. of sales, says the company believes there's a niche for a right-leaning talk show, but others aren't so certain about that—or that Liddy's the man to host such a program. "I'm not sure I'd recommend it to our clients," says a rep firm executive.

"A convicted felon having his own show? You walk a fine line on that one." Also slated for fall '88 is a talk show hosted by boxing promoter Don King called *Only in America*, distributed by Access Syndication. Casablanca IV's half-hour weekly, *Speaking of Everything*, hosted by Howard Cosell, debuted in January.

Game shows are also inexpensive to produce and if they take off, the economic rewards are also high. *Wheel of Fortune*, for example, costs about $8 million a year to produce and brings King World Productions more than $110 million in licensing fees and ad revenues. Though *Win, Lose or Draw* is showing promise in the 121 markets where it airs (a 4.8 average fall rating, and there is talk of moving it to access in hopes of unseating *Wheel* and *Jeopardy*), many game shows didn't have a good run last year. Besides Lorimar Syndication's *Truth or Consequences* fiasco (stations in Dallas, Detroit, Miami, Washington and others in the 151 markets that bought it had yanked it by mid-fall '87 and it will be canceled this month), Orion's *High Rollers*, Orbis Communication's *Matchmaker* and ABR Entertainment's *Lingo* (hosted by Michael Reagan) look like they'll get the ax as well.

Still, there are plenty willing to run the risk to hit it big in game shows. Some 20 were in development in fall '87, with sights on an '88 launch. Just 25 percent, one industry source estimates, will last past NATPE. After that, it's anyone's guess. "What are people thinking?" asks Frank Kelly senior vice president at Paramount. "There's no way more than 10 percent of those can survive in a market with *Wheel* and *Jeopardy*." Nonetheless, the lure of the genre and the possible payoff are too much for producers and syndicators to resist, Paramount included. It will enter the fray with a new one called *Wipe Out*.

Game-show impressario King World is also taking a chance on a new show—the video version of Parker Bros. crown jewel *Monopoly*. So far, it has been given the okay to develop the show. If Parker Bros. likes what it sees, *Monopoly* could be on the air in the fall. The industry will watch closely, but the program will likely be sold to one of the broadcast networks because King World is precluded from syndicating game shows not produced by Merv Griffin Enterprises.

THE SYNDICATED SCORECARD

	OCT. '87 SHARE*	OCT. '86 TIME PERIOD SHARE*
OFF-NETWORK		
Family Ties	13.2	12.1
Cheers	12.9	13.7
Hill Street Blues	8.4	9.8
Simon & Simon	7.4	9.6
FIRST-RUN STRIPS		
Win, Lose or Draw	18.3	16.7
Geraldo	14.0	14.4
High Rollers	12.7	14.5
Wil Shriner	10.9	16.7
Lingo	9.0	10.0
Truth or Consequences	8.8	14.6
KIDS' STRIPS		
DuckTales	10.2	8.5
Real Ghostbusters	9.5	7.6
Teddy Ruxpin	6.3	6.8
Dinosaucers	4.1	5.4
FIRST-RUN SITCOMS		
She's the Sheriff	11.3	12.0
Out of this World	9.9	11.3
We Got It Made	9.5	12.1
Marblehead Manor	8.6	10.5
You Can't Take It With You	5.9	7.0
The New Monkees	5.2	8.3
WEEKLY SHOWS		
Star Trek: The Next Gen.	14.3	6.5
Comedy Club	11.2	11.8
Friday the 13th	9.3	8.5
New Sea Hunt	7.4	10.1

*Source: Seltel October '87 Syndication Report, averages based on Arbitron local market ratings.

Other companies will gamble on game shows, but this year—perhaps taking a lesson from *Star Trek*'s success with dishing out the familiar—will hedge their bets by building shows around known and proven entities. ABR Entertainment, for example, is out with *Yahtzee*, starring veteran game show host Peter Marshall; Worldvision debuts *Trivial Pursuit* (which should capitalize on *Jeopardy*'s success); LBS resurrects *Family Feud*; and Charles Nelson Reilly hosts Multimedia's *Sweethearts*.

With the almost impenetrable success of *Wheel* and *Jeopardy* in access, some believe that only truly alternative programming can pull viewers away from the number one and two shows in syndication. Once again, syndicators and station program directors are returning to the familiar—"infotainment," an innovative concept in the mid-'70s—in hopes of capturing viewers in the desirable 18-to-49 and 25-to-54-year-old age groups. At least three first-run half-hour infotainment magazine shows are scheduled to premiere by September: 20th Century-Fox's *Current Affair*, Orion's *Crimewatch Tonight* and Group W's *Getaway*.

Another show that fits the category is GTG Entertainment's much talked about *USA Today*, produced by Grant Tinker and former *Today* show execu-

Cashing in on Retreads

Paramount's announcement last year that it would remake *Star Trek* left hard-core Trekkies "fraught with anxiety." "I thought it was great," says a longtime fan, "but I was concerned that they'd screw it up."

So was the industry. Although *Star Trek: The Next Generation* seemed to have all the right ingredients, there was no way to know if an interplanetary crew in a spaceship would be a hit on 1987 television. The show was one of the season's biggest gambles. Yet, maintains Steve Goldman, Paramount executive vice president of domestic sales and marketing, it was a "qualified risk."

Star Trek redux: Off in a streak, Paramount projects profit on *The Next Generation*.

The idea to bring *Star Trek* back had many things going for it. Though the original run, starting in 1966 on NBC, never appealed to a mass audience (the show owed its short three-year life to *Star Trek* loyalists, who petitioned the network to keep it on), its success in syndication is industry legend. Ten years after the original run it was still carried on more than 140 U.S. stations and in 47 foreign countries. Then came the *Star Trek* animated cartoon series and four *Star Trek* movies (among the top box-office grossers since 1979 and now hits on home video).

With a production budget of $1.3 million an episode and with an all-new cast, Paramount held its breath with the launch of the show on more than 200 stations last fall. "We tried not to bring back the old show, but the *feeling* of the old show," explains Goldman. *The Next Generation* caught on quickly and turned into one of the season's hits (in November it received an 11.5 national Nielsen rating, and was ranked 17 in the Cassandra syndicated-programming report). Paramount was also quickly able to project a profit.

Other remakes didn't fare so well. MGM/UA's *Sea Hunt* suffered, at least in part, from poor time slots, usually weekend afternoons; LBS Communications' *The New Monkees* fell flat. The show was canceled in Los Angeles by late October, and LBS says it will not return this year. But with producers and station managers in an uncertain syndication marketplace finding comfort in the familiar, the performance of *Star Trek* and Paramount's *Friday the 13th* series, a spinoff of the movies, may have spurred a spate of remakes. Goldman, however, thinks the shows' success reflects viewers' interest in science fiction and the far-out rather than in remakes.

Paramount will try again with *War of the Worlds*, a $750,000-per-episode series based on the best-selling book, history-making radio broadcast and Oscar-winning movie. In the hour-long, bartered TV series, Martians who were killed off by bacteria in the original story are suddenly revived. For years, their bodies were stored in oil drums disposed of in a dump-site. But when a bureaucrat okays disposal of nuclear waste in the same site, radioactive material leaks into the Martians' drums and brings them back to life. The hook is that they need human host bodies, which tend to expire rather quickly, to make it on earth.

The Twilight Zone also attempts a comeback—again. MGM/UA is distributing the show even after the failure of a first remake attempt that ran a couple of years ago on CBS. Buyers are leery, but in a new TV climate, MGM expects the latest attempt—all bartered, half-hour episodes—to have a good chance.

Also cashing in on a macabre theme is MCA, with *The Munsters Today*. With reruns of the original series performing well, the latest incarnation has the family waking up from a 20-year sleep induced by one of Grandpa's experiments that went awry. In color, with an all-new cast, the show seems promising. C.H.

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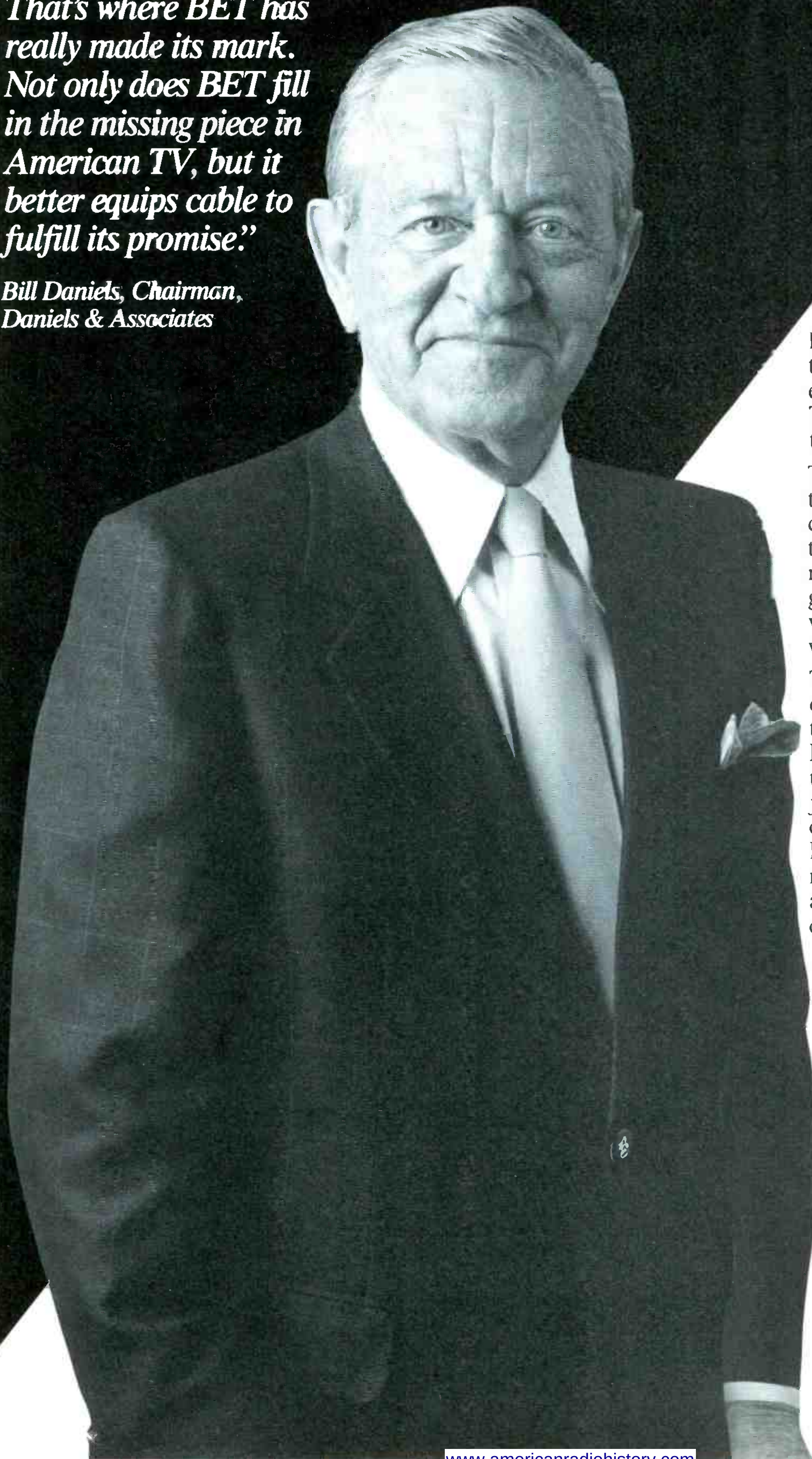

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tive producer Steve Friedman. Some in the industry are put off by the show, angered by its high price tag and "tired of the pomposity," as one observer put it, associated with the Tinker/Gannett connection and the company's insistence on flying without a pilot.

With many off-network shows commanding among the highest licensing fees, one would expect extensive offerings and strong evidence that the programs are proven winners in syndication. Neither is the case. In fact, disappointing performances last year by the highly touted, high-priced sitcoms *Cheers* and *Family Ties* have station managers nervous—especially those who spent as much as $240,000 per episode for *Who's the Boss* and *The Cosby Show*. *Cosby*'s price tag, estimates Greg Miller, vice president at Great American Broadcasting, tops every purchasing station's highest-ever-paid figure for syndicated programming by at least 75 percent.

Some blast station managers for expecting, as one industry insider puts it, "a 12 rating when you were getting a 6 rating in the time period" before scheduling a *Cheers* or *Family Ties*. Many have come to the conclusion that *Cheers*, for one, is a prime time or late-night show that simply doesn't work well in fringe or access time slots. Says Tim McDonald, president and chief executive of TVX Broadcasting: "These shows look good now, but God has not annointed them. They're just sitcoms." His advice: "Don't get caught up in the emotion. It will bite you in the ass bigtime." Besides drying up program acquisition budgets, the purchases also locked up valuable time periods.

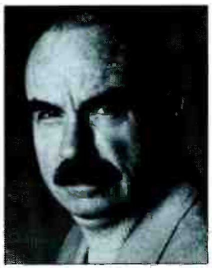
Sitcoms weren't the only expensive off-network letdowns. Hour-long dramatic shows continue to fare poorly. MCA's *Simon & Simon* is the most-often-cited disappointment; *Magnum P.I.* also was a disappointment in some markets, as was *Hill Street Blues*. Some suspect that viewers during prime access and especially early fringe are tired of rerun dramas and uninterested in the talky style of a *Hill Street* or *Simon & Simon*. But the better explanation for the lackluster performance may be simply that, particularly in late afternoon, television viewers have a wide range of alternatives including, in many markets, *Oprah* and *Donahue*, game shows and the popular court shows such as *People's* and *Superior*.

> Prospects for first-run sitcoms are bleak. No strong performers emerged and problems with checkerboarding contributed to a dearth of new shows.

The result is that the crop of new off-network offerings—sitcoms and dramas—is lean this year. Among the most notable: *9 to 5* from 20th Century-Fox (52 new episodes to be produced); *Head of the Class* from Warner Bros. (for fall 1990 airing); and MCA's *Kate & Allie*.

Prospects for first-run sitcoms also look bleak. No strong performers emerged last year, and problems with the attempted revival of the checkerboarding strategy contributed to a dearth of new shows. Seltel's Janeen Bjork wonders if viewers "overdosed on bland comedy" last year: "Bill Cosby proved that the sitcom genre was not dead, and then everyone and their brother jumped on the bandwagon," she moans.

Of the crop of checkerboard programs bought by CBS owned-and-operated WCAU in Philadelphia, and by NBC to run on its owned stations in New York, Chicago, Washington, Cleveland and Los Angeles, none performed as well as was hoped in the access period. Lorimar's *She's the Sheriff* received an average 5.4 household rating by November '87; MCA's *Out of this World*, 4.7; Paramount's *Marblehead Manor*, 4.3; *We've Got it Made* from MGM, 3.7; and *You Can't Take It With You* from LBS, 2.6.


Liddy: Now talk-show host

WCAU announced in November that it would cancel its checkerboard because of low ratings and NBC is doing the same. In September, it will run LBS's new *Family Feud* in access.

Children's programming was also a letdown last year. Besides being particularly hard hit by people-meter ratings (kids haven't embraced the new technology and are used to Mom filling in diaries for them), a glut of shows spurred fierce competition for junior's eyes. The brightest spot was Buena Vista Television's *Duck Tales*, a funny, half-hour cartoon strip that proved there's still a market for first-run animated children's shows—if they're well done. *He-Man*'s success after lumbering onto the scene in '83, along with a spurt in the number of independent stations that traditionally catered to kids in certain time periods, caused a host of imitators to flood the market in the last several years—many with poor-quality shows. Then independent stations began to hit hard times. When many new animated children's shows failed, the genre was declared all but dead. Last fall more than 20 debuted, but only one other animated show, *Real Ghostbusters* from Columbia Pictures Television, made a dent in the juvenile consciousness, while shows considered to be shoe-ins based on their proven subject matter—*Dinosaucers*, also from Columbia and meant to capitalize on kids' fascination with things prehistoric, and *The Adventures of Teddy Ruxpin* from LBS, with an obvious tie-in to the toy—were disappointments.

The buzzword this year in kids' television is "reality" programming. With the success of Nickelodeon's *Double Dare* (it starts a syndicated run on broadcast this month), syndicators and station managers are encouraged that kids like watching other kids on TV, and that such shows can draw them away from cartoons. Lorimar is releasing *Fun House*, a show along the lines of *Double Dare*, and Hal Roach is shopping a magazine show called *Flip*.

When syndicators and programmers gather in Houston at the end of this month for the National Association of Television Program Executives convention, no doubt two of the most often muttered complaints about the business will be heard over and over again: too many shows; too many poor-quality shows. Both may be true. Judging from last season's mediocre performers and embarrassing bombs, perhaps stations and syndicators are missing the audience's cry for something different. The best lesson learned from last fall may be that there's a need for true innovation this year ●

Your Next Hit—Or Miss

Perhaps the strongest emotion evoked by the new shows making their debut at NATPE this month is nostalgia—or at least *déjà vu*. Some say it's because known quantities make for an easier sale, both to stations and, later, to home viewers. Hence, syndicators are working into shape new versions of *The Liar's Club* (from Four Star), *The Munsters* (MCA), *Family Feud* (LBS), *Fast Copy* (Casablanca IV) and *The Gong Show* (Barris).

Another favorite tack this year is making TV shows out of other familiar commodities. In that vein, syndicators have created *Nightmare on Elm Street: Freddy's Nightmare* (Lorimar), spun off of the popular movie series; *Trivial Pursuit* (Worldvision), begotten by the board game; *USA Today* (GTG), built around the paper of the same name; and *War of the Worlds* (Paramount), based on the radio play and film.

Genres come and go, and this buying season is no different. (Remember the psychology shows of last NATPE?) Warm-and-cuddly talk/magazine shows are in, with Paramount's *The Daytime Show* (featuring Joan Lunden), Buena Vista's *Live with Regis and Kathie Lee* and Hal Roach Studio's *The Family Show* (with sportscaster Ahmad Rashad). There's also a surge in combative/obnoxious talk hosts—already including, depending on one's viewpoint, Howard Cosell and Morton Downey—with *Liddy* (from All American), *Don King's Only in America* (a variety show) and *Clashpoint* (with conservative Bob Grant). And two syndicators join Viacom's already launched *Double Dare* in fighting for 'tweens (you know, not little kids and not teens) with *Flip* (from Hal Roach) and *Fun House* (from Lorimar).

Below, in alphabetical order, some of the shows to keep an eye on at NATPE.

JOHN FLINN

RESEARCH: ERIN KELLY

American Heartline

This half-hour strip hosted by Bob Hilton features one of three guests getting their greatest wish granted or current catastrophe resolved. A panel of "expert problem solvers," with input from the audience, decides how and to whom it all happens.

EPISODES 195	PRODUCER Arnold Shapiro
PREMIERE Sept. '88	DISTRIBUTOR MCA
DAYPART All	DEAL Cash plus 1 min.

A Nightmare on Elm Street: Freddy's Nightmares

A first-run horror/suspense series based on the Freddy character from the movie series, *Nightmare on Elm Street*. True to the movies with "techniques to scare the hell out of you."

EPISODES 22	PRODUCER Lorimar Syndication in association with New Line
PREMIERE Fall '88	DISTRIBUTOR Lorimar Syndication
DAYPART Late night	DEAL Barter, 6/6 split

Body By Jake

A half-hour health-and-fitness show brought to us by "trainer to the stars" Jake Steinfeld. The show is marketed to fill in the gap between the glut of morning talk shows and exercise shows: it's being called a healthy talk show.

EPISODES 26	PRODUCER Samuel Goldwyn Television in association with JakeMan Productions.
PREMIERE Sept. '88	DISTRIBUTOR Samuel Goldwyn Company
DAYPART Early morning/ daytime	DEAL Barter, 3/4 split

Clashpoint

Clashpoint

This one-hour discussion program pits conservative Bob Grant against a liberal counterpart in a debate of topical issues. Audience participation included, and guests are a possibility.

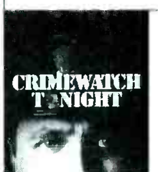
EPISODES 48	PRODUCER TBA
PREMIERE Fall '88	DISTRIBUTOR MTM Distribution Group
DAYPART TBA	DEAL Cash

Crimes of The Century

Mike (*Mannix*) Connors hosts this half-hour series comprised of docudrama re-creations of infamous crimes and criminal cases.

EPISODES 28	PRODUCER Donald Ohlmeyer for O.C.C. Productions and Casablanca IV
PREMIERE Sept. '88	DISTRIBUTOR Casablanca IV
DAYPART Weekends	DEAL Barter, 3/4 split

Crimewatch Tonight



Crimewatch Tonight is a satellite-fed half-hour show with a news format. It deals with all aspects of crime, from the street-corner thug to international terrorists. Two anchors preside over a number of correspondents and contributors at bureaus in the U.S. and overseas.

EPISODES 260	PRODUCER Reese Schoenfeld
PREMIERE Sept. '88	DISTRIBUTOR Orion Home Entertainment Corp.
DAYPART Access	DEAL Cash plus barter, 1/5½ split

IN FOCUS/The Programmers' Handbook

The Daytime Show

This talk/variety series stars *Good Morning America*'s Joan Lunden along with Bob Anderson as hosts. The one-hour show features music, celebrity cohosts and a variety of regular visiting experts on areas of contemporary living.

EPISODES 200	PRODUCER Michael Krauss Productions in association with Paramount Domestic Television
PREMIERE Sept. '88	DISTRIBUTOR Paramount Domestic Television
DAYPART Daytime/early fringe	DEAL Cash plus barter, 2/10 split

Don King's Only in America

The man with the best hair in boxing hosts what Access calls an "off-beat yet purely entertaining" program. Comedy, musical guests, fashion reports and man-on-the-street interviews make up this weekly hour.

EPISODES 52	PRODUCER Earl Greenberg
PREMIERE Fall '88	DISTRIBUTOR Access Syndication
DAYPART Weekends	DEAL Barter, 6/6 split

Family Feud

Ray Combs replaces celebrity pucker-master Richard Dawson as host when Mark Goodson brings back *Family Feud*. As in the original *Feud*, two families are pitted against each other for gifts and cash in a tried-and-true guessing-game formula.

EPISODES 195	PRODUCER Mark Goodson
PREMIERE Sept. '88	DISTRIBUTOR LBS Communications Inc.
DAYPART Access	DEAL Cash plus barter, 1/5½ split

The Family Show

One-hour talk show examining the family dynamic. Featuring sportscaster Ahmad Rashad and *Today* show contributor Pat Mitchell, it will include such family staples as home movies and on-camera reunions.

EPISODES 195	PRODUCER Mitchell Muldoon in association with Robert Halmi Inc.
PREMIERE Sept. '88	DISTRIBUTOR Hal Roach Studios
DAYPART Daytime/early fringe	DEAL Cash plus barter, 2/11 split

Fast Copy

This daily strip presents a number of general-interest stories culled from popular magazines and introduced by the magazines' editors, packed in a half-hour format. Features from magazines ranging from *Sports Illustrated* to *Architectural Digest* are planned.

EPISODES 160	PRODUCER Donald Ohlmeyer for O.C.C. Productions and Casablanca IV
PREMIERE Sept. '88	DISTRIBUTOR Casablanca IV
DAYPART Access/early fringe	DEAL Cash plus 1 min.

Flip

Designed for "tweens," kids 8 to 13 years old, this half-hour daily show is a "video bulletin board" of information and comedy hosted by Hollywood Hamilton and Dr. George Brothers, popular disc jockeys from Los Angeles radio station KISS-FM.

EPISODES 110	PRODUCER Earl Greenberg, Gaylord Productions, Hal Roach Studios
PREMIERE Fall '88	DISTRIBUTOR Hal Roach Studios
DAYPART Early fringe	DEAL Barter, 2½/4 split

Fun House

FUN HOUSE

In this half-hour kids' game show, two teams of adolescents—boys against girls—compete by answering questions and doing stunts for an opportunity to raid the "fun house," which is filled with prizes.

EPISODES 170	PRODUCER Steven Goldberg and Bob Synes
PREMIERE Sept. '88	DISTRIBUTOR Lorimar Syndication
DAYPART Early fringe	DEAL Barter, 2½/4 split

Getaway

Travelogue comes to prime access. Four hosts take the viewer to different exotic places each night. The globe-trotting daily-magazine program stars former Miss USA Christy Fichtner, *2 on the Town*'s Bob Chandler plus Adrienne Meltzer and Mike Jerrick.

EPISODES 195	PRODUCER Andy Friendly Productions and Group W Productions
PREMIERE Sept. '88	DISTRIBUTOR Group W Productions
DAYPART Access	DEAL Cash plus barter, 5½/7 split

The Gong Show

The producers of the original *Gong Show* clearly feel that this cult game show's time has come again. Expect more celebrity rudeness and campy, talent-free acts in half-hour installments.

EPISODES 175	PRODUCER Chris Bearde
PREMIERE Sept. '88	DISTRIBUTOR Barris Program Sales
DAYPART Access	DEAL Cash plus barter, 1/5½ split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Group One Medical

Pegged by its producers as "infotainment," *Group One Medical* follows three real-life doctors as they diagnose and treat patients. The daily half-hour program will feature visiting consultants as well and will deal not only with health issues but with the nature of the doctor/patient relationship.

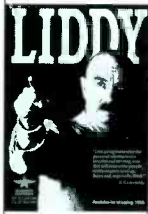
EPISODES 170	PRODUCER Van Gordon Sauter and Michael Piller
PREMIERE Sept. '88	DISTRIBUTOR MGM/UA
DAYPART Early fringe	DEAL Cash

The Liar's Club

Television perennial *The Liar's Club* returns, still following the basic format of the classic. The new show features celebrities on a panel of "liars" making up false histories that contestants must choose to believe or rebuke.

EPISODES 195	PRODUCER John R. Tobyansen for Four Star International
PREMIERE Sept. '88	DISTRIBUTOR Four Star
DAYPART Access	DEAL Cash plus barter, 1/5½ split

LIDDY



Joining the wave of confrontational talk shows, *LIDDY* features G. Gordon Liddy debating topical issues with guests. Audience participation included. Shows to be taped in New York, Washington and Los Angeles.

EPISODES 230	PRODUCER Scotti Vinnedge Television
PREMIERE Sept. '88	DISTRIBUTOR All American Television
DAYPART All	DEAL Cash plus barter, split TBA

Live with Regis and Kathie Lee

A company with a reputation for representing family values, Buena Vista, brings together congenial hosts Regis Philbin and Kathie Lee Gifford to host this hour-long talk program. Sunny, light news and conversation are on tap.

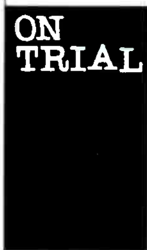
EPISODES 240	PRODUCER WABC-TV
PREMIERE Sept. '88	DISTRIBUTOR Buena Vista Television
DAYPART Daytime/early fringe	DEAL Cash plus barter, 1/10 split

The Munsters Today

After a 22-year nap, the Munsters awake when developers come to claim their eerie home. The creepy clan must learn to cope with the day-to-day problems of being undead in the '80s. None of the original cast returns: John Shuck plays Herman Munster, Lee Meriwether is Lily.

EPISODES 24	PRODUCER The Arthur Company
PREMIERE Sept. '88	DISTRIBUTOR MCA
DAYPART All	DEAL Barter, 3/4 split

On Trial



There are currently 43 states that permit television coverage of courtroom proceedings, and *On Trial* is turning the process into infotainment. Actively cooperating attorneys include Vincent Bugliosi, Marvin Mitchelson and Howard Weitzman. Celebrity trials are featured.

EPISODES 175	PRODUCER Woody Fraser Productions/Reeves Entertainment Group in association with Republic Pictures Corp.
PREMIERE Sept. '88	DISTRIBUTOR Republic Pictures
DAYPART Early fringe	DEAL Barter, 1/5½ split

Public People, Private Lives

Public
People,
Private
Lives

Sarah Purcell, formerly of *Real People*, hosts *Public People, Private Lives*. The show has a casual, personal-interview format with Purcell gently prodding to reveal the private habits and quirks of her famous guests.

EPISODES 26	PRODUCER Kelly Entertainment
PREMIERE Sept. '88	DISTRIBUTOR Orbis Communications Inc.
DAYPART Prime time/weekend fringe	DEAL Barter, 5/7 split

Relatively Speaking

John Byner emcees this half-hour game, featuring a celebrity panel questioning the non-famous relative of a star. Each show has three contestants and ends with each contestant being joined on stage by the star in question.

EPISODES 130	PRODUCER Select Media Communications, Atlantic/Kushner-Locke Inc. and The Maltese Companies
PREMIERE Fall '88	DISTRIBUTOR Select Media Communications Inc.
DAYPART Daytime	DEAL Barter, 2½/4 split

The Rita Davenport Show

Rita Davenport, well-known motivational speaker and best-selling author of *Making Time-Making Money*, stars in her own half-hour talk and audience-participation program.

EPISODES 180	PRODUCER Earl Greenberg Productions and The Gaylord Production Co.
PREMIERE Sept. '88	DISTRIBUTOR Harmony Gold
DAYPART Daytime/early fringe	DEAL Cash plus barter, 1/5½ split

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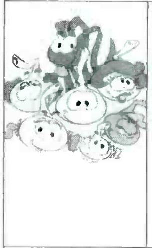
Snorks



The Snorks, undersea cousins of the Smurfs, are tiny, animated creatures based on characters from Belgian comic books. The colorful Snorks, though they look alike because of the snorkels atop their heads, have distinct individual personalities. An animated half hour.

EPISODES 65 (23 off-network, 42 first-run)	PRODUCER Hanna-Barbera Productions Inc. and SEPP, S.A.
PREMIERE Sept. '88	DISTRIBUTOR Worldvision Enterprises Inc.
DAYPART Daytime/early fringe	DEAL Barter, 2/4 split

Stop The Music

A rapid-fire game show based on music videos. From the clips, three contestants must answer questions, fill in words, guess titles. The show is an updated version of a 1940s and '50s radio and, later, television production.

EPISODES 170	PRODUCER dick clark productions in association with Lynch/Biller and MGM/UA Television
PREMIERE Fall '88	DISTRIBUTOR MGM/UA
DAYPART Daytime/early fringe/access	DEAL Cash

The Story Of Rock 'N' Roll

Jon Bauman, better known as Sha Na Na's greaser leader "Bowser," hosts this hour-long history/anthology series. Each episode will focus on a particular figure or trend in rock and trace it from the 1950s to the present day.

EPISODES 12	PRODUCER Chelsea Productions
PREMIERE June '88	DISTRIBUTOR LBS Communications Inc.
DAYPART Late fringe	DEAL Barter, 3/3½ split

The Street

Described by its producer as *Miami Vice* in reverse, this on-location-in-Newark cop show is just-the-facts TV. Urban low-life meets good cop/bad cop. Plots are heavy on talk and short on action—Talk is cheap.

EPISODES 40	PRODUCER Quantum Media
PREMIERE Spring '88	DISTRIBUTOR MCA
DAYPART Late night	DEAL Cash plus barter, 1/6 split

Sweethearts

Charles Nelson Reilly hosts this half-hour game show in which a celebrity panel guesses which couple, from three pairs of contestants, are the real "sweethearts."

EPISODES 195	PRODUCER Richard Reid Productions in association with Createl Ltd. and Multimedia Entertainment
PREMIERE Sept. '88	DISTRIBUTOR Multimedia Entertainment
DAYPART Daytime/early fringe/access	DEAL Cash plus barter, 1/5½ split

Trivial Pursuit

Counting on the 30 million households that bought the board game, Worldvision considers their series "pre-sold" to viewers. Four contestants vie for cash and prizes by answering questions akin to the home version's in this half-hour strip. Los Angeles radio personality Steve Morris hosts.

EPISODES 195	PRODUCER A Jay Wolpert Production in association with Trivial Pursuit Television Inc. and Taft Entertainment
PREMIERE Sept. '88	DISTRIBUTOR Worldvision Enterprises Inc.
DAYPART Early fringe	DEAL Cash

USA TODAY

Daily half-hours, 1 hour on weekends, following the already TV-like format of Gannett's *USA Today* newspaper. News and features from the Grant Tinker/Gannett alliance, with former *Today* producer Steve Friedman at the controls.

EPISODES 260 half hours, 52 hours	PRODUCER GTG
PREMIERE Sept. '88	DISTRIBUTOR GTG Marketing
DAYPART Access	DEAL Cash plus barter, 1/5½ split

War of the Worlds

The show takes place in the present day, 35 years after the invading aliens of the classic film were, apparently, destroyed. The aliens, it turns out, have only been sleeping. A companion piece to Paramount's *Star Trek: The Next Generation.* Twenty-four one-hour installments after a two-hour premiere.

EPISODES 25	PRODUCER TEN FOUR PRODUCTIONS
PREMIERE Sept. '88	DISTRIBUTOR Paramount Domestic Television
DAYPART Weekend access/prime time	DEAL Barter, split TBA

Wipeout

Dames/Fraser describe their program as a "true" game show. The game is played in a simple, stripped-down, question-and-answer format by three contestants. D/F say the simplicity will allow for maximum home-audience play-along. Peter Tomarken hosts this half hour.

EPISODES 195	PRODUCER Dames/Fraser Productions in association with Paramount Domestic Television
PREMIERE Sept. '88	DISTRIBUTOR Paramount Domestic Television
DAYPART Daytime/early fringe	DEAL Cash plus barter, 1/5½ split

Program Highlights

A sampling of some of the syndicators (and product from their inventories) expected at this month's NATPE convention.

ABR Entertainment Co.

(818) 706-7727

Yahtzee (30 min., first run); 120 episodes; available June '88; cash. ● ***Tell It To Harvey*** (30 min., first run); 195 episodes; available Sept. '88; cash + 1 minute barter. ● ***ABR Children's Collection:*** Animated Classics (60 min., first run); 28 episodes; available June '88; barter 7/5 split. ● *Lingo* (30 min.); 195 episodes; cash. ● *Crosswits* (30 min.); 195 episodes; cash. ● *Half The George Kirby Comedy Hour* (30 min.); 26 episodes; cash.

Access Syndication

(818) 985-3037

Camp California (30 min., first run); barter 2½/4 split 1st, 2nd, 3rd quarters, 2/4½ 4th quarter. ● ***Don King's Only In America*** (60 min., first run); weekly; barter 6/6 split. ● *Beverly Hills Teens* (30 min.); 65 episodes; 71% coverage; barter 2/4½ split. ● *D.C. Follies* (30 min.); 32 episodes; 75% coverage; barter 3/4 split. ● *Getting In Touch* (30 min.); 32 episodes; 77% coverage; barter 2½/2 split. ● *Slim Cooking With Richard Simmons* (30 min.); 130 episodes; barter. ● *Heroes: Made In The U.S.A.* (30 min.); 52 episodes; barter.

All American TV

(212) 818-1200

Liddy (60 min., first run); 230 episodes; available Sept. '88; cash + 1 minute barter. ● ***Beyond 2000*** (60 min., first run); 13 episodes; available Sept. '88. ● *The Way It Was* (30 min.); 47 episodes; cash. ● *America's Top Ten* (30 min.); 46 episodes. ● *Hollywood Countdown* (30 min.); weekly. ● *T.O.P.* (30 min.); daily strip. ● *Seeing Things* (60 min.); 26 episodes; cash.

Barris Program Sales

(212) 832-2377

The Gong Show (30 min., first run); 175 episodes; available Sept. '88; cash + 1 minute barter. ● *The All New Dating Game* (30 min.); 175 episodes; 83% coverage; barter 1/5½ split. ● *The New Newlywed Game* (30 min.); 175 episodes; 90% coverage; barter 1/5½ split.

Baruch Television Group

(202) 457-8116

The All New Bob Uecker Sports Show (30 min., first run); 24 episodes; available now; barter 3/3½ split. ● ***Early Warning: Crises In America*** (60 min., first run); 9 episodes; available April '88; barter 6/6½ split.

Blair Entertainment

(212) 603-5000

Celebrity Court (30 min., first run); weekly; cash + barter, split TBA. ● ***Backstage*** (30 min., first run); weekly; barter split TBA. ● *Fan Club* (30 min., first run); weekly; barter. ● *Divorce Court* (30 min.); daily strip; cash + barter, split N/A. ● *The Cisco Kid* (30 min.); 156 episodes; cash. ● *The Beachcombers* (30 min.); 130 episodes; cash.

Buena Vista TV

(818) 840-1000

Live With Regis And Kathie Lee (30 min., first run); 240 episodes; available fall '88; barter 2/10 split. ● ***Chip 'n' Dale's Rescue Rangers*** (30 min., first run); 65 episodes; available fall '89; ● *Siskel And Ebert* (30 min.); 46 episodes; 93.8% coverage; barter. ● *Duck Tales* (30 min.); 65 episodes; 92.9% coverage; barter. ● *The Wonderful World Of Disney* (60 min.); 178 episodes; cash. ● *Win, Lose Or Draw* (30 min.); 185 episodes; 80.9% coverage; cash + barter.

Casablanca IV

(213) 275-0404

Howard Cosell: Speaking Of Everything (60 min., first run); 36 episodes; available now; barter. ● ***Hit Squad*** (30 min., first run); 32 episodes; available now; barter. ● ***Fast Copy*** (30 min., first run); 160 episodes; available Sept. '88; cash + 1 minute barter. ● ***Crimes Of The Century*** (30 min., first run); 28 episodes; available Sept. '88; barter.

C.B. Distribution Co.

(213) 275-6114

Carol Burnett And Friends (30 min.); 175 episodes; cash.

Claster Television Inc.

(301) 561-5500

C.O.P.S. (30 min., first run); 65 episodes; available Sept. '88; barter 2/4 split. ● *Visionaries* (30 min., first run); 13 episodes; barter 2/4 split. ● *My Little Pony And Friends* (30 min.); 65 episodes; barter 2/4 split. ● *G.I. Joe, A Real American Hero* (30 min.); 100 episodes; barter 2/4 split. ● *JEM* (30 min.); 75 episodes; barter 2/4 split.

Colbert TV Sales

(213) 277-7751

Rifleman (30 min.); 168 episodes; cash.

Columbia Pictures TV

(818) 954-6000

Dinosaucers (30 min.); 65 episodes; cash + barter 3/2 split. ● *Barney Miller* (30 min.); 97 episodes; cash. ● *Benson* (30 min.); 158 episodes; cash. ● *Diff'rent Strokes* (30 min.); 189 episodes; cash. ● *The Jeffersons* (30 min.); 253 episodes; cash. ● *Silver Spoons* (30 min.); 116 episodes; cash. ● *Who's The Boss?* (30 min.); 182 episodes; cash. ● *Fantasy Island* (30 min. or 60 min.); 200 or 152 episodes; cash.

Eagle Communications

(615) 242-3410

Pet Action Line (30 min.); 65 episodes; cash.

Ebony/Jet Showcase

(312) 322-9407

Ebony/Jet Showcase (30 min.); 26 episodes; barter 3/3½ split.

Essence Television Productions Inc.

(212) 730-4260

Essence, The Television Program (30 min.); 52 episodes; 70% coverage; barter.

Four Star International

(818) 842-9016

The New Liar's Club (30 min., first run); 39 episodes; available Sept. '88; cash + barter 1/6½ split. ● *Big Valley* (60 min.); 112 episodes; cash. ● *Burke's Law* (60 minutes); 81 episodes; cash. ● *Wanted: Dead Or Alive* (30 min.); 94 episodes; cash.

NOTE: Shows coming to NATPE for the first time this year are listed in bold type. This is not a comprehensive listing of each company's product.

Fox/Lorber Associates Inc.

(212) 686-6777

Great Performers (60 min.); 23 episodes; cash. • *Extra! Extra!* (30 min./60 min.); 12 hours, 7 half hours; cash. • *The Harold Lloyd Library* (30 min.); 26 episodes; cash.

Fremantle International Inc.

(212) 421-4530

The Campbells (30 min.); 78 episodes; cash. • *Swiss Family Robinson* (30 min.); 26 episodes; cash. • *The Adventures of Black Beauty* (30 min.); 52 episodes; cash.

Fries Distribution

(213) 466-2266

Queen For A Day (30 min., first run); 190 episodes; available Sept. '88; cash + 1 minute barter. • *The New Generation* (30 min., first run); 26 episodes; available Sept. '88; barter 3/3½ split.

Gaylord Production Company

(213) 271-2193

Dancin' To The Hits (30 min.); 52 episodes; 75% coverage; barter. • *Groucho And Me* (30 min.); 26 episodes; 55% coverage; cash + barter. • *Adventures Of The Galaxy Rangers* (30 min.); 65 episodes; 55% coverage; cash + barter.

Gaylord Syndicom

(615) 327-0110

Hee Haw (60 min.); 26 episodes; 88% coverage; barter. • *Babe Winkelman's Good Fishing* (30 min.); 72 episodes; cash.

Genesis Entertainment

(818) 706-6341

The Great Escape (30 min., first run); 32 episodes; available June '88; barter split TBA. • *The Best Of The National Geographic Specials* (60 min.); 96 episodes; cash. • *The Judge* (30 min.); 160 episodes; cash + barter 1/5½ split.

Group W Productions

(213) 850-3800

Getaway (30 min., first run); 195 episodes; available Sept. '88; cash + 1 minute barter. • **Good Company** (60 min., first run); daily strip; available Sept. '88; cash + barter 2/11 split. • **Life's Most Embarrassing Moments** (30 min., first run); weekly; available Sept. '88; barter 5/8 split. • *Hour Magazine* (60 min.); daily strip; cash + barter 2/10 split. • *The Wil Shriner Show* (60 min.); daily strip; cash + barter 5/8 split. • *Fat Albert And The Cosby Kids* (30 min.); 90 episodes; cash. • *He-Man And The Masters Of The Universe* (30 min.); 130 episodes; cash. • *Ghostbusters* (30 min.); 65 episodes; barter 5/7 split (fourth quarter 4/8).

GTG

(212) 818-7830

USA Today (30 min. weekdays, 60 min. weekends, first run); 260 half hours, 52 hours; cash + barter 1/5½ split.

Hal Roach Studios Inc.

(213) 850-0525

The Family Show (60 min., first run); 195 episodes; available Sept. '88; cash + barter 2/11 split. • **Flip** (30 min., first run); 110 episodes; available fall '88; barter 2½/4 split. • **The New Leave It To Beaver** (30 min., off-net); 105 episodes; cash. • *T & T* (30 min., first run); 28 episodes; available now; barter 3/3½ split. • *The Laurel And Hardy Show* (90 min.); 26 episodes; cash.

Harmony Gold

(213) 652-8720

The Rita Davenport Show (30 min., first run); 180 episodes; available Sept. '88; cash + barter 1/5½ split.

ITC Entertainment Inc.

(212) 371-6660

Tiko (30 min., first run); 24 episodes; available now; cash. • *The Muppet Show* (30 min.); 120 episodes; cash. • *The Saint/Return Of The Saint* (60 min.); 136 episodes; cash. • *Secret Agent* (60 min.); 45 episodes; cash. • *Thunderbirds: 2086* (30 min.); 24 episodes; cash.

Jim Owens Entertainment

(615) 256-7700

This Week In Country Music (30 min.); 52 episodes; cash. • *Crook And Chase* (30 min.); 260 episodes; 60% coverage; cash + barter. • *Crook And Chase Weekend* (30 min.); 52 episodes; 80% coverage; barter.

JM Entertainment Inc.

(212) 319-9152

The Other Side Of Victory (30 min., first run); 26 episodes; available fall '88; barter 3/3½ split. • **UCG** (30 min., first run); 26 episodes; available April '88; barter.

King Features Entertainment

(212) 682-5600

Animated Flash Gordon (30 min.); 24 episodes; cash. • *Fight Back! With David Horowitz* (30 min.) 26 episodes; 70% coverage; barter. • *Defenders Of The Earth* (30 min.); 65 episodes; barter. • *Adventures Of The Galaxy Rangers* (30 min.); 65 episodes; cash. • *Good Housekeeping: A Better Way* (30 min.); 65 episodes; cash.

King World

(212) 315-4000

Wheel Of Fortune (30 min.); 234 episodes; cash + 1 minute barter. • *Jeopardy!* (30 min.); 230 episodes; cash + 1 minute barter. • *The Oprah Winfrey Show* (60 min.); 220 episodes; cash + barter 2/10 split. • *The Little Rascals* (30 min.); 71 episodes; cash.

LBS Communications

(212) 418-3000

Family Feud (30 min., first run); 195 episodes; available Sept. '88; barter 1/5½ split. • **The Story Of Rock 'N' Roll** (30 min., first run); 12 episodes; available June '88; barter 3/3½ split. • *The New American Bandstand* (60 min, first run); weekly; barter 5/8 split. • *Tales From The Darkside* (30 min.); 92 episodes; barter 3/3½ split. • *You Can't Take It With You* (30 min., first run); 22 episodes; barter 1½/4½ split. • *The Adventures Of Teddy Ruxpin* (30 min.); 65 episodes; barter.

Lionheart TV International

(213) 470-3939

Eastenders (30 min., first run); 160 episodes; daily strip; cash. • *'Allo 'Allo* (30 min.); 54 episodes; cash. • *Howard's Way* (60 min.); 39 episodes; cash. • *Britain's Top Guns* (30 min.); 38 episodes; cash. • *Dr. Who* (30 min. or 120 min.); 536 or 122 episodes; cash. • *All Creatures Great And Small* (60 min.); 41 episodes; cash.

Lorimar Telepictures

(213) 202-2000

Fun House (30 min., first run); 170 episodes; available Sept. '88; barter 2½/4 split. • **A Nightmare On Elm Street: Freddy's Nightmares** (60 min., first run); 22 episodes; available fall '88; barter 6/6 split. • **Alvin And The Chipmunks** (30 min., off-net.); 65 episodes; available fall '88; cash + barter 2½/3½ split 1st, 2nd, 3rd quarters, 2/4 4th quarter. • *The Comic Strip* (30 min.); 65 episodes; cash + barter. • *Gumby* (30 min.); 65 episodes; cash + barter. • *Superior Court* (30 min.); 195

episodes; cash + barter 1/5½ split. ● *Love Connection* (30 min.); 195 episodes; cash + barter 1/5½ split. ● *The People's Court* (30 min); 195 episodes; cash + barter 1/5½ split.

MCA TV

(212) 759-7500

The Munsters Today (30 min., first run); 24 episodes; available Sept. '88; barter 3/4 split. ● **Heartline** (30 min., first run); daily strip; cash + barter. ● **Tender Loving Care** (30 min., first run); weekly; terms TBA. ● **Secret Identity** (30 min., first run); weekly; terms TBA. ● **The Street** (30 min., first run); cash + barter 1/6 split. ● **Murder, She Wrote** (60 min., off net.); 70 episodes; cash. ● *Bustin' Loose Year 2* (30 min., first run); 26 episodes; barter 3/4 split. ● *Charles In Charge Year 3* (30 min., first run); 26 episodes; barter 3/4 split. ● *Home Shopping Club Overnight* (7 hours, midnight-7 A.M., first run); nightly; ● *Kate & Allie* (30 min., off net); 98 episodes; cash. ● *Knight Rider* (60 min. or 30 min.); 90 hours or 91 half hours. ● *The A Team* (60 min.); 98 episodes; cash. ● *Simon & Simon* (60 min.); 143 episodes; cash. ● *Gimme A Break* (30 min.); 137 episodes; cash. *Quincy* (60 min.); 148 episodes; cash.

MG/Perin Inc.

(212) 697-8687

G.L.O.W. (60 min.); 26 episodes; 64% coverage; cash + 1 minute barter.

MGM/UA TV

(213) 280-6000

Group One Medical (30 min., first run); 170 episodes; available Sept. '88; cash. ● **Stop The Music** (30 min., first run); 170 episodes; available fall '88; cash. ● **Twilight Zone** (30 min.); 30 new episodes; barter split TBA ● *Sea Hunt* (30 min.); 22 episodes. ● *We Got It Made* (30 min.); 24 episodes.

MTM Enterprises Inc.

(818) 760-5000

Remington Steele (60 min.); 94 episodes; available fall '89; cash. ● *Newhart* (30 min.); 94 episodes; available fall '88; cash.

MTS Entertainment

(213) 978-6457

Captain Power And The Soldiers Of The Future (30 min.); 26 episodes; barter.

Muller Media Inc.

(212) 683-8220

The Making Of (30 min.); 26 episodes; cash. ● *Mr. And Mrs. North* (30 min.); 57 episodes; cash. ● *The New Three Stooges* (30 min.); 156 episodes; cash.

Multimedia Entertainment

(212) 484-7025

Sweethearts (30 min., first run); 195 episodes; available Sept. '88; cash + barter 1/5½ split. ● *Donahue* (60 min.); 210 episodes; 99% coverage; cash + barter 2/9 split. ● *Sally Jessy Raphael* (30 min.); 225 episodes; 85% coverage; cash + barter 1/5½ split. ● *The Dom DeLuise Show* (30 min.); 26 episodes; 80% coverage; cash + barter.

New World TV

(212) 582-5167

Zorro (30 min., first run); 25 episodes; available fall '88; terms TBA. ● **What Should I Do?** (30 min., first run); 160 episodes; available fall '88; barter 2/4 split. ● *Marvel Universe* (30 min.); 65 episodes; available fall '88; barter 2/4 split. ● *Highway To Heaven* (60 min., off-net); available fall '89; cash.

Orbis Communications

(212) 685-6699

Public People, Private Lives (60 min., first run); 26 episodes; available Sept. '88; barter 5/7 split. ● *The Kidsongs TV Show* (30 min.); 26 episodes; 75% coverage; cash + barter 2½/4 split. ● *The Spectacular World Of Guinness Records* (30 min.); 70% coverage; cash + barter 2½/4 split.

Orion TV Syndication

(213) 557-8700

Cagney & Lacey (60 min., off-net); 103 episodes; available Sept. '88; cash. ● **Crimewatch Tonight** (30 min, first run); 260 episodes; available fall '88; cash + barter 1/5½ split. ● *Hollywood Squares* (30 min.); 195 episodes; cash + barter. ● *High Rollers* (30 min.); 185 episodes; cash + barter. ● *Addams Family* (30 min.); 64 episodes; cash. ● *Mr. Ed* (30 min.); 143 episodes; cash. ● *The Best Of Saturday Night Live* (30 or 60 min.); 102 episodes; cash.

Paramount TV Group

(213) 486-5000

Wipe Out (30 min., first run); 195 episodes; available Sept. '88; cash + barter 1/5½ split. ● **War Of The Worlds** (60 min., first run); 24 episodes + 2 hour premiere; available Sept. '88; cash + barter. ● **The Daytime Show** (60 min., first run); 200 episodes; available Sept. '88; cash + barter. ● *Webster* (30 min.); 132 episodes; cash. ● *Cheers* (30 min.); 168 episodes; cash. ● *Family Ties* (30 min.); 187 episodes; cash.

PNC TV

(212) 355-7070

Lassie (30 min.); 192 episodes; cash. ● *The Lone Ranger* (30 min.); 182 episodes; cash. ● *Sgt. Preston Of The Yukon* (30 min.); 178 episodes; cash. ● *Skippy The Bush Kangaroo* (30 min.); 91 episodes; cash.

Proserv TV Inc.

(214) 270-7601

Countdown To '88 (30 min.); 26 episodes; 80% coverage; barter. ● *Sports Fantasy* (30 min.); 15 episodes; 80% coverage; barter. ● *Power Flight* (30 min.); 26 episodes; 70% coverage; barter.

Republic Pictures Corporation

(213) 306-4040

Bonanza (60 min.); 310 episodes; cash. ● *Get Smart* (30 min.); 138 episodes; cash. ● *High Chaparral* (60 min.); 98 episodes; cash. ● *Car 54: Where Are You?* (30 min.); 60 episodes; cash. ● *Fibber McGee And Molly* (30 min.); 26 episodes; cash. ● *People Are Funny* (30 min.); 31 episodes; cash. ● *Silent Service* (30 min.); 78 episodes; cash. ● *The Third Man* (30 min.); 69 episodes: cash.

The Samuel Goldwyn Company

(213) 552-2255

Body By Jake (30 min., first run); 26 episodes; available Sept. '88; barter.

SFM Entertainment

(212) 790-4800

Zoobilee Zoo (30 min.); 65 episodes; 50% coverage; barter. ● *The Care Bears* (30 min.); 65 episodes; barter.

The Silverbach-Lazarus Group

(213) 552-2660

The Littlest Hobo (30 min.); 114 episodes; cash. ● *Cimarron Strip* (90 min.); 23 episodes; cash. ● *The Adventurers With Sir Edmund Hillary* (60 min.); 13 episodes; cash. ● *Faerie Tale Theatre* (60 min.); 26 episodes; cash.

Syndicast Services Inc.

(212) 557-0055

Sports Challenge (30 min., first run); 22 episodes; available March '88; barter split TBA. ● **Home Video Show** (30 min., first run); weekly; episodes TBA; available April '88; barter split TBA. ● **Terry Cole Whittaker** (30 min., first run); daily; episodes TBA; barter split TBA. ● *D.C. Follies* (30 min.); weekly; 80% coverage; barter 3½/3½ split. ● *Slim Cooking With Richard Simmons* (30 min.); daily; 70% coverage; barter.

D.L. Taffner Ltd.

(212) 245-4680

Whose Baby? (30 min.); episodes TBA; cash. ● *Danger Mouse* (30 min.); 50 episodes; cash. ● *Thames Comedy Originals* (30 min.); 156 episodes; cash. ● *The Benny Hill Show* (30 min.); 100 episodes; cash. ● *Robin's Nest* (30 min.); 48 episodes; cash. ● *Man About The House* (30 min.); 39 episodes; cash. ● *Check It Out* (30 min.); 110 episodes; cash. ● *Three's Company* (30 min.); 222 episodes; cash. ● *Too Close For Comfort* (30 min.); 129 episodes; cash. ● *The Ropers* (30 min.); 26 episodes; cash. ● *Three's A Crowd* (30 min.); 22 episodes; cash. ● *George & Mildred* (30 min.); 38 episodes; cash. ● *Keep It In The Family* (30 min.); 22 episodes; cash. ● *World At War* (60 min.); 36 episodes; cash.

TeleTrib

(212) 750-9190

Information not available at press time.

The Program Exchange

(212) 661-0800

Woody Woodpecker And Friends (30 min., first run); 65 episodes; available now; barter 2/4 split. ● *Dennis The Menace* (30 min.); 65 episodes; barter 2/4 split. ● *Scooby Doo* (30 min.); 155 episodes; barter 2/4 split. ● *The Flintstones* (30 min.); 166 episodes; barter 2/4 split. ● *Bullwinkle* (30 min.); 98 episodes; barter 2/4 split. ● *Dudley Do-Right And Friends* (30 min.); 38 episodes; barter 2/4 split. ● *Inch High Private Eye* (30 min.); 13 episodes; barter 2/4 split. ● *Wheelie And The Chopper Bunch* (30 min.); 13 episodes; barter 2/4 split. ● *Bewitched* (30 min.); 180 episodes; barter 2/4 split. ● *I Dream Of Jeannie* (30 min.); 109 episodes; barter 2/4 split. ● *The Partridge Family* (30 min.); 96 episodes; barter 2/4 split.

Turner Program Services Inc.

(404) 827-2168

Gilligan's Island (30 min.); 98 episodes; cash. ● *Medical Center* (60 min.); 170 episodes; cash. ● *CHiPs* (60 min.); 138 episodes; cash. ● *The Courtship of Eddie's Father* (30 min.); 73 episodes; cash. ● *The Man From U.N.C.L.E.* (60 min.); 99 episodes; cash. ● *Please Don't Eat The Daisies* (30 min.); 59 episodes; cash. ● *Rocky Road* (30 min.); 103 episodes; cash. ● *Safe At Home* (30 min.); 103 episodes; cash. ● *National Geographic "On Assignment" Years 2 & 3* (60 min.); 12 episodes; barter split TBA. ● *Cousteau's Rediscovery Of The World Years 3, 4 & 5* (60 min.); 4 episodes; barter TBA.

Twentieth Century Fox

(213) 277-2211

A Current Affair (30 min., first run); daily strip; cash + 1 minute barter starting fall '88. ● **9 To 5** (30 min.); 85 episodes; available fall '88; cash. ● *Mr. Belvedere* (30 min.); 95 episodes; available fall '88; cash. ● *$100,000 Pyramid* (30 min.); daily strip; cash + 1 minute barter. ● *M*A*S*H* (30 min.); 255 episodes; cash.

USTV

(213) 477-2101

Great Weekend (60 min., first run); weekly; available now; cash. ● *The Funniest Joke I Ever Heard* (30 min., first run); 26 episodes; available fall '88; barter 3½/3 split.

Viacom International Inc.

(212) 575-5175

Double Dare (30 min., first run); 130 episodes; cash + barter 2½/4 split. ● **Business This Morning** (30 min., first run); 260 episodes; cash + barter 3/3½ split. ● *Hawaii-Five-O* (60 min.); 282 episodes; cash. ● *Dempsey & Makepeace* (60 minutes, first run); 31 episodes; cash. ● *Bizarre* (30 min.); 125 episodes; cash. ● *Split Second* (30 min.); 25 episodes; cash. ● *The Cosby Show* (30 min; first run); 125 episodes; cash + barter 1/5½ split. ● *All In The Family* (30 min.); 207 episodes; cash. ● *The Honeymooners* (30 min.); 248 episodes; cash. ● *The Wild, Wild West* (60 min.); 104 episodes; cash. ● *Perry Mason* (60 min.); 271 episodes; cash. ● *The Mary Tyler Moore Show* (30 min.); 168 episodes; cash. ● *I Love Lucy* (30 min.); 179 episodes + 26 half hours of *We Love Lucy*; cash. ● *The Bob Newhart Show* (30 min.); 142 episodes; cash. ● *The Beverly Hillbillies* (30 min.); 274 episodes; cash.

Wall Street Journal TV

(212) 416-2375

The Wall Street Journal Report (30 min.); weekly; 65% coverage; barter 3/3 split.

Warner Bros. TV Distribution

(818) 954-6000

Head of the Class (30 min.); *Scarecrow And Mrs. King* (60 min.); 88 episodes; cash. ● *Matt Houston* (60 min.); 68 episodes; cash. ● *Private Benjamin* (30 min.); 39 episodes; cash. ● *The Dukes Of Hazzard* (60 min.); 147 episodes; cash. ● *Alice* (30 min.); 202 episodes; cash. ● *Welcome Back, Kotter* (30 min.); 95 episodes; cash. ● *Chico And The Man* (30 min.); 88 episodes; cash. ● *F-Troop* (30 min.); 65 episodes; cash. ● *Superman* (30 min.); 104 episodes;cash. ● *Batman/Superman/Aquaman* (30 min.); 69 episodes; cash. ● *Harry O* (60 min.); 44 episodes; cash. ● *Wonder Woman* (60 min.); 61 episodes; cash. ● *Kung Fu* (60 min.); 62 episodes; cash. ● *The FBI* (60 min.); 234 episodes; cash. ● *Tarzan* (60 min.); 57 episodes; cash.

World Events Productions Ltd.

(314) 454-6475

Voltron—Defender Of The Universe (30 min.); 124 episodes; cash. ● *Saber Rider And The Star Sheriffs* (30 min.); 65 episodes; 68% coverage; barter. ● *Vytor, The Starfire Champion* (30 min.); 88 episodes; 45% coverage; barter.

World Wrestling Federation

(203) 352-8600

WWF Wrestling Challenge (60 min.); 52 episodes; barter 5/7 split. ● *WWF Wrestling Spotlight* (60 min); 52 episodes; barter 5/7. ● *WWF Superstars Of Wrestling* (60 min.); 52 episodes; barter 5/7.

Worldvision Enterprises Inc.

(212) 832-3838

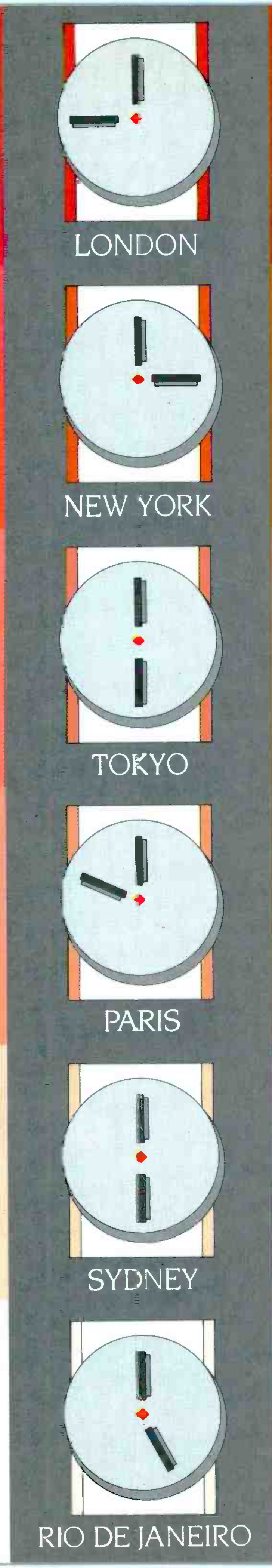
Snorks (30 min., first run); 65 episodes; available Sept. '88; barter 2/4 split. ● **Trivial Pursuit** (30 min., first run); 195 episodes; available Sept. '88; cash + barter ½/6 split. ● **The Yogi Bear Show** (30 min., first run); 65 episodes; available Sept. '88. ● *The Jetsons* (30 min., first run); 75 episodes; barter. ● *Throb* (30 min.); 48 episodes. ● *The Love Boat* (60 min.); 120 episodes (the first 5 years). ● *The Love Boat II* (60 min. or 30 min.); 115 episodes (years 6-9). ● *Little House On The Prairie* (60 min.); 216 episodes.

The Wrestling Network

(212) 207-8355

NWA Worldwide Wrestling (60 min., first run); 52 episodes; available now; barter 5/9 split. ● *NWA Pro Wrestling* (60 min., first run); 52 episodes; available now; barter 5/9 split. ● *Power Pro Wrestling* (60 min., first run); 52 episodes; available now; barter 5/9 split. ● *CWF Wrestling* (60 min., first run); 52 episodes; available now; barter 5/9 split.

COMPILED BY CHRIS KELLY



LONDON
NEW YORK
TOKYO
PARIS
SYDNEY
RIO DE JANEIRO

Communications Equity Associates' Rick Michaels riding to hounds at Two Rivers Ranch near Tampa.

BUD LEE (2)

FINANCE

The Hunt Is On

Whether chasing foxes in Florida or tracking cable and broadcast deals all over the world, CEA's Rick Michaels is ever on the prowl.

by Harvey D. Shapiro

Rick Michaels owes his success to the Bible. No, not reading it, selling it.

Michaels financed his college education peddling bibles door to door for a company that was later acquired by Times Mirror. That led to a job with Times Mirror cable television and set him on the road to becoming one of the biggest brokers-cum-investment bankers in electronic media.

J. Patrick Michaels Jr. is CEO of CEA—Communications Equity Associates—which in 1986 arranged 78 media transactions, worth $1.78 billion. The Tampa-based firm is challenging Daniels & Associates as the leading broker of cable systems. It is also brokering TV and radio stations. In 1986, for example, CEA found five UHF stations for Home Shopping Network's expansion into broadcast TV. And as an investment banker it has helped raise amounts ranging from $190 million for American Cablesystems to a $50,000 lease for an Indiana cable operator who needed a satellite dish.

"We have a multitiered market," says Michaels. "We serve lots of entrepreneurs and family-owned businesses, which is the way I started. And we also have big guys, like General Electric, Times Mirror, Westinghouse, TCI."

But everybody's middleman is now increasingly eager to employ his own money as well as his clients' in buying and running media companies. "We want to be in the merchant-banking business," Michaels says. "I want to be a sort of throwback to the 19th-century British merchant bankers. In the old days, they invested their own capital in deals and brought in other people's money, so they could act as agent,

Harvey D. Shapiro joins Channels *this month as contributing editor.*

principal, sponsor" and build major enterprises.

So far, CEA has arranged a leveraged buyout of Consolidated Theaters, which operates 98 movie screens. And it's taken a position in Sparrow Records, a distributor of Christian music. (Besides buying Sparrow and selling bibles, Michaels has represented Pat Robertson's CBN, but Michaels is neither particularly religious nor cynical; these are all "business propositions.") CEA has invested in a media publication, along with the owners of *Channels*, and Michaels is now commuting to Europe, trying to put together a $30 million fund to buy more media and entertainment properties.

In 1982, Michaels split with his partner, Jeff Marcus, he says, because he didn't share Marcus' view that "it was better to own the asset than to be the asset." But these days Michaels is building assets that go beyond the group of aggressive commission generators he has assembled in the CEA offices in Tampa, Washington, Philadelphia and New York. Instead of a collection of independent salesmen, he's turning CEA into an organization. And instead of just bringing together the buyers and sellers, Michaels wants to be a part of the deals.

In 1983, he logged 241 travel days and 300,000 air miles, with stops in such garden spots as Harrisburg, Pa., and Hibbing, Minn. More recently, his stops included London, Zurich, Hamburg and Luxembourg. Whatever the stops, frantic motion remains his signature. "Rick's a real dynamo," says Ralph Swett, CEO and chairman of Communications Transmission Inc. Swett was at Times Mirror Cable from 1969 to 1986, serving first as Michaels' boss and then his client, and he says, "Rick just goes non-stop." Harold D. Ewen, the soft-spoken president of CEA who plays Mr. Inside to Michaels' Mr. Outside, says that besides energy, tenacity is Michaels' trademark: "For him, 'get lost' is a hot prospect. There's no response you can give him that he will take as an absolute no."

But Michaels is not only driven by boundless salesmanship; he also acknowledges that the traditional media-brokerage business may be disappearing, so "diversification is a protective measure." CEA is rooted in cable, but, says Michaels, "the market is changing because of ownership consolidation. The top eight to ten companies will control 50 percent of all subscribers within the next couple of years." With consolidation, deals are becoming less numerous, albeit larger, and they're attracting major Wall Street firms as intermediaries.

CEA expanded from cable to brokering TV and radio stations in mid-1985, confident that this market won't disappear as long as the FCC prohibits owning more than 12 stations. But brokering this business is also increasingly competitive.

As late as 1981, according to Paul Kagan Associates, 746 broadcasting stations changed hands for a total value of $846 million, and the typical station broker was a lone-wolf figure armed with a Rolodex and a smile. But as station prices have soared, creating a $10 billion-a-year business, Wall Street houses have jumped in with their vast capital bases, nationwide networks of offices and splashy auction techniques.

The one-man bands can survive off of smaller deals and infrequent paydays. But CEA's overhead is too large for that. So is Michaels' ego. Instead, he's turning from agent to financier and principal. Let other brokers stick with call-forwarding and part-time secretaries. Michaels has a fancy suite of offices near the Tampa airport decorated with oriental *tsatskes* and pictures of himself with Reagan and Bush. Says Ewen, "We're positioning ourselves a hell of a lot closer to the Wall Street guys than to the little guys with Rolodexes."

To get even closer to Wall Street, CEA last year rented 4,500 feet of space atop Manhattan's Seagram Building on Park Avenue. "Everybody comes through New York at some point, so it's a convenient place to see people," says Donald Russell, CEA's first employee a decade ago and now head of the New York office. There, amid handcrafted desks "imported from northern Florida," and horse statues reflecting Michaels' recently acquired fondness for fox hunting, CEA is prepared to compete with both the big boys and the little guys. Unlike many other brokers, and like Wall Street firms, most CEA executives are registered investment representatives, and the firm has its own in-house legal and accounting talent. So does Morgan Stanley, of course, but Michaels says, "You won't find many people from Morgan Stanley willing to go out to Hibbing in the middle of winter to talk to the owner of a company."

While Michaels has plied that route, these days he seems more eager to go to London. One reason is that he likes to shop at Chittleborough and Morgan for $1,300 Savile Row suits. The trim, dapper 43-year-old Michaels has the boyish good looks, deep voice and light drawl of the quintessential anchorperson in the New South—Mr. Action News for Atlanta, say. But he's still mastering the Wall Street pinstripe look; at headquarters he's apt to lapse into the pastel Sans-a-belt fashions favored by Southern good-old-boys-turned-moguls.

Michaels was never really a good old boy. His sister, Angel Michaels, who is assistant to the head of CEA's New York

For Media Brokers: A Changing Role

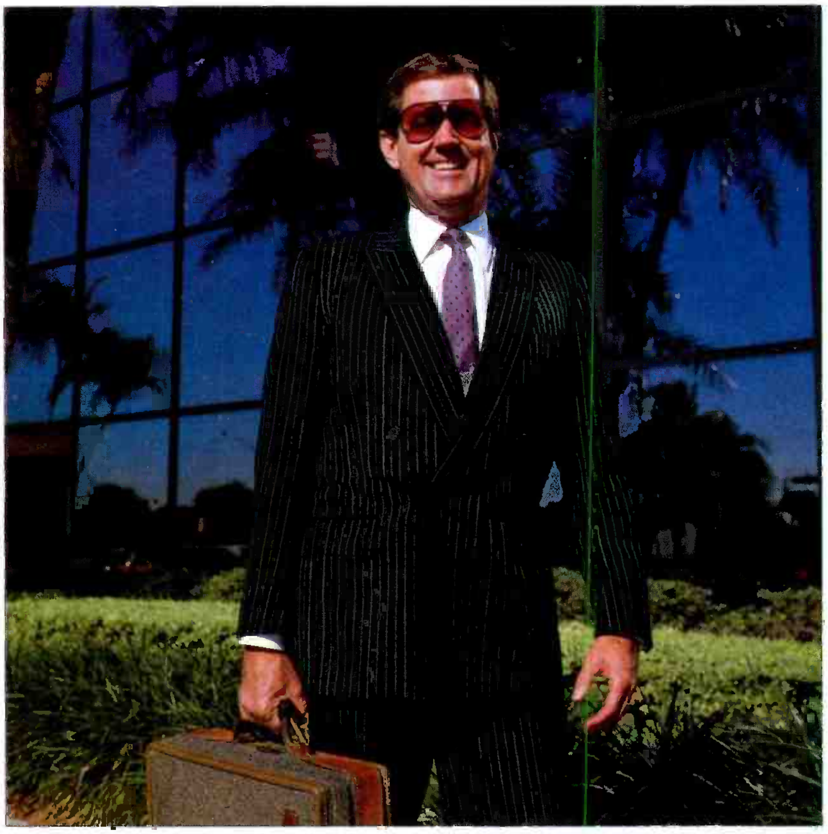
For years, most broadcast and cable deals were brokered by small-time operators whose data base was a Rolodex and whose marketing plan was a low handicap in golf.

But the brokers' control over the market for radio and TV stations has been undermined by spiraling price tags. The rise of the eight- and nine-figure deal means that buyers can no longer simply write a check for their acquisitions. They need financing, and that means Wall Street. "We had a reason to be out there talking to these guys," says Gary Blemaster, managing director of Kidder Peabody's media and entertainment group. "From there, we were able to bootstrap ourselves" into the role of brokers.

In cable, meanwhile, the prerequisite for the brokerage function—a faceless sea of buyers and sellers—is being undermined by a concentrated industry in which the shrinking number of big-time operators talk directly to one another. As the cable industry becomes dominated by big, publicly held companies, says Fred Seegal, a managing director at Shearson Lehman Brothers, they need "sophisticated deal-makers, not just finders, so these companies will come to Wall Street."

But investment bankers are only interested in the bigger deals. Consequently, Seegal adds, "there will be room for niche players." The small-time, low-overhead brokers needn't worry because they can make a living off a couple of deals a year.

A few brokers are having it both ways. There's Gary Stevens for example, a former WMCA radio Good Guy in New York in the '60s. Stevens is an independent radio-station broker, but he operates under the investment-banking umbrella of Wertheim Schroder. Thus, Stevens has access to the Wall Street aura and Wertheim's capital-raising skills, but without the heavy overhead. CEA's Rick Michaels has built an organization prepared to take on both big and little deals. He's got the overhead, and he needs to bring in the deals. H.D.S.



BUD LEE

MAN on the move:

"For Michaels, 'get lost' is a hot prospect. There's no response you can give him that he will take as an absolute no," says a colleague. Tenacity is his trademark.

Michaels in a pin-stripe mood arriving at work in Tampa: "I want to be a sort of throwback to the 19th-century British merchant bankers."

office, says, "Rick was a hustler at an early age. We were born in Orlando, and by the time we moved to Jamaica, when Rick was 13, he was always selling something. We had a tiny glass-bottom boat, and Rick would take the kids out to the reef for a dollar a head." Moreover, she says, "he loved to talk to people. He'd go down to the bridge to fish when he was eight years old, and he would sit and talk to all the people on the bridge."

Talking and selling; that became his bread and butter. After he went off to Tulane University in New Orleans, he signed up for a year of study at the London School of Economics and was soon the first American disk jockey at an offshore pirate radio station. Michaels spent the next year managing rock bands in London before completing college in the States (with high honors and a Phi Beta Kappa key). He paid for much of his schooling with summer stints selling bibles for the Southwestern Co. of Nashville. In his fifth and last summer peddling the Good Book, Michaels was making $1,000 a week and selling more books than anyone at Southwestern.

After earning an M.A. in communications at the University of Pennsylvania's Annenberg School, Michaels returned to Nashville for a job interview with a group of country-music stations. He also visited Southwestern, which had been acquired by Times Mirror, and the management introduced him to the new parent company. Since Michaels had recently read a book on cable, "I became the first cable-TV employee," he says. He helped the company make its first acquisition in San Clemente, and then was dispatched to shepherd their systems in Florida. When Times Mirror sold them in 1972, he set out to buy his own system.

Michaels came to Cable Funding Corp. in New York seeking a loan, but CFC president Harold Ewen liked Michaels better than his proposal, and hired him. (A decade later Ewen would become president of CEA.)

When CFC was taken over in 1973, Michaels set up a cable consulting and financing business in his Guttenberg, N.J., apartment. Michaels started out at the end of 1973 with savings of $30,000, but "I almost starved to death," he says. He was down to his last $2,000 when he collected a $90,000 commission from the McDonald brothers of Alabama for helping them buy a cable system in Chillicothe, Ohio. Others followed, and although he started out intending to structure the financing for cable deals, "that led to the brokerage business, because several of the companies I worked for had financial problems; the only way to save them was to sell them."

In early 1975, Michaels moved to Minneapolis to work for two wealthy clients who owned North Star Cablevision. "They gave me a retainer and paid for my office space," he says, "and I encouraged a close friend of mine, who had just gotten married, to come out to work for me and he later became my partner." The friend was Jeff Marcus, former national sales director of Teleprompter. The two of them "started to make some money" in 1977, Michaels recalls, "and we couldn't stay in Minnesota because the taxes were too high." Michaels opted for Florida because it had no income tax, choosing Tampa because it "was the up-and-coming place to be"—and because he thought he could get a local cable franchise. He didn't, although over the years he has been an investor in 15 different systems in Florida and around the country.

In 1982, Marcus departed, leaving Michaels as sole owner of the increasingly prosperous CEA. Michaels persuaded Harold Ewen, by then a Chicago investment banker, to join CEA as president. While the introspective Ewen kept the office on an even keel, the peripatetic Michaels scoured the countryside for deals. "They complement each other perfectly," Swett says. The number and size of CEA deals has continued to ratchet upward during the 1980s. CEA did 24 transactions, worth $30 million, in 1978. It did deals worth about $150 million from 1979 through '82. Then, Michaels says, he hired Harold Ewen and several new brokers as the pace of transactions in the cable industry shot up. CEA began doing more—and bigger deals—and its tallies rose to $265 million in '83, $400 million in '84, $665 million in '85 and $1.78 billion in 1986. The 1986 surge included a number of transactions rushed to market before tax reform, so CEA expected its numbers to decline slightly in 1987.

Like many media brokers, CEA's fees are based on what's called the Lehman formula—6 percent of the first million dollars in value, 5 percent of the second million, 4 percent of the third, etc., down to one percent of everything over $6 million. In raising funds, it's typically paid amounts equal to 5 percent of equity funds it raises or 1 percent of debt.

While keeping its mom-and-pop clients, CEA has traded up to bigger and more complex deals. In 1985, for example, Michaels completed two years of negotiations that resulted in a highly complex agreement under which Storer Communications and Times Mirror Cable Television traded cable properties valued at $235 million and serving 205,000 subscribers. Each of the companies had portions of the Phoenix area, resulting in overcapacity and losses. Michaels represented both sides in arranging for Storer to trade its Phoenix systems for Times Mirror operations elsewhere. More recently, Michaels arranged another Phoenix swap, valued at $740 million, involving UA and Times Mirror properties. In each case, he was paid a fee by both sides. Meanwhile, CEA found time to sell Cablevision of Soperton, Ga., and Twin Village Cable in Umatilla County, Ore.

TOP 10 CEA BROKERED DEALS*

PARTY (IES)	NATURE OF TRANSACTION	VALUE (IN MILLIONS)
Times Mirror Cable TV; UA	Swap of cable properties	$740
Times Mirror Cable TV; Storer Comm.	Swap of cable properties	235
American Cablesystems	Financing	190
Communication Transmissions Inc.; Times Mirror	Communication Transmissions purchased a microwave transmission system	175
Adelphia Communication Corp.	Refinancing of existing debt	175
Times Mirror; CPI Inc.	Times Mirror purchased CPI	129
Times Mirror; TCI	Swap of cable properties	104
TCI; Gulfstream Cablevision	TCI purchased Gulfstream	90+
Matrix Communications; First Carolina Cable TV	First Carolina purchased Matrix	55
Perry Cable TV Corp.	Refinancing of existing debt	50

*Due to client confidentiality, three deals involving $550 million, which would fall within CEA's top five deals, cannot be revealed.

One of the keys to CEA's growth, says Donald Russell, is that the firm is "not just finders—we add value." From its early use of tax-exempt Industrial Development Authority bonds to more recent innovations, Russell notes, CEA "not only took deals to clients but also helped them find financing."

Michaels is not one for philosophizing on the meaning of mass media. What he likes is making deals, and talking about them. "It's like playing a six-handed game of chess," he says. "Each one is a mental and diplomatic challenge, and you have so many different pieces moving at the same time. When you go off to the men's room, you might even find somebody sneaking a few pieces off the table. It keeps you mentally alert."

It all comes down to talking and selling, Michaels says: "I like working with people, and I think I'm a very good salesman. Five years of selling bibles and dictionaries door to door and being successful at it teaches you a lot of things about salesmanship." Like what? "You can have all the technical skills in the world, but if you really don't understand people, you're not going to sell anything."

Sipping a Diet Coke, he warms to the opportunity to explain How He Does It: The secret is "being able to make both sides understand what their advantage is in the transaction. The best kind of transaction is one where each person walks away from the table feeling he got the best of the deal." To do this, he says, he concentrates on "making people understand the opportunities on their side and not worry about the other guy's chips. Concentrate on the opportunity rather than the price." That approach, however, can sometimes backfire. "He's slick—sometimes he's perceived as too slick," says Gary Blemaster, managing director of the media and entertainment finance group at Kidder Peabody & Co.

Although constantly in motion, Michaels says, "When I'm home, I'm really home." He seems to dote on his daughter and his wife, an Austrian nurse he met while donating blood at Penn. "I take off ten weeks a year," he notes, adding that the family skis for six weeks a year at their home in Utah and zealously seeks out foreign slopes. You'd never guess he didn't take up skiing until he was 34. Similarly, he started fox hunting at 40; now his home and office are filled with equine sculptures, and Michaels hosts the local hunt breakfasts.

Michaels' high energy level has convinced many people that CEA is a solo act. But Swett says, "He's brought in some very talented people." In addition to Ewen, there are, among others, Beverly Harms, a vice president and member of the office of the chairman who was a former broadcaster and cable operator in Syracuse, and Diane Healey Linen, the group vice president for television, who was formerly a vice president of corporate affiliate relations for NBC. Donald Russell, the head of the New York office, is a former commercial banker, as is vice president W. Jay Dugan and several other staffers.

CEA is up to 45 people these days, and the addition of these troops has led to changes. Mark Sena, a senior v.p. who heads marketing and works with Michaels on international projects, says, "When I first came to CEA, nobody had titles. Everybody was doing everything. In the last year, because of our growth, it's become more formalized." Michaels says: "I'm quite involved when it comes to strategies, and to some extent the negotiations, but I do very few deals by myself. Generally, other people are working on their projects and I will help them."

He adds, "CEA in general has a policy that in any large transaction, there are at least two people involved." It's not only more efficient, he says, "it also breeds teamwork."

Michaels reinforces this teamwork with an organizational structure that doesn't give any broker exclusive rights to any geographic territory. What's even more persuasive is that "we don't pay our people on commissions," he says. "They are paid like people at Wall Street firms are paid: salaries and discretionary bonuses" that depend on how well they did and how well the firm does. "Harold and I," he says, "have total discretion over the money." That ensures that "all of our people are team players."

That teamwork will be a necessity because Michaels is changing the rules of the game. CEA now gets 85 percent of its revenues from cable. In five years, he wants it to be 50 percent of a bigger pie as a result of diversification.

The first expansion, into station brokerage, is growing, albeit unevenly. CEA did ten TV deals, worth $300 million, in 1986, its first year in the business, but Russell says 1987 was "a very slow year." Conversely, radio started off slowly in 1986, he says, but "we've done very well recently." The cable base has been helpful. CEA brokered a $27 million sale of McClatchy radio stations in Fresno and

BUD LEE

CEA'S Mr. Inside: "We're never going to compete with Merrill Lynch," says CEA president Harold Ewen. "But we're positioning ourselves closer to the Wall Street guys than to the little guys with Rolodexes."

When Michaels sought a loan from Ewen (left), then president of Cable Funding Corp., Ewen liked Michaels better than the deal, and hired him.

Sacramento. "We had sold a cable system for them last year," Russell explains, "and did a terrific job, so we got this."

Beyond brokering, there is investment banking, which really means figuring out where to get money for a client. From his New York base, Russell not only sees buyers and sellers, he also keeps in touch with the financiers. Knowing where the money is can be even more lucrative than knowing where the other side of a deal is. But there are limits. Ewen says, "We're never going to be a big equity house and compete with Merrill Lynch. We don't have the distribution." Still, CEA has shown it can raise eight-figure sums through private placements, which may involve equity as well as debt.

Michaels' main passion at the moment, however, is merchant banking. CEA has created CEA Investments, a joint venture with Acquisition Funding Corp., a subsidiary of the multibillion-dollar General Electric Credit Corp. The new venture, whose first transaction was a $20 million LBO of Consolidated Theaters, will have up to $250 million to invest in entertainment and media projects.

And CEA sees a role for itself in the globalization of the media. "We feel that as a premier investment-banking and brokerage firm in the U.S.," Sena says, "we have a lot to offer foreign firms wanting to develop their businesses in the U.S., and also for U.S. companies who want to expand outside the U.S." CEA has an affiliate in Hamburg, headed by a former *Stern* editor. So far the returns are meager, but Michaels is enthusiastic.

His mission this fall has been an attempt to raise a $30 million media and entertainment fund based in Luxembourg "to invest in or buy non-electronic media businesses. So it could be music publishing, theaters, publishing, radio production companies." The fund, which CEA would manage, would either run the companies, he says, or "invest with management in the LBO arena."

The more CEA does, the more it can do, in Michaels' view. "There's a lot of cross-ownership in the media, so we can pyramid off our existing client base. TCI, for instance, is our second biggest fee-paying client. It's now the owner of the largest theater chain in the world, so we are now interested in theaters."

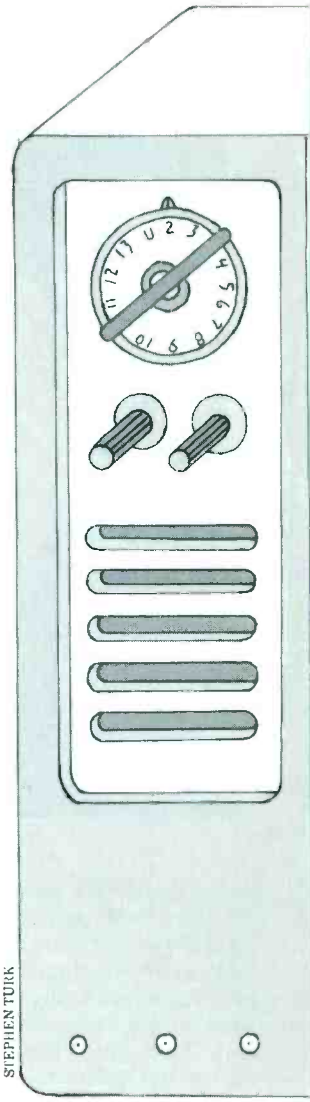
What are the limits of this vision? Michaels wants to stick to communications and entertainment—there will be no investments in tool-and-die companies or Wendy's franchises. But beyond that, he's not big on long-term strategies. At this point, Michaels says, he's got enough to live on without CEA, but "I'm not really interested in selling the company because I'm having a good time." Instead, he says, "I think if we did anything it would be to sell part of it to the public, and then bring in the people that are here, with options and shareholdings in the public company." Or better yet, "the people who would be interested in this would be people in the financial-services business already—like our competitors on Wall Street or an international financial-services company.

But he emphasizes, "I haven't put out a For Sale sign." Instead he has a goal: "There has been no successful company, independent of Wall Street, to bridge all the media. None. Nobody has been able to do cable, TV, radio, entertainment, publishing, records, theaters." Guess who's going to be the first. "We're going to give it a good try. It may take two or three years to say we can do it all, or we can only do part of it, or we have to go back strictly to cable."

Meanwhile, on a recent Friday afternoon, Michaels packs up his briefcase well before 5 P.M. He's planning an early bedtime, because he'll be up at 4 A.M. to give the hunt breakfast and then ride to hounds. Later that day, he'll fly to Europe. While his employees continue to scour the U.S., hoping to match buyers and sellers for a fee, Michaels will be working his new territory. Armed with a smile and a shoeshine, he'll be showing his wares, seeing his tailor and finding out if he can get Europeans as excited as he is about investing money for them in the U.S. entertainment industry.

"You know, when I started CEA, there wasn't anybody doing what I was doing," Michaels muses. He's convinced there's nobody that matters who's really done what he's trying to do now, either. "People say you need a second challenge in life, and this is mine." ●

On to 1990: Can the Next Fin-Syn War Be Averted?



STEPHEN TURK

TV has radically changed since the last studio/network war over the program-ownership rules. But battle lines are being drawn for a new brawl, with the stakes merely the future of programming. **BY BOB WOLETZ**

The most significant thing about NBC's *Sonny Spoon*, which premieres this month, is the fact that NBC will own the series and pay all production costs. Stephen J. Cannell will not only produce the program, but will also ride off with the program's post-network distribution rights tucked under his arm.

Slowly but surely, the networks are moving deeper into the production business, and NBC hopes that *Spoon* will shine, as most of its recent tries at program ownership and production have not. NBC-owned *Roomies*, for one, a half-hour comedy that tested poorly during an eight-episode run, was pulled last spring.

Cannell's deal is the latest twist in the unfolding drama surrounding resolution of the Hollywood-New York debate over program ownership. Since 1971, when the FCC first laid down its Financial Interest and Syndication Rules—the series of strictures that bar ABC, CBS and NBC from producing, investing in or syndicating most series—the rules have substantially shaped the programming business. Nine years later, the Justice Department, concerned about networks dominating production, expanded the rules by requiring the networks to sign consent decrees that limited, until 1990, their ability to own prime time shows.

No matter what happens in the political and regulatory arena, those consent decrees will fall off the books in 1990, and the networks will be in a better position to control their futures—since, for nearly 20 years, the rules and decrees silently but assuredly colored nearly every aspect of the network-studio relationship.

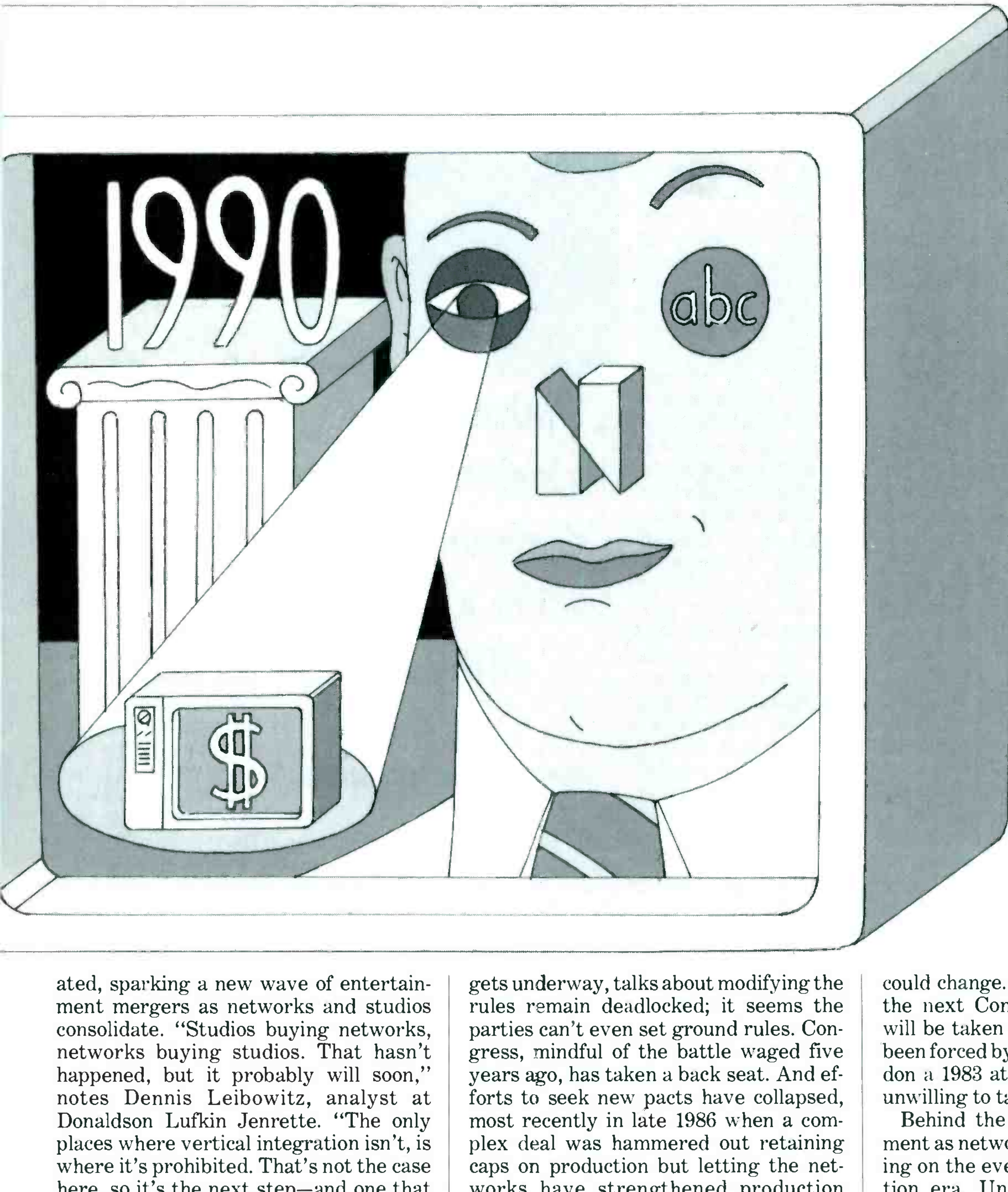
The Fin-Syn Rules, which will continue beyond 1990 to limit the networks' ability to syndicate the shows they air, will remain in place unless the studios and networks convince the FCC that they've agreed upon a substitute for them.

Meanwhile, nearly two decades under the rules have made producers rich; during most of those years the networks prospered as well. But in 1982, network advertisers began to apply the brakes as viewing alternatives siphoned off key audience segments. The networks, in a sluggish and altogether weak-kneed response, had asked the studios to show restraint in program costs. The turn of events might have squeezed production had it not been for the FCC's rules.

Publicly, the rules have as many supporters as critics. Privately, though, few argue with conviction that Hollywood still requires protection from the threat of network domination. As large as they may be, the networks no longer dominate the market—the TV revolution eroded the rules' antitrust underpinnings. Yet the factors behind maintaining the rules are considerable. At stake are billions in revenues and control of TV programming—still the nation's most powerful entertainment medium. Annual prime time production represents about $3.4 billion, and syndication, barely a market in 1971, was nearly a $2 billion business in 1987, according to the Association of Independent Television Stations (INTV)—money up for grabs should the rules be altered.

Moreover, some observers predict that without the restraint and stability the rules provide, a vacuum would be cre-

Bob Woletz is a free-lance writer and an editorial consultant to The New York Times Business World *magazine.*



ated, sparking a new wave of entertainment mergers as networks and studios consolidate. "Studios buying networks, networks buying studios. That hasn't happened, but it probably will soon," notes Dennis Leibowitz, analyst at Donaldson Lufkin Jenrette. "The only places where vertical integration isn't, is where it's prohibited. That's not the case here, so it's the next step—and one that probably has to be taken before the administration changes." In fact, some analysts speculate that both Gulf + Western and Walt Disney Co. could have an interest in owning a network.

But the potential lifting of the rules also will focus attention on the degree to which networks might favor *their* productions over those of others, or whether networks would strong-arm producers into trading ancillary rights for favored access to network audiences. Others ask whether, in syndicating shows to local stations, network sales reps might favor their affiliates over competing indies.

As program planning for next season gets underway, talks about modifying the rules remain deadlocked; it seems the parties can't even set ground rules. Congress, mindful of the battle waged five years ago, has taken a back seat. And efforts to seek new pacts have collapsed, most recently in late 1986 when a complex deal was hammered out retaining caps on production but letting the networks have strengthened production roles. The new pact was embraced in Hollywood, but rejected by the networks, citing "the most difficult economic environment" they had ever faced. "The networks turned down their deal," says Motion Picture Association of America (MPAA) president Jack Valenti. "They believe if they shuffle, dawdle and hesitate, time and inertia are their allies."

But the mood is turning, and interest is mounting both in Washington and among TV executives. "With the 1990 deadline approaching, we're seeing more and more members getting concerned," says Larry Irving, senior counsel to the House telecommunications subcommittee. "Congress wants the parties to start to work out differences. It's not being accorded high status now, but that could change. If there's no resolution by the next Congress, getting it resolved will be taken up." But the FCC, having been forced by President Reagan to abandon a 1983 attempt to junk the rules, is unwilling to take on another crusade.

Behind the scenes, much is in movement as networks and studios are jockeying on the eve of a new network production era. Under the decrees, the Big Three were given the right to produce 100 percent of their shows as of 1990. All three are gearing up to produce more, testing pilots and securing relations with producers. It was, in fact, the prospect of bringing under control seemingly uncontrollable program costs, and of transforming a net cost into a lifetime annuity, that attracted General Electric to RCA, Capital Cities to ABC and Larry Tisch to CBS in the first place.

But no longer is there talk of war. Ahead lies a period of intensified joint-venturing between the networks and producers willing to trade potential future profit for limited risk. "What the networks and Hollywood are approaching are 50-50 arrangements," says Mel Blumenthal, senior executive v.p. at MTM

Productions. "I see us developing programming partnerships with the networks, where we parlay some back-end potential of a show in exchange for more front-end money." The networks, still Hollywood's biggest customers for original shows, are no longer the only customers. Some in Hollywood boast that the networks are way-stations en route to the real market, program syndication.

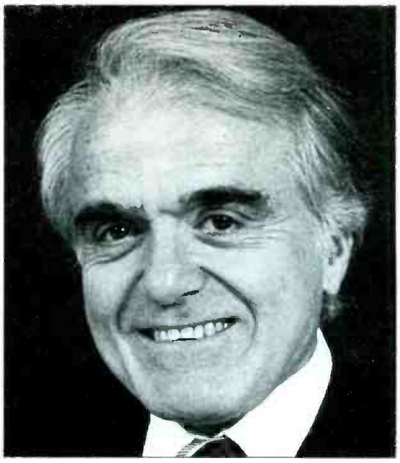
Though the rate of growth in fees generated by network "rentals" of their programs has moderated, the ravenous appetite indies and their ad clients have developed for off-network and first-run product has more than compensated for the flattening out of program revenues. Cash flow has been so strong that some studios have snapped up indie TV stations, and now compete with their network customers for viewers. In the most visible case, Rupert Murdoch's 20th Century-Fox built a network around indies it purchased from Metromedia.

What non-aligned station groups and independent producers fear is the Fox example of vertical mergers. Network, FCC and nervous studio officials concede that granting the networks free reign in production could render the FCC rules moot by effectively allowing ABC, CBS and NBC to share in syndication revenues. For despite the ban on network syndication, they can participate passively by selling to third-party packagers syndication rights to programs they own. And the networks privately agree with Valenti that foot-dragging until 1990 is in their best interest.

ABC, CBS and NBC insist that they cannot equitably compete without the ability to finance and own their shows. "We're rapidly losing our capacity to play the game," says Stephen A. Weiswasser, general counsel of Capital Cities/ABC. Yet, like other network spokesmen, he insists that ABC has neither the interest nor the ability to produce in-house more than a few hours of prime time shows.

Hollywood, however, isn't buying that line. "By 1990," says Valenti, "the networks will be free to produce and own all 22 prime time hours. When three entities control airtime, own and produce all the programs, are exhibitors in and proprietors of the national distribution system, there is no competition. The FCC saw this clearly in 1971 when it created the rules. The Justice Department confirmed this vision in 1980. Without a tether on limitless network dominance, there will be a disabling affliction."

"We don't dominate anything," counters NBC president Robert C. Wright, who has become the lead network spokesman challenging the rules. "I've never met a producer or studio representative who seriously contends that the rules in their entirety are necessary. These artificial rules are essentially irrelevant now and will be even more irrelevant in 1990. What you do have are two generations of managements that have believed that this is the way God intended that we handle programming, syndication and ownership." On the subject of in-house production, Wright insists, "If it were the objective, we'd be doing it this year and last year and next year. What do we have on the air? Almost nothing. If we were intent on owning our programs, we'd be forcing our shows on the air, but we're not."



'Without a tether on limitless network dominance, there will be a disabling affliction.'

—JACK VALENTI

The networks' production track record thus far does fall well short of the current Justice Department limit of three-and-a-half hours weekly. The only successful network-owned entertainment show is ABC's *Moonlighting*. CBS's *The Twilight Zone* was canceled in 1986. NBC dropped its low-rated *Alfred Hitchcock Presents* and sold *Punky Brewster* to Columbia in 1985 after a two-season run. Although NBC has high hopes for *Spoon*, four other in-house series pilots—*Time Out For Dad*; *Good Morning, Miss Bliss*; *Act II*; and *The Bennett Brothers*—were tested last summer and shelved. ABC, snarled in budget overruns on *War & Remembrance* and *Moonlighting*, hasn't pursued new in-house ventures. And CBS, which had *Blue Skies* slotted as a mid-season replacement, has since reneged, demoting Tom Wopat's series to "back-up" status.

Some network executives say producing in-house on a piecemeal basis is uneconomical because of the large up-front investment in facilities. "There's a critical-mass problem and I don't think we want the overhead," Cap Cities/ABC's Weiswasser says. That could quickly change, concedes another Cap Cities/ABC official, as the Big Three find ways to exploit the "repeatability factor" that ABC's *Moonlighting* experience points up. "The kicker that makes it work," says the ABC insider, "is that we get more runs out of each show we produce [compared to two runs in license-fee deals], getting three and sometimes four plays out of each episode. With *Moonlighting*, that brings costs pretty much in line with other prime time shows. So on a per-play basis, we could cut program costs."

Paramount Television president Mel Harris is among the studio brass who find the networks' stated lack of interest in production less than credible. "That the networks have not produced up to the limits is far from an indication that they find the risk of production inhospitable," he says.

An alternative to total deregulation is the 1986 proposal for an extension of the in-house production caps in exchange for network/studio program partnerships. Says MCA President Sidney Sheinberg, "They claim that they have no intention of exceeding the current limits on production volume. If that's the case, why should they be so terrified by this extension of the status quo that we've proposed? The two things they have indicated an interest in being able to do are joint ventures and syndication on a direct rather than lump-sum sale basis. We've made an offer, but they're not buying."

Hollywood says that granting networks the right to own and syndicate programs gives the nets the upper hand. "The leverage is enormous when you bring a project to a network. You really have no bargaining strength," observes Warner Brothers president Robert Daly. "If you want the program on, you accept their terms. In 1990, the networks strengthen their hands, using the leverage of producing to drive down license fees or other concessions. And they'll say, 'If you don't do this, then we'll do it ourselves.' " Daly, who structured deals for 25 years for CBS, recalls a period 20 years ago when CBS routinely held after-market positions. "The networks, prior to the rules, owned 50 percent of the profits on every show on their network. They just took it as part of negotiations," Daly says. "Protecting the producer at that early and vulnerable stage of a project was something the government was out to achieve when it set limits."

But NBC's Wright insists that the inability to form partnerships and share in the back-end makes it difficult to "deal credibly" with producers. What Wright says NBC really wants is "the ability to have normal kinds of relationships—the kind that go on in cable, in film production or in any business. It seems reasonable to have two parties sit down and divide up costs to make both feel comfortable," he says. "There's no ability to work together on a true economic plane. The ability to split risk isn't available. That causes some projects never to get done.

"Take *Moonlighting*. Where would ABC be without *Moonlighting*, considering the difficulty they have had in prime time? ABC publicly acknowledged that it is a bit of a disaster in terms of costs. But if that show had been developed outside ABC, my guess is that the show would be gone. If they were presenting bills to ABC for a couple million dollars an episode, and if ABC had not the slightest glimmer of recouping its costs, my guess is that because those numbers are so big, the show probably would have folded or cut back, and may not have been the success it is. Two million dollars an episode is too much to pay to rent the show."

If the networks were to gain financial participation in their prime time programs, however, most observers agree that they would more than likely have to pay higher license fees. That prospect worries some analysts. "That could take a real bite out of network upfront cash flows at a time when two of the three can't really afford it," says Dennis McAlpine, Oppenheimer & Co. analyst. "If, for instance, the networks pick up another $300,000 per episode in a long-form program like *Miami Vice*—that's another $6 million a show. Multiply that against just half their schedule—ten hours—and that could be another $60 million a year to put into programming. The networks can't know whether programs are going to survive the necessary three to four years to become viable in syndication."

Wright agrees that license fees would run higher, but only where warranted. "It could get very expensive," he says. "But you wouldn't do it on every show. Certain shows would be done as joint ventures and you'd have a range of positions. A good percentage of deals would look like today's license fees. The out-of-pocket costs would be greater, but over time we'd find that incurring that greater cost would be justified in terms of getting more [program rights] and earning back the carrying costs," he says.

ABC, CBS and NBC downplay their interest in direct syndication participation, but network officials nevertheless admit they'd like to find a way in. "Why shouldn't we be able to sell off those rights the same way Warner Brothers or anybody else does?" says Weiswasser of Cap Cities/ABC. At the same time, he agrees with critics. "The independent stations are right when they worry about the potential conflict of interest with the network directing its product in syndication to its stations."

Still, as networks seek to move into Hollywood's profit centers—while studios, like Fox, move into networking—the prospect of the two combining rather than butting heads grows likely. Disney and Coca-Cola, then parent of Columbia Pictures, surfaced as bidders for CBS, while MCA and RCA held merger talks in 1985. Oppenheimer's McAlpine notes that CBS is rich with cash and has shown signs of looking over producers. Lorimar Telepictures, with its schedule of CBS hits, looks to be chief among them, according to McAlpine. NBC's Wright says coyly, "That's probably not an illogical conclusion, but the need is probably greater for the studios, most of which have found TV to be a much more reliable source of income as opposed to gross revenue. We don't have plans to do anything quite along that line, but I wouldn't rule that out. There are lots of ways to be in combination," he says.

No producer 'seriously contends that the rules in their entirety are necessary.'

—ROBERT WRIGHT

"If you want to look at an example of how NBC might look if there were no Fin-Syn rules, you probably don't have to look further than Fox. They don't have any rules. They don't seem to be short of working capital. Most of their programming agreements, I understand, are on a licensing basis. Some are licensed, but they're done on the Fox lot so they apparently liquidate some of their own overhead, but they don't own the show. In others they have joint ownership. And nobody is screaming that the Fox arrangements are perilous or abusive or destructive."

Caught in the middle are independent producers, whose fate is hammocked between studio patrons and network customers. Largely left out of the on-again, off-again talks, the independents are recognizing that either way they have something to lose. "There is danger when somebody controls too much vertically," says Don Taffner, president of D.L. Taffner Ltd. "When you own the theater, the seats, the popcorn, the production house and the distribution entity, there is an inherent danger. It's wrong for the public and for the good of our industry."

Many observers expect that economic and political pressures will continue to steer studios and networks onto middle ground. MTM's Blumenthal sees joint-venturing as "a fair way of establishing partnership relationships to produce programming," and to that end has been holding discussions with the networks about joint ventures—projects that he says require FCC waivers from the rules.

A workable compromise depends on many factors. "You won't have an agreement unless we agree on the nature of the problem," says Cap Cities/ABC's Weiswasser. "We all agree programming costs too much, and there are deficit problems for the studios. But we don't agree about what the competitive environment is going to be or about the best way to address deficits. In most industries, you would let the buyer and seller work out a way of sharing the risks and benefits. That's not the way this industry works. We share the risk and none of the benefit," says Weiswasser. "We have to get agreement that we can't solve the deficit problem unless we share the back end. Until we have some sense of what's going to happen as the studios continue to vertically integrate into networking, and into station and theater ownership—until we can talk that all out, there isn't a basis for making a deal."

Meanwhile, to some Hollywood ears, the clock that is winding down to the 1990 expiration of the Justice Department caps is ticking ominously fast and ever more loudly—but not so loud as to awaken Dennis Patrick's FCC. Up until now, Congress, similarly humbled by the firestorm of criticism that the FCC's 1983 deregulation misadventure sparked, has found neither the time nor inclination to rule on who should own *Who's the Boss*. Congress, however, may finally be stirring to Hollywood's call. ●

Europe's 'Contagion of Choice'

Insiders assess, applaud and bemoan the metamorphosis of Old World television at a seminar in Barcelona sponsored by TV3 and *Channels*.

It's not so hard to follow the weekly announcements in international TV, but it is sometimes tough to pin down the candid thoughts of the brass behind the scenes. Following are excerpts from a two-day seminar, "The Changing Television Marketplace in Europe," organized by *Channels* and sponsored by TV3 in Barcelona, Spain. The seminar was moderated by *Channels'* senior vice president Les Brown and attended by broadcasters and financiers from both sides of the Atlantic.

CHERYL GERBER

Three Rules for Success

Marc Tessier, Director, Canal Plus Satellite, Paris: For many years, the European television landscape has been hardly understandable for American programmers. Not only was Europe a Tower of Babel with all its different languages—at least 15, not to mention all the regional dialects—but the relief map of the market was all but simple.

The basic fact is that television has mushroomed all over Europe: In France, where there were three television networks in 1984, there are now six. In Italy, a couple hundred private stations co-exist with the six national networks. The same birth record exists in West Germany where there are a dozen regional services plus two private over-the-air commercial television channels.

There is very fierce competition between TV operators now. You can see it in France: La Cinq, ruled by Messrs. Hersant and Berlusconi, has recently tried to overcome TF1 and, as you know, failed. The same battle occurs in Germany between Sat 1 and RTL Plus.

The other form of competition is the long-running battle between private operators and state-run operators. One always bears in mind that the real competitor of the newcomer, private television, remains, in Europe, public service [public] television . . . partly because of nationalistic resistance against pan-European tendencies and partly because national markets may prove to be too small [to support new commercial television channels].

Regarding its pay-TV projects in Europe, Canal Plus has learned that if pay-TV wants to succeed, it has to respect at least three basic rules: You need a huge amount of first-run programs, i.e., your schedule must be marketed as unique from day one. You need a window against broadcasters and home video. And you have to start, from day one, with a very hot program schedule—in other words, with expensive products, especially feature films.

Diversity Is Inevitable

Willard Block, Viacom International, New York: In 1984, a new television signal began regular broadcast in Barcelona and across the broad Catalan plain. The voice and image of TV3 joined with the signals of Television Española to provide alternative programming—a new choice to 14 million people whose Catalan heritage was not to be denied.

These developments in Catalan cannot be viewed as unique. The attempts to limit the diversity of programming choice in Europe will be futile and the reasons for that are obvious: the curiosity and hunger for words and pictures of the world in which we live; the technological revolutions, which have allowed us to more easily and economically bring diversity of information and entertainment to the public; and the worldwide embrace of "deregulation"—which is, in effect, government acknowledgment, reluctant as it may be in some cases, that the diverse interests of our people and institutions must be satisfied.

No European country is immune from the contagion of choice. And with the inevitability of more satellites—whether it be Astra or some variety of DBS—broadcasting directly to the home, the number of services designed to meet specialized interest certainly will increase.

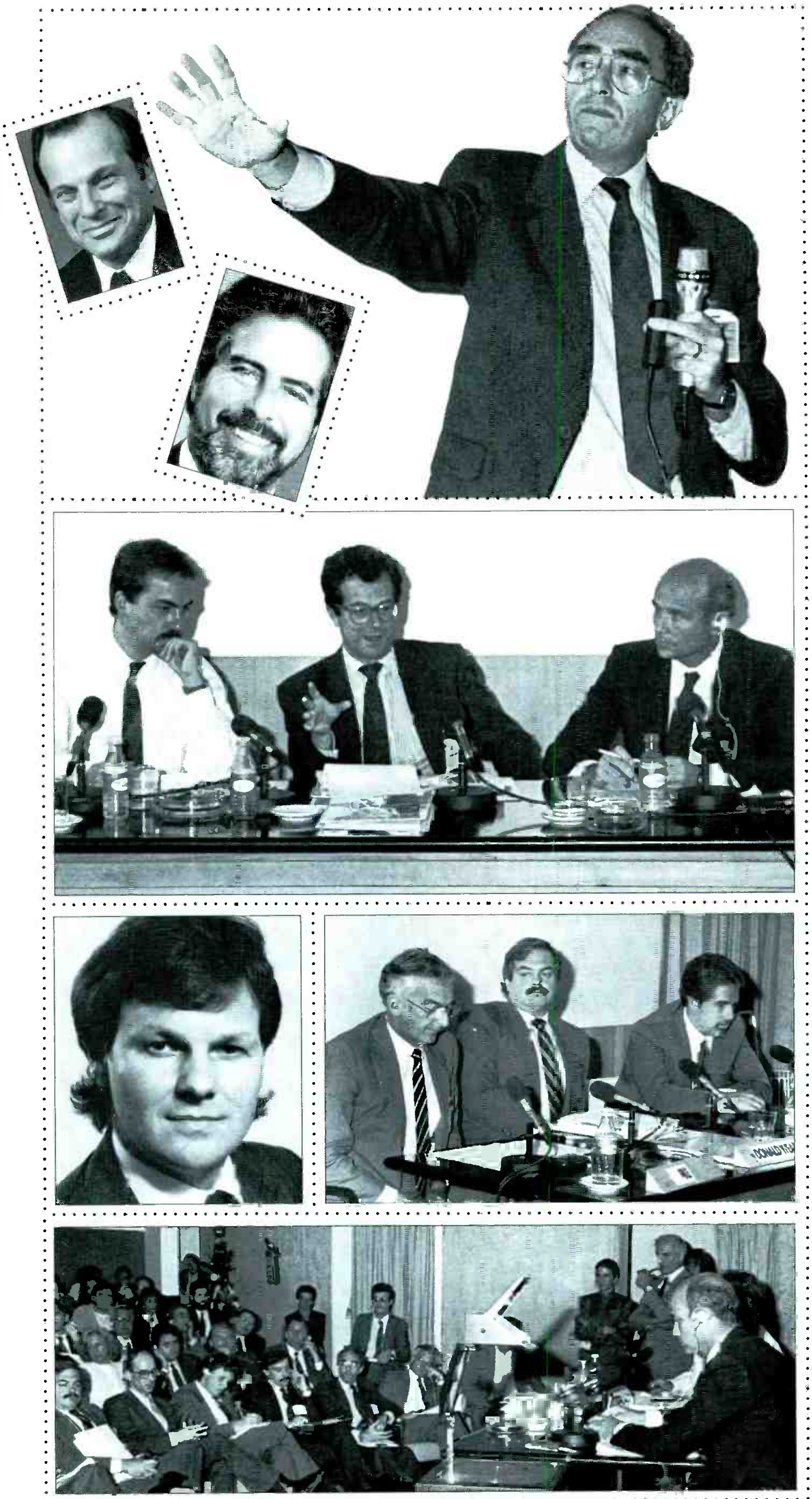
'Programs' Are Now 'Product'

Reiner Moritz, Director, RM Associates, London and Munich: The concept of television differed widely between America and Europe before the advent of new delivery systems and deregulation. While Americans saw a business opportunity in the new technology, Europeans took it for a means of communication, which, in the guise of a public service, had to inform, entertain and educate. Hence, the Europeans used to talk about programs and the Americans about product. This is all changing with new programming delivery systems, more choice and a segmentation of the market that turns viewers into consumers. . . . The new commercial approach has all but wiped out the traditional forms of genuine television such as dramatic plays or features on the arts. In the end, culture will have to go to pay television to find its viewers.

Tougher Program Market

Dr. Stephan Buck, Director of Research, AGB Worldwide, London: Programs such as *Dallas* and *Dynasty* have at times been extremely popular in the United Kingdom; sometimes, when well scheduled, reaching the top 10. But they have never had viewing figures as high as the most popular home-produced soap operas, *Coronation Street* and *EastEnders*.

If American series have done somewhat less well than expected in the past, the probability is that success could come even less easily in the foreseeable future. One reason for this is the move in the United States to the most popular series being comedies rather than drama, and there is some evidence that comedy in general transplants less easily than action. But of greater long-term significance is the fact that the television industries in an increasing number of countries



The international brigade in Barcelona: (top panel, from left) Willard Block, Michael Jay Solomon and Stephan Buck; (second panel) Nick Snow, Mark Tessier and Jaume Ferrus; (third panel) Toby Syfret, Sidney Pike, Donald Wear, Michael Jay Solomon; (bottom) the view in the conference room.

are becoming more sophisticated and are learning how to produce more popular programs themselves.

However, there will always be a market for American series in foreign countries and this market can be expected to grow with the proliferation in the number of channels available.

Public Channels to Pay TV?

Anthony D'Abreu, Senior Consultant, Logica Consultancy, London: Logica Consultancy forecasts that about a quarter of European homes (some 31.3 million) will be capable of receiving satellite television by 1995. Even before that date, over half of all Europe's TV channels will be wholly supported by advertising revenue. Public-service broadcasters, therefore, will suffer a drop in audience share. However, if governments ensure that public broadcasting's license-fee income rises with inflation, and if they grant full commercial autonomy, then public-service broadcasting will equal or even surpass private, commercial competition. The most viable solution is for pay TV (especially pay per view) to become the means of financing public-service television by the late 1990s, once encryption technology and low-cost decoders have been fully developed for the market.

'Complete Lack of Media Policy'

Nick Snow, Managing Editor, *Cable & Satellite Europe*, London: Many people believe the Astra satellite, which is being launched by a private company into Luxembourg's allocated orbital slot, will usurp the true DBS birds. Astra will broadcast up to 16 TV stations with general-entertainment channels in the three main European languages, with a range of thematic or minority-interest channels tacked on. In effect, it will be like a cable subscriber's program package but broadcast direct, with each subscriber attracted by perhaps three or four of the satellite's 16 channels.

The French and German satellites will broadcast with over four times the power of Astra, and their four or five channels can be picked up on 30-centimeter dishes. Many argue they are white elephants for space—overengineered, overpriced and commercially obsolete. But with higher-power satellites meaning smaller, cheaper reception kits, and with programs tailored to the national audience they are beaming down on, they may well be a viable alternative to the mix-and-match compromise of Astra. The French and German satellites, however, have been rendered unattractive as programmers have wilted away from the long delays in launch dates. And the disarray that has surrounded the planning and execution of DBS projects is an indictment of the complete lack of serious European or national planning of media policy. ●

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In this special section—the first in *Channels'* ongoing coverage of the '88 elections—we look at one side of television's quadrennial bonanza. This campaign season, the toughest race may prove to be the one for advertising dollars, currently being run between network affiliates, independent stations and cable TV. Joseph Vitale details the fight in "Chasing the Political Ad Dollar on TV."

As for what tape will roll once the spots have been sold, J. Max Robins previews the year's political advertising in "Campaign Ads' Slick Veneer Wears Thin." Nationally and locally, substance is the new mandate from candidates' media advisors.

Chasing the Political Ad Dollar on TV

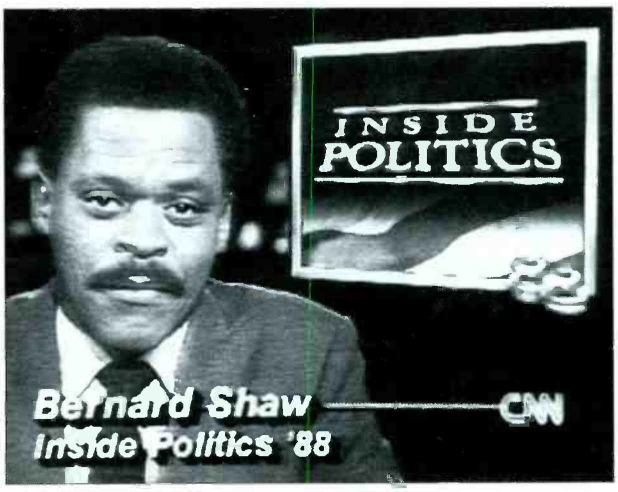
While most people's attention this year will be focused on the nationwide battles between Republicans and Democrats for votes, there's another struggle shaping up that promises to be just as fierce: the three-way fight among network affiliates, independent stations and cable TV for the political advertising dollar.

"Right now, independent television stations get only 25 cents of every dollar spent on spot TV advertising, and less than that on political advertising," says Rob Friedman, director of marketing for the Association of Independent Television Stations (INTV). "Indies will be working hard to reverse that trend in 1988."

Political ad spending has traditionally followed viewer preferences. According to the latest Nielsen figures available (for November 1987 prime time), network affiliates are way ahead, with 63 percent of the audience; independent stations command 23 percent and cable 16 percent (the figures reflect simultaneous viewing of multiple channels in a household).

But how much money is actually spent on political spots—and how much is likely to be spent in 1988—has suddenly become a controversial issue. While analysts such as Larry Sabato, an author and professor at the University of Virginia, and Curtis Gans, of the Committee for the Study of the American Electorate, estimate that as much as 50 to 70 cents of every campaign dollar go into TV, the National Association of Broadcasters (NAB) now puts the figure at only 25 cents.

Why does the broadcasters' lobbying group want to minimize television's role? Because what one consultant calls "a hot ad category" for local television might soon be in danger of losing some of its appeal. A campaign-reform package known as H.R. 2464, currently before a House subcommittee, would among other things mandate a 30 percent discount for federal candidates who buy television ad time. Threatened with a possible loss of revenue for television stations, the NAB last summer sponsored a study by Aristotle Industries, a Washington-based research firm, which showed that federal candidates spent only 24.3 percent of their campaign budgets on TV and radio buys in 1986.



CNN's *Inside Politics '88*: Attracting politically active viewers.

MAKING THE CANDIDATES PAY

"A candidate shall be charged no more than the rate the station would charge if the candidate were a commercial advertiser whose advertising were directed to promoting its business within the same area as that encompassed by the particular office for which such person is a candidate. All discount privileges otherwise offered by a station to commercial advertisers shall be available upon equal terms to all candidates . . . the lowest unit charge of the station for the same class and amount of time for the same period [shall be given]."
—*FCC regulation 73.1940 (b)*

BUYING TO WIN

Ad-buying breakdown for 1986 House and Senate Races
(includes primary and general elections).

	TOTAL $	% OF TOTAL CAMPAIGN EXPENDITURES
HOUSE OF REPRESENTATIVES		
Outdoor (billboards)	$ 1.6 million	0.8%
Radio	$10.2 million	4.8
Print	$12.3 million	5.8
TV	$23.1 million	10.9
SENATE		
Outdoor (billboards)	$227,440	0.12
Print	$968,219	0.51
Radio	$ 1.1 million	0.60
TV	$62.7 million	33.09

Sources: National Association of Broadcasters, Aristotle Industries

"Broadcast airtime is a significant campaign expense, but not nearly so large as those in Congress and the media have guessed," said NAB president Edward Fritts, testifying before the House administration subcommittee on elections last summer. "Proposals to provide congressional candidates with additional discounts beyond those already mandated by law should not single out broadcasters," Fritts argued.

One reason for Fritts' vigilance, whether NAB admits it or not, is that political advertising has become an important item in local stations' budgets every four years. According to NAB, the average station's income from political advertising in an election year is $485,000. "A significant boost to income" is the way one NAB spokesperson describes campaign spots.

Thomas M. Sweitzer, a partner in The Campaign Group, a Philadelphia-based political consulting firm, says he has seen a change in TV's attitude toward political ads over the last few years. "It used to be what I call a 'sleepy buy,' " Sweitzer says. "TV stations took the ads but never aggressively went after political advertising or tried to service clients."

What's changed, says Sweitzer, is that since 1980 the cost of running a campaign has almost doubled. According to the NAB study, total campaign expenditures for House and Senate races have gone from $239 million in 1980 to an estimated $540 million this year.

TOTAL CAMPAIGN EXPENDITURES BY ELECTION YEAR

(For House and Senate races)

1978	$194,800,000
1980	$239,000,000
1982	$342,400,000
1984	$374,100,000
1986	$450,000,000
1988	$540,000,000*

* Estimate

Sources: National Association of Broadcasters, Aristotle Industries

In addition, according to Sweitzer, the Federal Communications Commission regulation mandating that stations charge "the lowest unit rate" for political advertising [see box] has been widely flouted under President Reagan's deregulatory, free-market FCC.

"When I began to buy political spots a few years ago, I was charged the same rate as McDonald's—that is, as a regular advertiser," says Sweitzer. "Now I'm being given the higher rates of an infrequent or one-time buyer." And because stations have been getting higher rates, Sweitzer says, they are now aggressively pursuing political ads.

INTV's Friedman seems to echo Sweitzer's analysis. "We'll be working very hard over the next couple of months to convince candidates that more weight should be given to advertising on independent stations," he says.

In addition to hosting a series of seminars to attract the attention of candidates and their advisers, INTV is currently working with the American Association of Political Consultants to research ad spending, sponsoring a series of public-service spots urging citizens to vote, and joining with the D.C.-based Vote America project to increase voter registration.

INTV's efforts come at a time when cable TV is making its strongest pitch ever for political advertising, and reinforcing its pursuit with increased coverage of the '88 campaign. Last fall, Cable News Network began a nightly (Monday through Friday) half-hour program on the presidential campaign, *Inside Politics '88*, and last month launched *Politics '88*, a weekend show featuring a panel of political reporters analyzing the race. C-SPAN has been airing a weekly 90-minute program, *Road to the White House*, that offers an unvarnished look at the front-runner candidates.

Industry advocates argue that cable allows candidates to target their spot buys in ways they cannot on broadcast television. They point to CNN and C-SPAN as services attracting politically active viewers; subscribers who watch the Discovery Channel are said to be more concerned with the environment; the Disney Channel and Nickelodeon allow candidates to reach voters with children.

Cable's new aggressiveness in pursuing the political ad dollar was in evidence at last month's Cable Television Advertising workshop in Washington. Held in the Cannon House Office Building, it featured campaign experts, ad-agency and cable executives and candidates who have used cable successfully in the past.

"Cable has two things that political consultants love—the impact of television and direct mail," says Lloyd Trufelman, a spokesman for the Cabletelevision Advertising Bureau.

One of cable's key selling points is its targetability: Proponents argue that, especially in local campaigns, candidates shouldn't spend money on spots that are broadcast beyond their electoral districts. Cable allows candidates to buy time on systems that more closely adhere to their districts.

Sweitzer of The Campaign Group says he has used cable successfully in the past and intends to utilize it again in 1988. "I buy cable very much like I buy radio," Sweitzer says. "I figure out cost-per-thousand based on national subscriber numbers and extrapolate from there." Sweitzer is nevertheless aware of cable's shortcomings.

"Until the industry centralizes its buying techniques there will always be a problem," he says. "For instance, if you try to buy cable systems nationally you've got to deal with 50 different salesmen and make 50 tapes. That's not very cost efficient."

Tom King, a partner in the political-consulting firm Fenn & King, says that cable's lower ad rates are likely to lure more political ads this year. "With the cost of campaigns going up, more people are going to put advertising into cable just because it's cheaper, not because they know the impact," King says. "People are going to cover their bets."

Faced with cable's challenge, broadcast television is already stockpiling its counter-arguments. "Cable's audience is still too fragmented," says INTV's Friedman. "There are so many systems, so many channels, it makes charting exactly who's watching very difficult. Cable can't really be seen as a threat to broadcast TV just yet."

JOSEPH VITALE

Campaign Ads' Slick Veneer Wears Thin

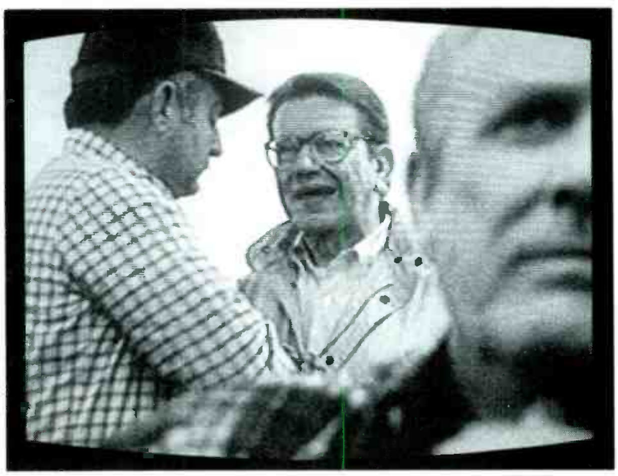
Phil Dusenberry is in enemy territory. A prime architect of Ronald Reagan's "Morning Again in America" campaign, Dusenberry is sitting on a panel at a meeting of the American Association of Political Consultants, and he's growing weary of hearing its membership run down the importance of political advertising.

"In a presidential campaign, political advertising is playing less of a role than it has before," says David Sawyer, a veteran political consultant, echoing the sentiments of a lot of his colleagues, who are still irked at the attention Dusenberry and his ilk reaped in 1984. "Political advertising more than ever is used simply to reinforce the message that comes out of press conferences and debates."

For Dusenberry, Sawyer's comments border on blasphemy. "Political advertising is more effective than it's ever been before," he says quietly, matter-of-factly. "Before 'Morning in America,' I don't think you could point to a whole lot of political advertising that really distinguished itself. People who watched those commercials, whether Republican or Democrat, actually liked them. The reason for it is, people who were never involved in it before, like Hal Riney and myself, somehow brought to it a less hackneyed point of view and made it fresher, more enjoyable, more fun to watch." And, Dusenberry added, "You're going to see more of that type of political advertising this year and in years to come."

Indeed, Dusenberry and company did add a slick veneer to political advertising that has had a lasting impact—a review of the early commercials of this year's presidential hopefuls indicates the creative approach of the so-called Tuesday Team will be with us in the 1988 elections. But this time around there's a difference. What we will be seeing is a hybrid of the Madison Avenue flair used to sell cars and soda pop, coupled with the political consultants' new call for substance.

There is a growing awareness that "Morning in America" gloss alone will not play anymore. In a post-Black Monday environment, littered with fallen judges and politicians who've been slammed on issues of character, the "warm and fuzzy" approach to political advertising is a no-sale. "[The electorate] is not going to take any bullshit," says Roger Ailes, who consulted on the Reagan campaign and is now aligned with George



Simon's bio spot is heavy on bow ties, family and sincerity.

Bush. "This time around getting your candidate elected is about showing substance. Just playing pretty music and making people feel good isn't going to do it anymore."

"Candidates have to deal with the question of character and the way to do that is to talk to voters directly, not through some elaborate production," agrees David Sawyer, who worked on John Glenn's '84 campaign. Less than 60 percent of eligible voters actually care enough to vote, Sawyer notes, and they constitute an audience that is interested enough in the process to listen to straight talk.

Early biographical commercials for Democratic contenders Paul Simon and Michael Dukakis may be laced with a dose of Tuesday Team Americana, but they provide a relatively comprehensive portrait of the respective candidates. Some amount of Madison Avenue-style nostalgia is inevitable in any biographical spot. But there is more to these commercials than pretty pictures. In their respective commercials, Dukakis and Simon speak directly into the camera to the voter—especially in the Simon spot, in which Simon's character is artfully established and a political perspective is defined. In one Dukakis spot, the restoration of a silver bowl is shown to represent what the candidate did for Massachusetts. The clip ends with live-action video of Dukakis and the voiceover, "What he did for Massachusetts, he can do for America." In another, the candidate, set against a black backdrop, speaks directly into the camera, voicing his opposition to Contra aid.

"The candidates will be using as close to a one-on-one, straightforward approach as they can," says Jim Eury, executive producer of the Harriman Communications Center, which assists Democrats in congressional campaigns. "This will be a populist year. The pocketbook bread-and-butter issues will be played up in advertising—that's what the American people want to hear. There won't be any smoke and mirrors this time around."

"People doing the warm-and-fuzzy stuff will be discredited," agrees Ray Strother, who helped orchestrate Gary Hart's 1984 campaign. "We're coming back to where you look the voter in the eye and say what you are going to do."

Some candidates, especially in statewide elections, will take the approach Strother suggests out of economic necessity—a talking head is cheap to produce. Still, some of the production values of Madison Avenue will filter down even to local contests. Successful candidates,

HIRED MEDIA GUNS

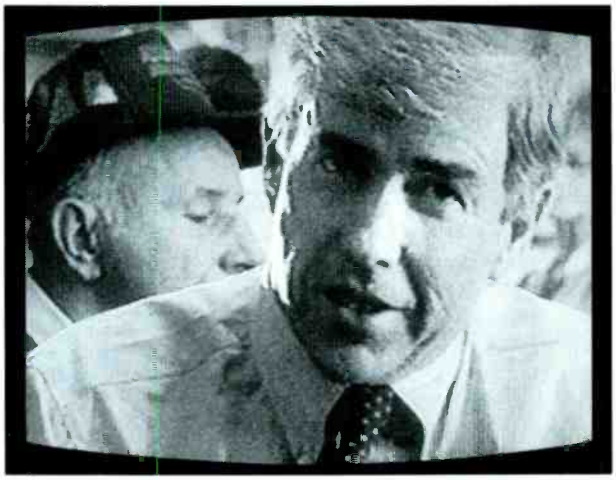
CANDIDATE ELECTION HQ/PHONE NUMBER	**MEDIA CONSULTANT OR AD AGENCY** & PAST CLIENTS
Bruce Babbitt (D) PHOENIX, ARIZ. (602) 956-6611	**Bendixen & Law**: Sen. Alan Cranston, '84; Jimmy Carter, '76; George McGovern, '72 **Magus Corporation**: Hubert Humphrey, '70 & '72; Jimmy Carter, '76; Helmut Schmidt, '80; Willy Brandt, '79
George Bush (R) WASHINGTON (202) 842-1988	**Roger Ailes**: Reagan-Bush, '84; N.J. Gov. Tom Kean, '85; Sen. Warren Rudman, '86; Sen. Al D'Amato, '86; Calif. Gov. George Deukmejian, '86
Bob Dole (R) WASHINGTON (202) 223-9400	**Murphy & Castellanos**: Sen. Strom Thurmond, '84; Sen. Jesse Helms, '84; Sen. Steve Symms, '86 **Ringe Media**: Fla. Gov. Bob Martinez, '86; S.C. Gov. Carroll Campbell, '86; Texas Gov. Bill Clements, '78, '82
Michael Dukakis (D) BOSTON 1-800-USA-MIKE	**Payne & Co.**: Sen. John Kerry, '84; Dukakis gubernatorial, '82 & '86; Detroit Mayor Coleman Young, '75, '79, '83; People for the American Way (anti-Bork campaign); Vermont Gov. Madeleine Kunin '84, '86
Pierre du Pont (R) WILMINGTON, DEL. (302) 594-3000	**Henry J. Kaufman & Associates**: du Pont is their first political client
Richard Gephardt (D) WASHINGTON (202) 544-8088	**Doak, Shrum & Associates**: Sen. Alan Cranston, '86; Va. Gov. Jerry Baliles, '86; Sen. Barbara Mikulski, '86; Chicago Mayor Harold Washington, '87; Philadelphia Mayor Wilson Goode, '87
Albert Gore (D) ARLINGTON, VA. (703) 979-1988	**The Campaign Group** (Thomas "Doc" Sweitzer): Alan Cranston pres. camp., '84; Rep. Barbara Kennelly, '84, '86; Rep. Tom Foglietta, '80-86
Alexander Haig (R) WASHINGTON (202) 684-1988	**Research Strategy Management** (Jay Bryant): Sen. Orrin Hatch, '82; Sen. Peter Domenici, '84; Congressman Bob Michel, '84 & '86
Jesse Jackson (D) CHICAGO (312) 855-3773	**Gerald Austin**, campaign manager (Austin also owns a consulting firm, Gerald J. Austin & Associates. Past client: Ohio Gov. Richard Celeste, '82 & '86)
Jack Kemp (R) ROSSLYN, VA. (703) 247-1988	Unpaid media consultants **Phil Dusenberry** (a member of Ronald Reagan's '84 media Tuesday Team) and **Greg Stevens** (R.I. Gov. Ed Dupree, '82, '84, '86; Sen. Pete Dawkins, '88; Sen. David Durenberger, '82 & '88)
Pat Robertson (R) CHESAPEAKE, VA. (804) 523-1988	**Connie Snapp**, director of communications (first political campaign, formerly with Young & Rubicam: AT&T, Avis, IBM) **Richard Quinn & Associates** (coordinator for South Carolina media, with some national input: Reagan's S.C. media director in '80; Sen. Strom Thurmond, '80)
Paul Simon (D) WASHINGTON (202) 543-5000	**Axelrod & Associates** (David Axelrod): Chicago Mayor Harold Washington, '87; Adlai Stevenson III. gubernatorial bid, '86

Compiled by Allison Inserro

NOTE: At press time, Democrat Gary Hart had not announced his media plans.

both locally and nationally, will be the ones who are adroit at capitalizing on all the free exposure available to them.

If a candidate has some money to burn and needs to break out of the pack, he's likely to turn to something slicker, yet still issue oriented. This is certainly true on the Republican side, where several Tuesday Team veterans have already signed on with the leading candidates. Bush's media chief Ailes has signed up Tuesday Team alumni Tom Messner, Ron Berger and Barry Vetere—creators of successful campaigns for MCI and Dunkin' Donuts, among others, and now set up in their own agency in New York. Jim Travers, who was also part of the Tuesday Team, has done some limited media consulting for Robert Dole.



Jack Kemp, talking about the issues in a small-town coffee shop.

Dark horse candidates Pat Robertson and Pierre du Pont, while operating *sans* Tuesday Team alumni, have both chosen advertising people over political consultants to shape their images.

Phil Dusenberry has cast his lot with Jack Kemp and already turned out a group of commercials reminiscent of his work for Reagan. But even the Dusenberry-directed Kemp commercials go a bit beyond the sentimental, flag-waving emotion of the 1984 campaign. While they may be packaged in the current commercial vogue of cinema verité, each spot addresses a specific issue, such as Social Security or taxes. Filmed largely with a Steadicam—a camera that lends a natural live-action movement to a scene—the spots cut rapidly between the candidate's face, the faces in his audience and shots of hands in motion. Not surprisingly, the spots are reminiscent of the work of ace director Joe Pytka, who directed several Apple Computer commercials; Apple is a client of ad agency BBDO, where Dusenberry is chairman. "We wanted to do something experimental," says Vicki Halliday, a senior producer at BBDO who produced the Kemp spots with Dusenberry. "But we knew we had to accomplish a lot for Kemp—we had to get out how he felt about the issues."

Dukakis' "Bowl" spot: Using simple but powerful imagery.

Du Pont, a darker horse with even deeper pockets, has spent more than $300,000 for a series of slick spots for the New Hampshire primary. The most jarring in the series shows a teenager snorting cocaine off of a blackboard as a voice intones, "A lot of kids don't just go to high school; they get high at school." The spot then promotes du Pont's plan to have teenagers pass a mandatory drug test before receiving a driver's license. "The way you get attention is through a creative approach," says Debbie Messick, an account supervisor at Henry J. Kaufman & Associates, the agency handling du Pont's campaign. "But our creative approach followed du Pont's political strategy—it's based on a specific issue."

Du Pont has also run a commercial criticizing George Bush, the first spot to go on the advertising attack. Kemp followed with a commercial going after Bush and Dole on taxes. The consultant group that handled Jesse Helms' bare-knuckled senatorial campaign in North Carolina, Murphy and Castellanos, is working for the Dole campaign. The firm's initial work for Dole, a biographical spot, was a straightforward, meet-the-candidate piece. Still, don't be surprised if, once the field narrows down, Dole runs commercials that go on the attack. "You have to run a campaign like a football team," says Alejandro Castellanos, a partner at Murphy and Castellanos. "That means having an offense and a defense."

In the early going, the Democrats appear to have heeded the pleas of party chairman Paul Kirk and refrained from attacking one another in their advertising. There is some acknowledgment among the Democrats that infighting between their presidential candidates in 1984 did more harm than good. When John Glenn attacked Mondale in New Hampshire, he did little for his own candidacy, and instead became an inadvertent blocking back for Gary Hart, who won the primary. And Ray Strother now admits he made a mistake in the New York primary in '84 when he produced commercials for Hart attacking Mondale.

"Negative advertising has played its course," says Michael Shea, vice president of creative services at Payne & Company, which is handling the Dukakis campaign. "There was a public revulsion toward it and the advertising community has taken note." No doubt Shea's view has been shaped to some degree by the flak his candidate caught when Dukakis operatives were revealed as the media's source for videotapes exposing Joseph Biden's penchant for plagiarism.

Regardless of what some key Democratic consultants believe, once the primary season is in full swing, it's unlikely that the highly competitive candidates will reserve their barbs for Republicans. "Pretty soon a couple of the midgets on the Democratic side will break out of the pack," says Jim Travers. "That's when it gets nasty—when it gets down to two or three people."

Political savants and Madison Avenue execs will continue to debate political advertising's tactics and importance, but there *is* agreement that this year the electorate will expect substantive messages from the candidates. Even before the field winnows down, political advertising will be direct and hard hitting, whether touting a candidate's strength or attacking an opponent's weaknesses.

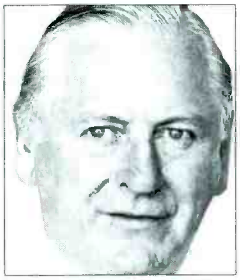
J. MAX ROBINS

TALK SHOW

TV Over Here, Over There

In the United States, where choice abounds, the status of television is sagging. Some weeks ago, I was in North America and everyone I spoke to agreed that during the last two years television has noticeably receded into the background of life, become more a placebo, a resort against boredom, a reference point for information.

In New York, I scanned 32 channels for many hours, and at any given time there were never less than 10 channels which were transmitting not a program but a message, usually an advertising message, sometimes a message about religion, alcohol addiction or health, sometimes about the programs to come, sometimes about the Stock Exchange or the weather.



Forman: Who is in control?

It's true that, among all this welter of information and alongside the dreary sub-soaps, there were good things: sports, *M*A*S*H*, movies, some news, although this last was not so good as a decade ago. But besides serials, there was no drama except British drama, and there were few documentaries that were more than news features.

The reason for the decline, so my friends tell me, is tougher competition from independent stations, world satellite news, videos, cable, soft porn and Home Box Office. In the U.S.A., market forces appear to have debased the currency and also to have cut the margins of some of the major operators. CBS laid off 210 of its news staff [last summer].

There is a paradox here: Competition, if it is good for television at all, can only be good so long as there is enough revenue to allow some of the operators to be decently profitable . . .

When we see the wares of the international brigade on our sets we should understand one thing: Their television is different from our television; it is aimed at a mass market all the time, and good luck to them. But it may pose a threat to British television's service to minorities.

In Australia and the U.S.A., we find our kind of television is short of funds, short of government support and short on viewers. This is bound to happen if you confront a schedule made up of minority programs with lumpen television: wall-to-wall quizzes, game shows, *Dynasty* and *The Colbys*. But it does not matter to minorities if the majority want to watch lumpen television so long as their service is still there.

So what will happen in England when the viewing figures drop, as drop they will? Will the BBC and ITV continue to be well funded, as they are now? Will they still offer programs as good and as various as they do today? How can we make sure that they will? How can minority programs in all their variety swim along with the new technology? Who can we turn to? Who is in control? Who are our masters now?

—Sir Denis Forman, deputy chairman of Granada TV, in the British magazine The Listener

Thoughts from Chairman Tom

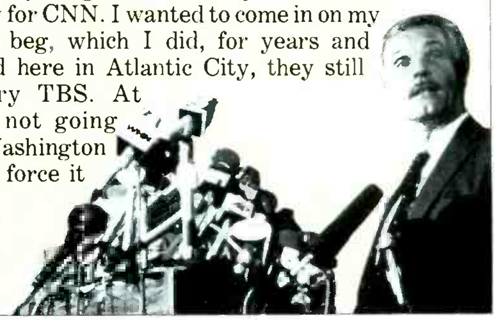
Common sense dictates, and sophisticated research has confirmed, that a 23-year-old in Amsterdam has more in common with a 23-year-old in New York or Paris or Sydney than he does with his own parents . . . Rock music really transcends international boundaries, cultures and ideologies. There are some great recent examples of this: the riots on the East German side of the Berlin Wall during the Genesis concerts on the Western side last spring . . . MTV is undeniably one of the great pop-cultural products of our time. Our hope is to now further improve our pop-culture balance of trade."

—MTV Networks president and CEO Tom Freston, in remarks before the New York Television Academy

Turner Talk: Must What?

Those damned independent UHF stations in little Tinkertoy markets. They felt like getting a channel on your cable systems was their God-given right. But it's not. It's not in the FCC [regulations]. You get a *broadcast* license when you go to the FCC. Those damned must-carry rules were just as discriminatory and illegal as the rules where Lester Maddox said blacks couldn't come into the Pickwick restaurant. . . . We live in a free country. 'Must' my ass. You don't have to do anything in this country. I never asked for must-carry for CNN. I wanted to come in on my knees and beg, which I did, for years and years. And here in Atlantic City, they still don't carry TBS. At least I'm not going down to Washington to try and force it on you."

—Ted Turner

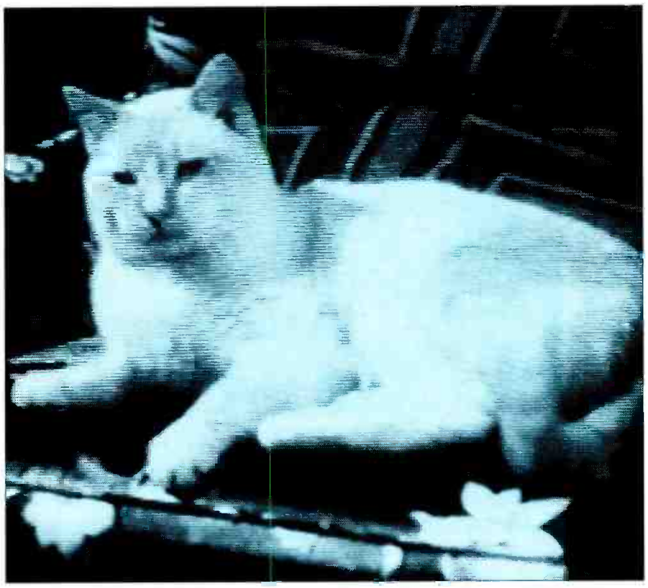


Writing Wrongs At the Guild

Few outside the trade of television scriptwriting know about the remarkably civilized way that TV writers decide, in a dispute, who gets credit for stories and scripts. Though the writers' reputations and thousands of dollars in royalties and bonuses are at stake, the procedure developed by the Writers Guild of America involves no lawyers, no lawyers' fees, no trials and no endless appeals—there's no time for any of that with a program's airdate coming up fast.

Instead, as happens about 140 times each year, a dispute is submitted to three anonymous, unpaid volunteer arbitrators drawn from the Guild's membership. Isaac Asimov, Ossie Davis and Horton Foote have all done duty. The arbitrators examine evidence—script drafts, treatments and supporting statements—in which the writers' names have been replaced with "Writer A," "Writer B" and so on. Justice is not only blind, it's swift: The arbitrators usually reach a unanimous or majority decision within eight business days, though they seldom meet in person, and the process is strictly confidential.

I had an unexpected brush with the Guild's workings during an unexpected moment of TV success. You may have seen the program in dispute, *The Richest Cat in the World* (repeated last March on ABC's *Disney Sunday Movie*). A producer friend, Les Alexander, and I had come up with the notion years ago when we were batting around ideas we hoped would be silly enough for prime time



From *The Richest Cat*: Resurrected, rewritten and rushed into arbitration.

TV: a talking cat that inherits a fortune. We outlined the story and NBC commissioned a script by the superb screwball-comedy writers Alfa-Betty Olsen & Marshall Efron (in credits, the ampersand means they write as a team). Despite a well- crafted script, *Richest Cat* went nowhere.

Then a rare occurrence in TV: A project that had been left for dead was revived. Disney brought in Andy Rose & Alex Gorby to rewrite and produce. My friend Les became executive producer. When the studio proposed that the executive producer share a "story by" credit and that the two producers share the teleplay credit with Olsen & Efron, arbitration was triggered automatically. Olsen & Efron would have disputed the credit anyway; by sharing it with Rose & Gorby the team stood to lose a bonus given to writers who end up with sole credits.

Bringing in additional writers has become increasingly common as the studios' stakes and the TV industry's anxiety level have risen. Mona Mangan, executive director of Writers Guild East, says the operative assumption is: "If one writer writes well, two writers write twice as well." Or, as veteran writer Stirling Silliphant remarked, "Television is no longer the business of writing, it's the business of rewriting." But the Guild's guidelines favor the original writer: Additional writers gain a credit only with a substantial rewrite, not by adding a few ideas. "It's the *Writers* Guild, not the Good Ideas Guild," says Mangan.

The *Richest Cat* arbitration ran true to form. The original writing team, Olsen & Efron, got teleplay credit. Rose & Gorby were not listed as writers. ("We were disappointed, but not surprised," Andy Rose commented.) Les Alexander and I kept our "story by" credit (which would become "created by" if *Richest Cat* ever became a series, and which gives us a stake in any talking-cat dolls sold or other merchandising deals). The decision was final.

The Guild takes only procedural appeals of arbitration and gets few of those. Since TV writers began arbitrating their own credit disputes decades ago, only one of their decisions (now pending) has been taken beyond their profession and into the province of judges and lawyers.

STEVE DITLEA

The author is a free-lance magazine writer based in New York. Richest Cat was his first TV project.

> "One of the few real surprises for me in the congressional reaction to the FCC decision to abolish the Fairness Doctrine is the strong rhetoric used by critics in Congress of the FCC. Words like 'ignoramuses,' 'lickspittle,' 'lunatics' and 'toadies' were used to describe the commissioners, and their decision was called a 'rancid dish.'"
>
> —ERNIE SCHULTZ, *President of the Radio-Television News Directors Association, in the Organization's Newsletter,* Intercom

Aching in Alaska

by Jean Bergantini Grillo

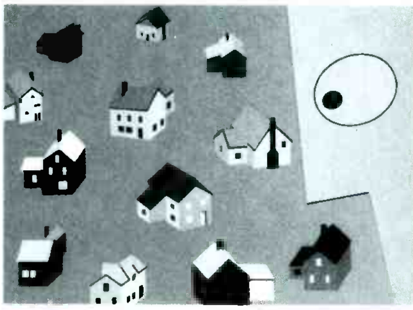
Sure things during a boom market can quickly turn as sour as a spoiled local economy.

In 1984, when the Bradley family put Anchorage's first and only independent TV station on the air, they financed the package in part by anticipating revenue from their 398 commercial and residential rental properties. It looked like a good deal. With oil—the source of 80 percent of Alaska's revenues—commanding $40 a barrel on the spot market, the Anchorage economy was booming. The Bradley apartments had a long waiting list, and rents averaged $645 a month.

Three years later, the Bradley family's independent, KTBY, is in Chapter 11 to protect it from their bankers. With the price of oil having fallen as low as $9 a barrel in 1986, those rentals had been averaging a 65 percent vacancy rate; average rents were down to $365 a month and falling. The Bradleys recently "returned the [rental] units to the bank," in the words of Sean Bradley, KTBY's general manager and a part-owner, as part of its effort to save the station. "When climbing into a life raft," says Bradley, "you don't take excess baggage."

For those who fear the cold chill of recession, welcome to Anchorage, a city hit with financial pneumonia. In 1986, when oil crashed, it took the banking, real estate and insurance industries—and most of the state's treasury—with it, according to market economists and broadcasters. Anchorage, headquarters of the state's petroleum industry, was hard hit.

Anchorage businesspeople, however—particularly the broadcasters—



cite lessons learned and gains won, even during the market's bleakest times. Out of Anchorage's economic residue came more efficient operations, increased competition and sharpened marketing skills. The Anchorage prescription for bad times is neither painless nor fast-acting. But for other markets facing economic uncertainty, it is preventive medicine worth considering.

Alaska's lesson in crash economics is this: good times hide bad management. And while the damage could have been lessened had station operators been able to spot trouble early on, most Anchorage broadcasters were slow to acknowledge any downturn in fortunes.

"We had been accustomed to growth taking care of next year's increases," says Tom Tierney, senior vice president and station manager for ABC-affiliate KIMO-TV, "and that growth covered up a lot of inefficiencies. We had too many people doing the same job and, in some cases, the job itself was ineffectual," he notes. "Only when the rapid deceleration of growth stalled expansion were we made more aware of costs. Then we sharpened our pencils."

Although oil prices bottomed out in the summer of '86, Anchorage TV revenues didn't really feel the pinch until the fourth quarter of that year. Nancy Johnson, director of marketing for NBC affiliate KTUU-TV, says the station's business was down 20 percent then. Johnson notes that while retail clients continued advertising to maintain their market share, most of the image advertisers—banks, insurance companies, condo developers—evaporated. "That incremental money was harder to dredge up," Johnson says. "Meanwhile, we had furniture stores closing who'd been in business 20 years. The first quarter of '87 saw record numbers of bankruptcies."

Alaska's affiliate stations immediately cut back on capital expenditures, then began trimming the payroll. KIMO's parent company, Alaska Television Network, which owns two other Alaska TV stations, cut 10 to 15 percent of its station staff through layoffs and attrition, according to Tierney; KTUU and CBS-affiliate KTVA pruned personnel as well. Meanwhile, stations' own investment capital and bank financing became threatened. The Bradley indie was first to feel the pinch.

"Our bank was not interested in our rental units," says KTBY's Sean Bradley. "They already had hundreds of properties [by default]. What they wanted was our TV station, even

From a KIMO-produced spot for The Travel Center: Station manager Tierney has had to "learn to spend more quality time with advertisers."

though we had no creditors—save them. We were—and are—paying our bills. We filed Chapter 11 strictly for protective purposes."

Some Anchorage-watchers insist that even a fat market couldn't support a fourth TV station. Bradley, of course, disagrees. And in 1984, he says, unlimited horizons beckoned.

The Alaskan pipeline, completed in 1977, fueled massive new projects, bringing new business and new residents into the state. Between 1980 and '84, according to Chuck Kadlec, president of consulting firm Frazier Gross & Kadlec Inc., "Anchorage TV revenues more than doubled. A mini-recession hit in '79, after the pipeline construction stopped and those workers went away. But by 1980, people and money began flowing along with the oil." And Alaska's state government literally owned the well.

"It's important that people understand that Alaska's dependence on oil is not in terms of jobs but income," says Scott Hawkins, president and CEO of the Anchorage Economic Development Corp. Alaska's oil interests, he notes, employ only 4 to 5 percent of the work force. "Prudhoe Bay, the largest oil field in North America, sits on state land. Alaska gets a royalty plus taxes on every barrel." State revenues soared from $800 million in 1979 to $4 billion in '82 as the benchmark price of oil leapt from $12 to $32 a barrel. "Suddenly, there was a tenfold increase in construction, much of it via state projects," Hawkins says. "Personal income increased dramatically as well."

All of this put money into broadcasters' pockets. In addition, Anchorage remains second in the U.S. in retail sales per household. Retailers aggressively go after those dollars, and a novel arrangement of expanded commercial station breaks has helped Anchorage affiliates cash in on the spree.

While network affiliates in the lower states typically have 90 seconds between prime time programs in which to sell ads, Anchorage affiliates have two minutes. Years ago, when network programming arrived by ship, those breaks were four minutes long, a payoff from the networks to offset shipping costs. Today, Anchorage affiliates get their network feed daily via satellite, but the time difference still forces costly tape-delaying of network fare.

According to indie KTBY, Anchorage affiliates have 150 percent more spot avails to sell than it does. "This excessive amount of supply has driven down the price per spot," says KTBY's Bradley. "Some daytime TV spots are priced lower than top radio drive time."

The affiliates at least partly agree. "Our expanded breaks certainly make it harder for an independent to compete," replies KTUU's Nancy Johnson, "but they keep our rates down and allow us to bring in more revenue." Johnson notes that complaints from viewers were what forced station breaks down from four minutes to two. But with tape-delay costs averaging about $200,000 a year, according to KIMO, affiliates say the expanded breaks are justified.

Alaska's lesson in crash economics: Good times hide bad management. Broadcasters have had to become better businesspeople.

Filling that extra time never used to be a problem. "In the past, we dealt with retailers who had it very, very good," says KIMO's Tierney. "Now, we are dealing with customers who are also under a strain, as we are. We have had to learn to spend much more quality time with our advertisers."

KTUU's Johnson agrees: "Your sales staff has to become more creative," she says. "We introduced innovative contracts that include incentives for signing, and trips tied to the dollar amount of a client's ad package."

Johnson also notes that going after the underrepresented and the fringe element makes sense in tough times. Noting that no lawyers advertised in the Anchorage market, KTUU created a seminar just for them, and offered studio facilities and in-house production to meet their advertising needs.

KIMO's Tierney says that the Anchorage oil bust has also meant more positive business practices among the market's broadcasters. "Our budgeting process has become much more sophisticated and we can spot problem areas more quickly," he says.

Nearly everyone—KTUU, KIMO and KTBY—says things are not as bad as they seem. (KTVA-TV, the CBS affiliate, preferred to make no comment.) "One advantage to a recession," says KTUU's Johnson, "is that syndicators know the scene. They aren't about to create huge bidding wars. It's a good time to invest in programming." KTBY's Bradley adds: "The name of the game is to keep expenses down. We didn't have to cut staff because we were already lean."

And Anchorage is inarguably looking up. The city has applied to host the 1996 Winter Olympics, tourism is on the rise, and a new awareness of Alaska's impact on Pacific Rim countries has added revenue sources to the state's dependence on oil. "We supply natural gas to Japan, logs to China, fish to the entire Orient," the Development Corp.'s Hawkins notes.

And while Anchorage TV stations wait for prosperity, Hawkins offers one more reminder: misery loves company. "The point is, your competitor is also under the same strains," he says. ●

ANCHORAGE TELE-SCOPE

Market Rank: 157 (Nielsen)
1987 Net TV Revenues*: $14.5 million   1988 Estimated Revenues*: $15.5 million

STATION/ OWNER	PRIME TIME AVG. RATING/SHARE**	SIGN-ON TO SIGN-OFF AVG. RATING/SHARE
KIMO (ABC) Alaska TV Network	10/19	6/22
KTBY (Ind.) Ronald Bradley	2/4	2/6
KTUU (NBC) Zaser and Longston	18/33	8/29
KTVA (CBS) A.G. Hiebert	14/27	6/23

*Revenue estimates provided by Frazier Gross & Kadlec. **Mon.-Fri., 7-10 P.M. All ratings information courtesy A.C. Nielsen Co., from May '87 sweeps.

When Cart Decks Fail

by Robert Rivlin

If chaos is the alternative, the six-figure price of a MERPS is a bargain.

Broadcasters are painfully aware of Murphy's Law, Corollary 57: When their quad cart machine breaks down—and the thing *will* break down soon—it will happen during their busiest season and in their most expensive daypart.

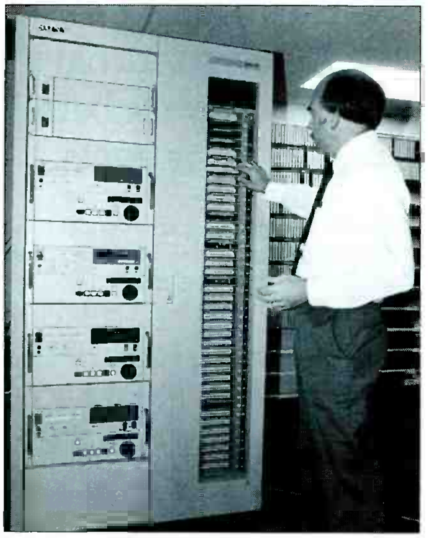
Failure of a broadcaster's on-air spot playback system is, of course, no laughing matter. Considering that even network affiliates derive 50 percent or more of their revenues from locally originated spots, it's not surprising that so much energy has been focused in recent years on finding replacements for the venerable but outmoded two-inch cart machines, Ampex's ACR and RCA's TCR, that still predominate in the field.

The decision to replace an old deck is, in the end, a matter of economics. At Cox Enterprises' KDNL-TV in St. Louis, for example, the station was having to air an average of 12 make-goods a day because of mechanical failures of its deck or simple human errors by its operators. The situation was typical of many stations.

KDNL's solution was to purchase a Sony Betacart deck, first of a new generation of multi-event recorder-player systems (MERPS). Betacart holds 40 half-inch Betacam cassettes and plays them back under the direction of a computer controller that seems as sophisticated as those used to launch spacecraft. The controller not only generates the spot playlist, but flashes lights and even sounds an audible alarm if its operator has, for example, inserted spot #090/Ford where #009/Clairol is supposed to play.

With the Betacart in use, KDNL's make-good rate has dropped to one a month, and the station no longer needs to assign an engineer almost full-time to look after the playback system. Furthermore, the tape and tape-handling cost is only about one seventh that of quad (two-inch) tape because the machine uses widely available Betacam cassettes.

Robert Rivlin is editor in chief of Broadcast Management/Engineering.



Tape room automation: Betacart comes to KDNL.

Sony's MERPS, like those from other manufacturers, is not inexpensive, with a price around $200,000. But it looks like an economic necessity when one multiplies the average spot price by 12 missed spots a day (more than 4,000 a year). It's no wonder that more than 100 U.S. TV stations have installed Betacart since it came on the market two years ago.

The system is used in a number of different ways. At some stations, particularly those using Betacam for ENG, Betacart can serve for on-air news playback. Several stations also have begun using it for program automation, so that both movie segments as well as commercial breaks can be rolled in from the same unit. And other stations reduce the risk of on-air slipups by using the machine to assemble all elements of a two-minute station break onto one-inch tape or a master Betacam cassette.

Betacarts are, of course, also used to roll commercials directly to air. In these applications, however, old habits die hard. Because of their unreliability and susceptibility to mechanical failure, quad cart decks are almost always installed in redundant pairs and rolled simultaneously to permit an immediate switchover. Many station owners with the new MERPS still feel it is necessary to have two machines rolling, even though each MERPS has its own multiple playback decks and almost 100 percent reliability.

There has also been lingering concern, despite the published specs on the formats, that half-inch component analog video recording, as used in the Betacart, might fall short in audio and/or video quality. This has been the fear at Fox's flagship indie WNYW in New York, which purchased a Betacart unit in fall 1986 but only used it to assemble spot reels. WNYW had such success with the initial system that the station decided to go directly on-air with Betacart cassettes—but only after the station added a second Betacart deck for backup.

As sophisticated as it is, Betacart is by no means the only MERPS choice available. Sony itself has just come out with the Betacart SP, a unit that plays the new, high-quality SP cassettes.

Users who prefer the Panasonic MII format now also have their choice of the Mark II MERPS, which holds from 120 to 600 MII cassettes depending on the model and is priced starting at around $250,000. The company expects ten units to have been delivered by April. Asaca also manufactures a very sophisticated MERPS with a capacity of several hundred cassettes, but its model has found little acceptance in the American market.

Still waiting in the wings is what may prove to be the most sophisticated MERPS yet—Ampex's ACR-225. Though the new system won't be delivered until late this year, the manufacturer has already taken orders from such stations as WBRZ in Baton Rouge, La., and KWCH in Wichita, Kan. The machine is the proud successor to Ampex's original ACR-25, with the important distinction that it is based on a digital recorder. Those willing to hold out may find it's worth the wait to enjoy the quality of Ampex's proposed D-2 digital standard. ●

Filling the Junk Void

by Merrill Brown

Raising money should be a snap for cable in '88, but broadcasters are on edge.

There's likely to be plenty of money available for cable acquisitions and financings in 1988, although the prospects for raising funds for the broadcasting and production businesses are highly questionable, according to financial experts.

In light of the tenderness of the international financial environment, it remains unclear in early 1988 whether the market will return for high-yield, junk-bond financing, the key tool in funding megadeals like those of Rupert Murdoch, Ted Turner and others. Moreover, the prospects for television—and therefore, production companies—are closely tied to the national economy, and the possibility of an economic downturn in 1988 raises questions about television revenues.

"I don't see any sign of it being tough to raise money in cable or newspapers," says Jeffrey Epstein, vice president at First Boston Corp. "But broadcasting is dependent on how ad revenues shape up. There's more risk there because the ability to make money is dependent on many more things outside the individual company's control. There's a lot more risk there."

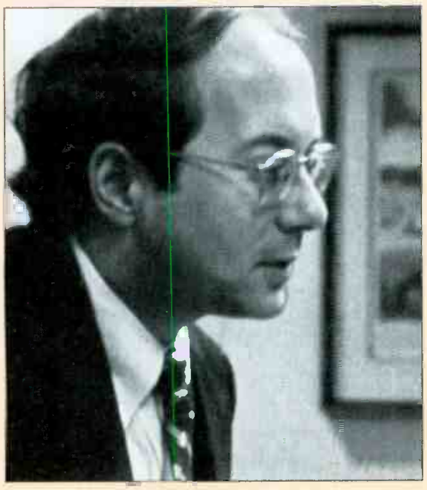
On the cable side, it appears likely that operators and potential acquisitors will find it increasingly easy to raise money for either capital spending programs, refinancings or expansion, whether the junk-bond market returns or not. If interest rates move upward, however, even the financing for sound cable systems could begin to run into problems, although cable is thought to be nearly immune to modest economic downturns.

The high prices cable systems fetched in 1987, with several large deals yielding over $1,500 per subscriber, have, along with the industry's year-old rate freedom and the continuing success and expansion of both pay and basic cable networks, created an environment for raising money in cable that has left those associated with the business enthusiastic about 1988—even as the

financial markets seem gloomy about the economy. As a result, more and more financial institutions want to be part of the ongoing cable financial gold rush, and that competition continues to make it easier to raise money.

"We've seen a real change in insurance companies and banks," says Ian Gilchrist, a managing director at PaineWebber in San Francisco. "They're much more amenable to moving quickly than they were a year ago—They really react quickly and work harder for the cable industry. It's partly because of cable's credibility, but it's also due to the fact that this is a very competitive business and they've had to learn how to compete in this market."

But the long-hoped-for expansion of



Blemaster: Non-traditional financing growth.

the limited-partnership market, and the continuing aggressiveness of firms like GE Commercial Credit and large regional banks and insurance companies, is certain to make up for the apparent lack of junk financing, bankers say. "The banks are going to remain the largest immediate source of upfront funds, with insurance companies a great source as well," says Gilchrist.

Other bankers see growth in cable limited-partnership opportunities, primarily private ones, at least until Congress clarifies the tax status of limited-partnership investments. "With the junk market tougher, we'll see a renaissance in the limited-partnership business," says Gary Blemaster, managing director at Kidder, Peabody & Co., which is marketing the Cencom partnership now. "Investors will look to that area as one of relative stability, since they offer current yields and tend not to trade, giving the impression of less volatility."

In addition, Blemaster says he expects continued growth in "non-traditional" private sources of cable financing, like GE Commercial Credit (owned by Kidder, Peabody parent General Electric), a firm he describes as "the most aggressive lender in cable." According to Blemaster, GECC and other relatively new players like it are willing to provide financing for deals that others have avoided. "They're willing to buy whole strips of paper, things that can't be sold publicly."

It's also likely that as long as cable systems remain as attractive as they are today, big-league, private financiers—like Texas' Bass Brothers, the billionaire investors who've taken major positions in Heritage Communications and Taft Broadcasting over the past year—will be on the scene. "They're doing deals with big equity kickers at the mezzanine level, just where a lot of the junk market used to be," says Blemaster. "The non-traditional guys will help fill that void." ●

ADVERTISING

Flat But Not Inactive

Though network ad sales overall grew very little in the first three quarters of last year, there were notable reallocations within the totals, as advertisers cut weekday daytime spending by 12.7 percent (more than $145 million) and increased weekend early fringe 34.9 percent ($8 million). In the third quarter, NBC network advertising was up 8.4 percent, while ABC and CBS lagged.

NETWORK TV REVENUES (IN MILLIONS)/PERCENT CHANGE FROM PREVIOUS YEAR, SAME PERIOD

	Jan.-Sept. 1987	July-Sept. 1987
TOTAL	**$6,114.5**/+1.4%	**$1,776.8**/–2.5%
BY DAYPART		
Early morning, Mon.-Fri.	**168.6**/+8.0	**50.2**/+2.4
Daytime, Mon.-Fri.	**1,003.2**/–12.7	**288.0**/–21.2
Daytime, Sat.-Sun.	**708.6**/+8.1	**206.7**/+1.3
Early fringe, Mon.-Fri.	**315.7**/–2.5	**92.1**/+5.3
Early fringe, Sat.-Sun.	**188.1**/+14.0	**31.4**/+34.9
Nighttime, Mon.-Sun.	**3,420.2**/+4.2	**1,003.7**/+1.3
Late night, Mon.-Sun.	**310.1**/+3.2	**104.7**/+2.7
BY NETWORK		
ABC	**1,778.9**/–.8	**528.4**/–9.8
CBS	**2,020.9**/–1.6	**546.8**/–7.1
NBC	**2,314.7**/+6.0	**701.7**/+8.4

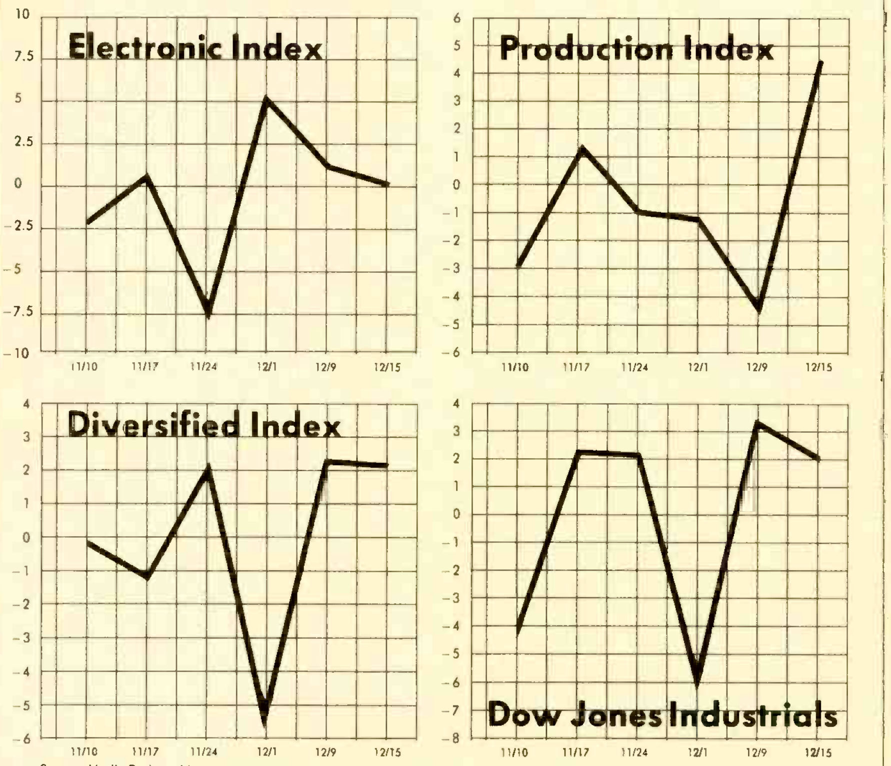
Source: Broadcast Advertisers Reports, compiled by Television Bureau of Advertising

STOCKLINE

Industry Segment Profiles

The gains in the TV industry averages show how quickly media stocks reversed field after the October crash, with gains in diversified stocks beating the Dow Industrials.

▼ PERCENT CHANGE FROM WEEK PRIOR



Source: Media Business News

★ RATINGS ★

TOP NETWORK SERIES

First 12 weeks of season, Sept. 20 through Dec. 13, 1987

SERIES/NETWORK	RATING/SHARE
1 **The Cosby Show**/NBC	**29.1**/46
2 **A Different World**/NBC	**26.5**/42
3 **Cheers**/NBC	**24.9**/39
4 **Growing Pains**/ABC	**23.6**/36
5 **Night Court**/NBC	**23.1**/36
6 **Who's the Boss?**/ABC	**22.3**/35
6 **Golden Girls**/NBC	**22.3**/39
8 **60 Minutes**/CBS	**21.7**/35
9 **Moonlighting**/ABC	**21.1**/33
10 **Murder, She Wrote**/CBS	**20.9**/31

TOP BARTER SERIES

First 13 weeks of season, Sept. 6 through Dec. 6, 1987

SERIES/SYNDICATOR	RATING
1 **Wheel of Fortune**/ King World	**17.2**
2 **Jeopardy!**/King World	**13.4**
3 **Universal Pictures Debut Network** (movies)/MCA-TV	**10.9**
4 **Star Trek: The Next Generation**/Paramount	**10.8**
5 **National Baseball Network**/ Stuart Broadcasting	**10.7**
6 **World Wrestling Federation**/ Titan Sports/WWF	**10.0**
7 **The Oprah Winfrey Show**/ King World	**9.2**
8 **Embassy Night at the Movies**/Embassy	**9.0**
9 **People's Court**/ Lorimar Telepictures	**7.9**
10 **TV Net III** (movie package)/ Viacom	**7.8**

TOP CABLE NETWORKS

Average ratings/ projected households, November 1987

NETWORK	7 A.M. TO 1 A.M.	PRIME TIME
1 **WTBS**	2.0/851,000	2.7/1,148,000
2 **USA**	1.2/492,000	1.7/697,000
3 **ESPN**	1.1/492,000	2.7/1,208,000
4 **CNN**	.7/304,000	1.0/434,000
5 **MTV**	.7/270,000	.7/270,000
6 **CBN**	.7/260,000	.6/223,000
7 **Nashville Network**	.6/219,000	1.4/515,000
8 **Lifetime**	.4/141,000	.6/211,000
9 **Headline News**	.4/117,000	.4/117,000
10 **Discovery**	.4/105,000*	.7/183,000

*9 A.M. to 3 A.M. Note: Cable ratings are percentages within the varying populations that can receive each network. Networks are ranked by projected number of households rather than ratings.
Source: Nielsen Media Research data

DKM Broadcasting Corporation

has been acquired by

Summit Communications, Inc.

The undersigned acted as financial advisor to DKM Broadcasting Corporation in this transaction.

MORGAN STANLEY & CO.
Incorporated

January 7, 1988

HOME VIDEO

Top Videocassettes/Rentals

November 1987

TITLE/PUBLISHER	% TOP 50*
1 **Lethal Weapon**/Warner	7.7
2 **Tin Men**/Touchstone	4.5
3 **Star Trek IV**/Paramount	3.8
4 **Crocodile Dundee**/Paramount	3.7
5 **Project X**/CBS/Fox	3.6
6 **Outrageous Fortune**/Touchstone	3.3
7 **Blind Date**/RCA/Columbia	3.0
8 **Mannequin**/MHE	2.9
9 **Lady and the Tramp**/Walt Disney	2.9
10 **Angel Heart**/IVE	2.8
11 **Raising Arizona**/CBS/Fox	2.8
12 **Burglar**/Warner	2.8
13 **Harry and the Hendersons**/MCA	2.7
14 **An American Tail**/MCA	2.3
15 **Black Widow**/CBS/Fox	2.2
16 **Hoosiers**/HBO	2.1
17 **The Color Purple**/Warner	2.1
18 **Extreme Prejudice**/IVE	2.1
19 **Police Academy 4**/Warner	1.9
20 **Golden Child**/Paramount	1.9

Top Videocassettes/Sales

November 1987

TITLE/PUBLISHER	% TOP 50*
1 **Lady and the Tramp**/Disney	19.8
2 **Star Trek IV**/Paramount	9.9
3 **An American Tail**/MCA	5.5
4 **Crocodile Dundee**/Paramount	3.3
5 **It's a Wonderful Life**/RKO	2.8
6 **White Christmas**/Paramount	2.8
7 **Sleeping Beauty**/Disney	2.4
8 **Sing Along Songs: Heigh Ho**/Walt Disney	2.2
9 **Jane Fonda's Low-Impact Aerobics**/Lorimar	2.2
10 **Sing Along Songs: Bare Necessities**/Disney	2.2
11 **Callanetics**/MCA	2.2
12 **Mickey & Minnie**/Disney	2.1
13 **Sing Along Songs: Zip-a-Dee-Doo**/Disney	2.0
14 **Top Gun**/Paramount	1.9
15 **Winnie the Pooh & Tigger Too**/Disney	1.8
16 **The Sound of Music**/CBS/Fox	1.7
17 **Jane Fonda's New Workout**/ Lorimar	1.7
18 **The Godfather**/Paramount	1.7
19 **Winnie the Pooh & the Blustery Day**/Disney	1.6
20 **Mickey's Christmas Carol**/Disney	1.6

Source: Videodome Enterprises, Dallas. Charts appear weekly in *TWICE* magazine. *Title as percentage of top-50 tapes total volume.

THE MAGID NUGGET

Mixed Reviews For Cable

Cable subscribers are generally happy with their service, although non-subscribers don't seem any more inclined to do so than they were three years ago, according to a recent national survey of 1,000 households by Frank N. Magid Associates Inc. Highlights include:

- 78.7 percent of cable subscribers say they're getting their money's worth. And 43.5 percent say they're watching more TV since subscribing; 83.3 percent say they're very unlikely to cancel their subscription.
- 15 percent of those who have access to cable but don't subscribe say they're very likely to subscribe within the next year. But another 69 percent say they aren't likely to subscribe, while 11.7 percent say they're only somewhat likely to subscribe.
- 38.8 percent of those living in non-cabled areas say they're very likely to subscribe when cable becomes available. Another 38.8 percent say they're not likely to subscribe, and 15.0 percent say they're somewhat likely. The figures have not changed significantly since 1985, when Magid conducted a similar survey.
- Why don't people subscribe? 57.3 percent said it's because they don't watch enough TV. The second-ranked response, at 46.3 percent, was a tie between too many repeats and "too expensive, can't afford it."

DEALS

Business as Usual

After the stock market's crash in October, many people feared a lapse in brokered-deal activity. Analysts predicted that potential buyers and sellers would become gun-shy and pull back from uncemented proposals until the market's new direction became clear. But transactions are still taking place. "Deals are closing, and it's business as usual," according to Andrew Armstrong Jr., senior vice president of Waller Capital Corp. A good example is the Columbia Cable/Weststar Communications deal, brokered by Dan Forey of Daniels & Associates. Says Forey, "This transaction went down on October 19 and 20, but the price remained completely steady, regardless of the stock-market fluctuations."

TELEVISION STATIONS

BUYER	SELLER	PROPERTY	BROKER	PRICE (MILLIONS)
Gannett Co.	Harte-Hanks Communications	WFMY-TV (ch. 2) WTLV-TV (ch. 12)	None	$155
Northstar Communications	Adams Communications Corp.	KSTU-TV (ch. 20)	Sandler Capital Management	30
Sage Broadcasting Corp.	Dubuque TV L.P.	KDUB-TV (ch. 40)	Barry Sherman & Assoc.	4

CABLE SYSTEMS

BUYER	SELLER	PROPERTY	BROKER	PRICE (MILLIONS)
Cablevision Systems Corp.	Adams-Russell Co.	Adams-Russell Co.	Goldman Sachs & Co.	$470
US Cable TV Group	Essex Communications Corp.	Essex Communications Corp.	Waller Capital Corp.	225
First Carolina Cable TV L.P.	James Communications Inc.	James Communications Inc.	Waller Capital Corp.	187
Columbia Cable	Weststar Communications	Roseville, Calif. cable system	Daniels & Associates	19

Sources: Waller Capital, Frazier Gross & Kadlec Inc., *Media Business News* and *Channels*.

Providence Journal Company

has sold the stock of its wholly owned
subsidiary which owns the assets of

WPHL-TV

(Philadelphia, Pennsylvania)

to

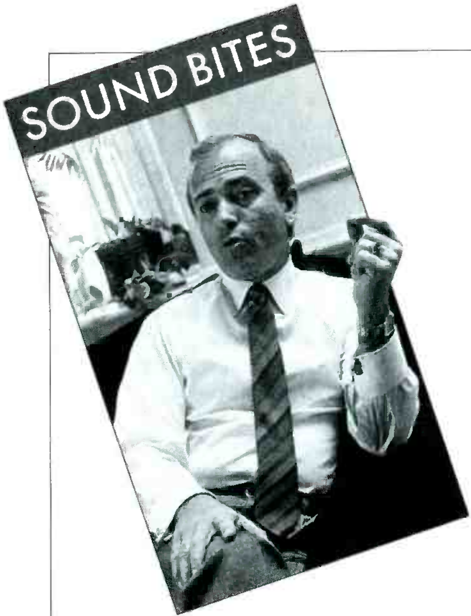
Taft Broadcasting Company

The undersigned acted as financial advisor to
Providence Journal Company in this transaction.

MORGAN STANLEY & CO.

Incorporated

December 29, 1987



The Risks and Rewards of First-Run

With cable and independents stealing network audiences, Paramount's Mel Harris urges new views of television.

From Entertainment Tonight *to outer space, Mel Harris has helped launch some of first-run's biggest successes. As head of Paramount Pictures Corp.'s program-development team, he brought out the pilots for* E.T. *and* Solid Gold. *As president of the studio's Television Group, he launched* Star Trek: The Next Generation, *and previously pioneered the push into low-priced videocassette releases. A former disc jockey, with a Ph.D. in mass communications, Harris recently spoke about the state of the industry with* Channels *West Coast editor Neal Koch.*

Cable's Success

There's never enough good programming. That's what the public always says to you. You go out and ask them—"What do you think about television?" They'll say, "Hey, it's all right." "Why don't you watch more?" "Because there isn't enough good on." What they mean is, "There aren't enough good shows that appeal to me specifically." And every person's interests are slightly different, which is why you find the success of cable today.

You can watch it when you look at the overnight ratings now. The accumulated viewing of cable on some nights—in male demographics, especially—matches that of the three networks. It calls for new understandings of competition if you're part of the "old guard," but then, that's what makes life fun.

The Importance of Being Local

I think the people-meter measurements are demonstrating that the independent viewing audience is enormous. On most nights, if we do this on a 52-week basis, I would guess their share is well over half. Viewing of independents will rank number two and number three to any one of the Big Three networks seven nights a week. And that definitely was not the case four or five years ago.

I have a belief that in the future, the local outlet will be of more importance to the rating you get than the national source from whence you get the programming, because of your promotion, your tie-in to your local community, your position on the dial—getting people to come watch you can only happen on a hometown basis. You can't sit in New York and make people in Houston, Texas, watch your show. The Houston television station can make the people in Houston watch that show. I've noticed that even though NBC is the number one network, the ABC affiliate in Los Angeles is the number one station. During the sweeps you'll often find a local independent with a first-run movie achieving ratings that are 50 to 100 percent higher than an affiliate carrying a first-run movie in that same market. That's a function of how you promote and market your station.

Station Relations

We don't differentiate between independents and affiliates in the sense of the way we treat our buying community. Every station is important. We probably have programming on every station in Los Angeles. They're going to be there for a long time, and the one who's behind today may be ahead tomorrow. So you can't afford to mistreat your buyers at any point along the way.

Now, *Entertainment Tonight* stations are predominantly network affiliates. *Star Trek* stations are about 45 percent independents and 55 percent affiliates. So we look at it as, whoever can provide the best outlet in the local market, that's where we want to be.

Putting Quality First

Star Trek was something that was a very valued treasure of ours, so we gave [the new version] 100 percent. We were able to bring our entire company to it as a support for marketing and merchandising, and the whole history of it gave us a great launch. We treated it like a movie. And we're a motion picture company, so we know how to do that very well. If we'd had a program called *Adventures in Space* and done the same thing, I don't think it would have had the same kind of results.

Star Trek: The Next Generation is being withheld from the international television market for three years for a home video window. In the 1970s that option wasn't even available, but it is one of the manners in which we are increasing our revenue pool so that we can make the quality production in the first instance that we need to get big ratings in the U.S.—and in the foreign market when the time comes.

What does not work as well anymore are the low-end and the mediocre, because the customer—the viewer—has a lot more options. Where he might have sat, 10 or 20 years ago, and watched the show that followed *Bonanza* or the show that followed *Mission: Impossible*, today he won't do that unless the show measures up. So what you're seeing is an era when we all have to get better at what we do.

Quality of product always has to be

first in a marketplace where you've got 30, 40, 50 choices in the consumer's home. The marketing of that product enhances it, but you can't make a silk purse out of a sow's ear.

Breakthrough Programming

The usual true hits—the ones that break through—are often unexpected. You know, *The Cosby Show* was not expected to be a hit, obviously, or ABC wouldn't have passed on it. *Star Trek* wasn't assured of being a hit, because the other parties that we went to to talk about licensing didn't have the same degree of faith in it that we did. So I think anytime you have somebody imitating a current phenomenon, it's a hedge, but it's not the kind of hedge that usually leads you to creating a real breakthrough.

Producing for First-Run

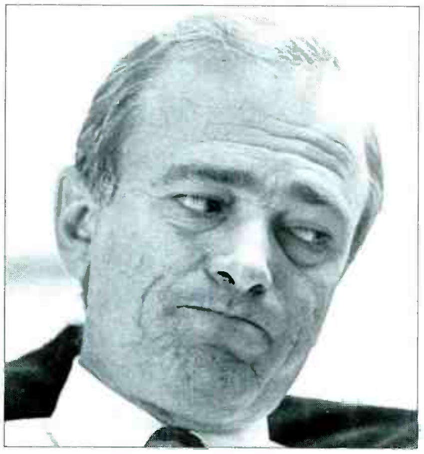
You're taking all the risks on your own. You don't have the cushion of a guaranteed license fee. You've got to find your own clearances; you're dependent on your own ratings and on getting your own time sold. So it's much more of an in-house effort, and your risk can be higher.

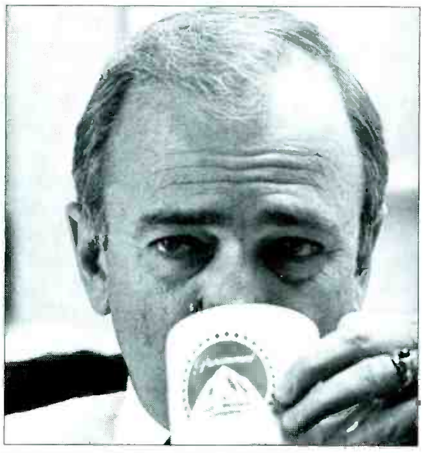
First-run syndicators have always had the difficulty of maintaining a station lineup that is as consistent as one you get when you're licensing to ABC, CBS or NBC. If you're on 9 Wednesday nights, you're on 9 Wednesday nights. Then you're not worried about that. When you're going out with a first-run project, you may be on at 6 P.M. in Denver and 8 in New York and 11 the next morning in Detroit. I literally just gave you numbers and times from *Star Trek*. That can be an advantage in terms of a market finding its best time period competitively, but boy, it's not consistent. You don't have the comfort level that you do with network licensing.

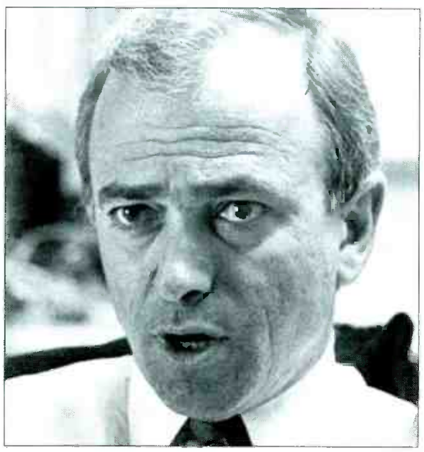
Syndication Finances

What you are probably looking at presently, and in the future, is a greater dispersion between the revenues for the superhits and the revenues for the so-so's. It doesn't mean that the superhits are going to be done at a lower cost. What it does mean is that for a number of the projects that you may enter into where you do not anticipate superhit status, you have to have a different kind of cost structure. Most of the suppliers to television are ranging their projects over a fuller menu than may have been the case in the past. It's a matter of striking a balance so that the revenues you get from your whole menu of programming products still give you a rate of return on your investment that you can live with.

'The accumulated viewing of cable on some nights matches that of the three networks. I think it calls for some new understandings of competition by the 'old guard.''







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Syndication's Future

We're going to see more program suppliers in the future. I think they may be bifurcated. There may be a few that get bigger than they are today, but there are going to be a lot more new, small entries that come into the market, because when you've got all the cable networks, and all the independents, and you've got affiliates seeking new ways to identify local interests, it's going to create a place for people to come in and make programs.

We also have a whole generation coming up that not only are TV kids, they're video-camera kids, and they're making programs at nine and ten years of age, and getting the hands-on experience with hardware that used to be limited to the preferred few who could get into college or could get that first job. I anticipate a flowering of program types, a variety of program offerings in the '90s that are going to be astounding.

USA Network's Broad Base

We've had a strategy for USA that has remained the same from day one, which is to be a broad-based entertainment network in cable. There have been the obvious successes of all-news, all-music, all-sports, but they remain limited in circulation because they appeal to particular segments of the audience. Our desire is to get to as broad an audience as we can with as many different kinds of shows as we can. So we're the number one kids' network. We're also one of the better teen networks. We also get very good male demos. So when you look at circulation as a percentage of the homes you reach, USA is head-and-shoulders above everyone else in cable.

Only about four out of every 10 homes that subscribe to ESPN ever watch it. The same thing is true for CNN, same thing is true for MTV. USA, on the other hand, has a circulation that's in the 50s and up because we have a variety of programs to appeal to a lot of different people. Advertisers can place commercials on us geared to a broad scope of audiences. And that gives us a larger base of advertising dollars to draw from.

Cutting Production Costs

We're shooting a program in Canada, *Friday the 13th: The Television Series*, for about a third of the costs of a network hour these days. That was our experiment. We think it was a reasoned judgment on our part to try to do a program for $450,000 an hour, and we're pleased. The $50,000 half hour [MCA's *The Street*] is the wild experiment, and listen, more power to them. If somebody can find a way to do that, I think we'd all benefit. We're all waiting. ●

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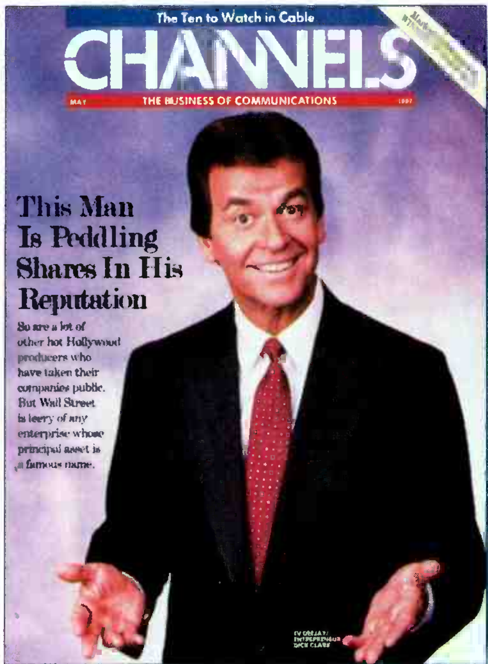

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RUNNING THE NUMBERS

The Most-Recorded List

It's TV drama that VCR owners take the trouble to tape: Only two series on the top 20 most-recorded list from AGB Research are comedies. The reasons are ripe for speculation. But why these particular dramas?

Strong competition puts some series on the list, such as Wednesday's head-to-head series, *The Equalizer* and *St. Elsewhere*, or Friday's *Dallas* and *Miami Vice*. Detective-series fans may be watching *Moonlighting* while taping *Jake and the Fatman* or *J.J. Starbuck* for later amusement. Six series on the list are daytime soaps.

VCR recording is adding a half point or more to some programs' ratings, but these numbers probably overstate the real gain in viewing. Thirty percent of VCR recordings are never played back (within 21 days, anyway), according to the Nielsen Homevideo Index. Both AGB and Nielsen plan to begin sampling playback of shows later this year after consulting with clients on the ground rules. Should they count a playback a week after air date? Five playbacks of the same show? ●

Most-recorded regularly scheduled network programs WEEK OF OCT. 26, 1987	Network	Household ratings: VCR recording	Household ratings: Total
Sunday Night at the Movies (Dangerous Affection)	NBC	1.0	17.4
The Equalizer	CBS	.9	13.5
As the World Turns	CBS	.6	6.4
All My Children	ABC	.5	5.6
The Bold & the Beautiful	CBS	.5	6.2
CBS Sunday Night Movie (Echoes in the Darkness)	CBS	.4	19.8
Cheers	NBC	.4	24.5
Dallas	CBS	.4	16.0
Falcon Crest	CBS	.4	14.3
Jake and the Fatman	CBS	.4	13.4
J.J. Starbuck	NBC	.4	13.8
Knots Landing	CBS	.4	14.5
Monday Night at the Movies (Deep Dark Secrets)	NBC	.4	16.7
The Oldest Rookie	CBS	.4	9.0
Spenser: For Hire	ABC	.4	9.8
St. Elsewhere	NBC	.4	12.8
ABC Thursday Night Movie (Tightrope)	ABC	.3	10.6
Beauty and the Beast	CBS	.3	12.5
A Different World	NBC	.3	26.1
L.A. Law	NBC	.3	16.5
Magnum, P.I.	CBS	.3	11.1
Matlock	NBC	.3	18.8
Miami Vice	NBC	.3	12.5
Night Court	NBC	.3	22.0
Days of Our Lives	NBC	.3	6.0
One Life to Live	ABC	.3	6.0
The Young and the Restless	CBS	.3	7.7

Source: AGB Research

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