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Television/Radio Age

September 1, 1986 $3.50

"WHAT'S HAPPENING NOW!!"
#1 among all first-run half-hours!

TOP 10	MAY '86	RATING
What's Happening Now!!		**5.3**
At the Movies		5.2
Puttin' on the Hits		5.0
It's a Living		4.6
Small Wonder		4.6
Tales from the Darkside		4.5
Ted Knight Show		4.2
This Week in Baseball		4.2
Dance Fever		3.9
America's Top 10		3.1

Source: NTI, SON May 1986 (Four weeks ending 5/25)

New episodes are in production for takeoff, Fall '87.

Columbia Pictures Television

In assn. with LBS Communications Inc.

Television/RadioAge

September 1, 1986 *Volume XXXIV, No. 3*

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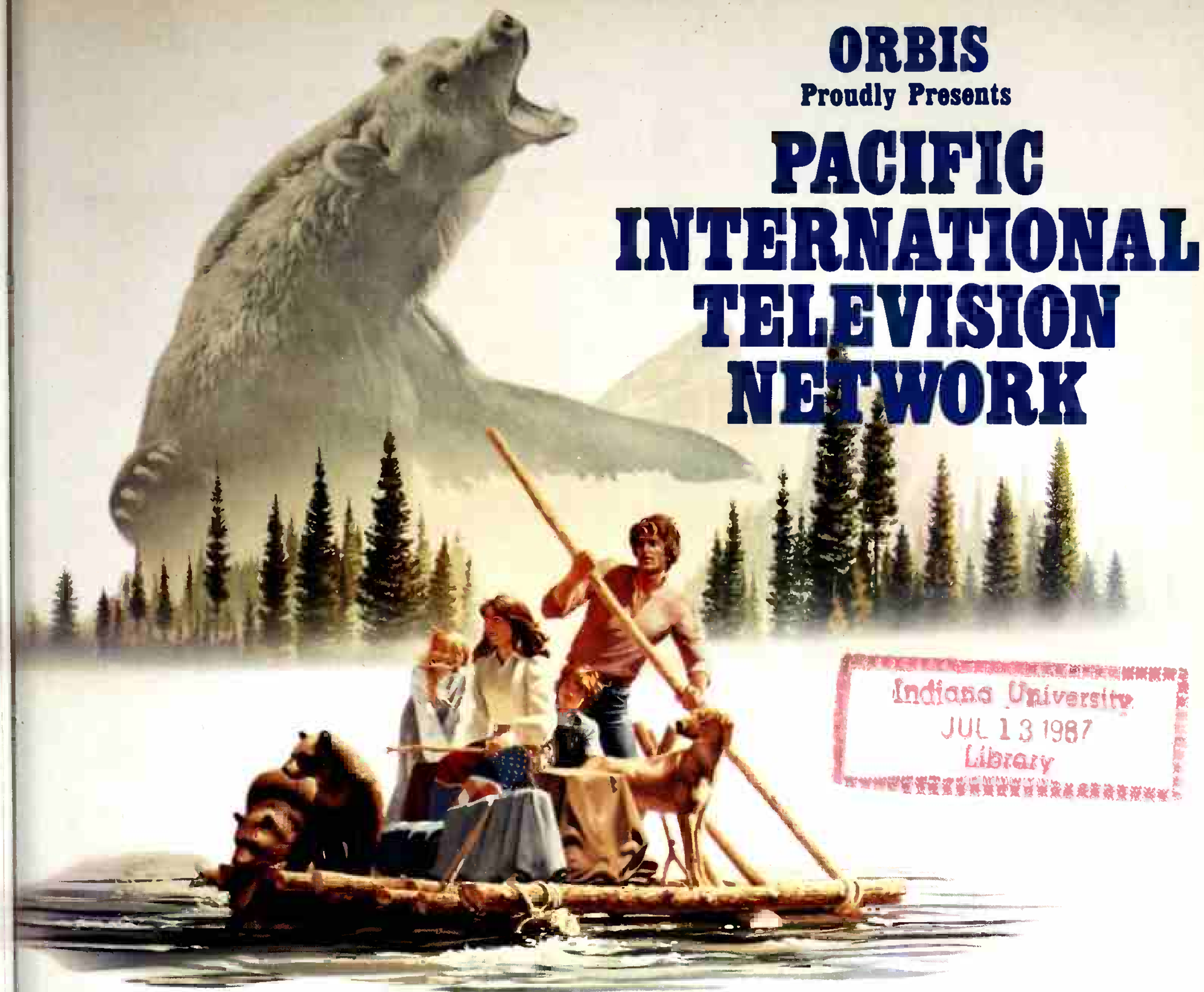

6 EXCEPTIONAL ACTION-ADVENTURE FILMS FOR BARTER!


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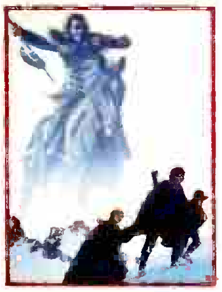
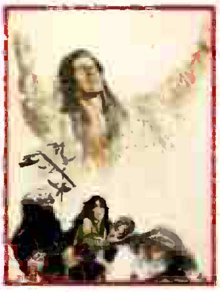
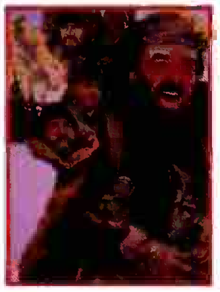

Across The Great Divide


WILDERNESS FAMILY PART 2


Sacred Ground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SAN FRANCISCO	KOFY	OKLAHOMA CITY	KAUT	TUCSON	KDTU
SAN JOSE	KICU	BIRMINGHAM	WDBB	SPRINGFIELD, MO	KDEB
BOSTON	WXNE	RALEIGH-DURHAM	WKFT	TRI-CITIES	WETO
DETROIT	WXON	SALT LAKE CITY	KOOG	HUNTSVILLE	WTRT
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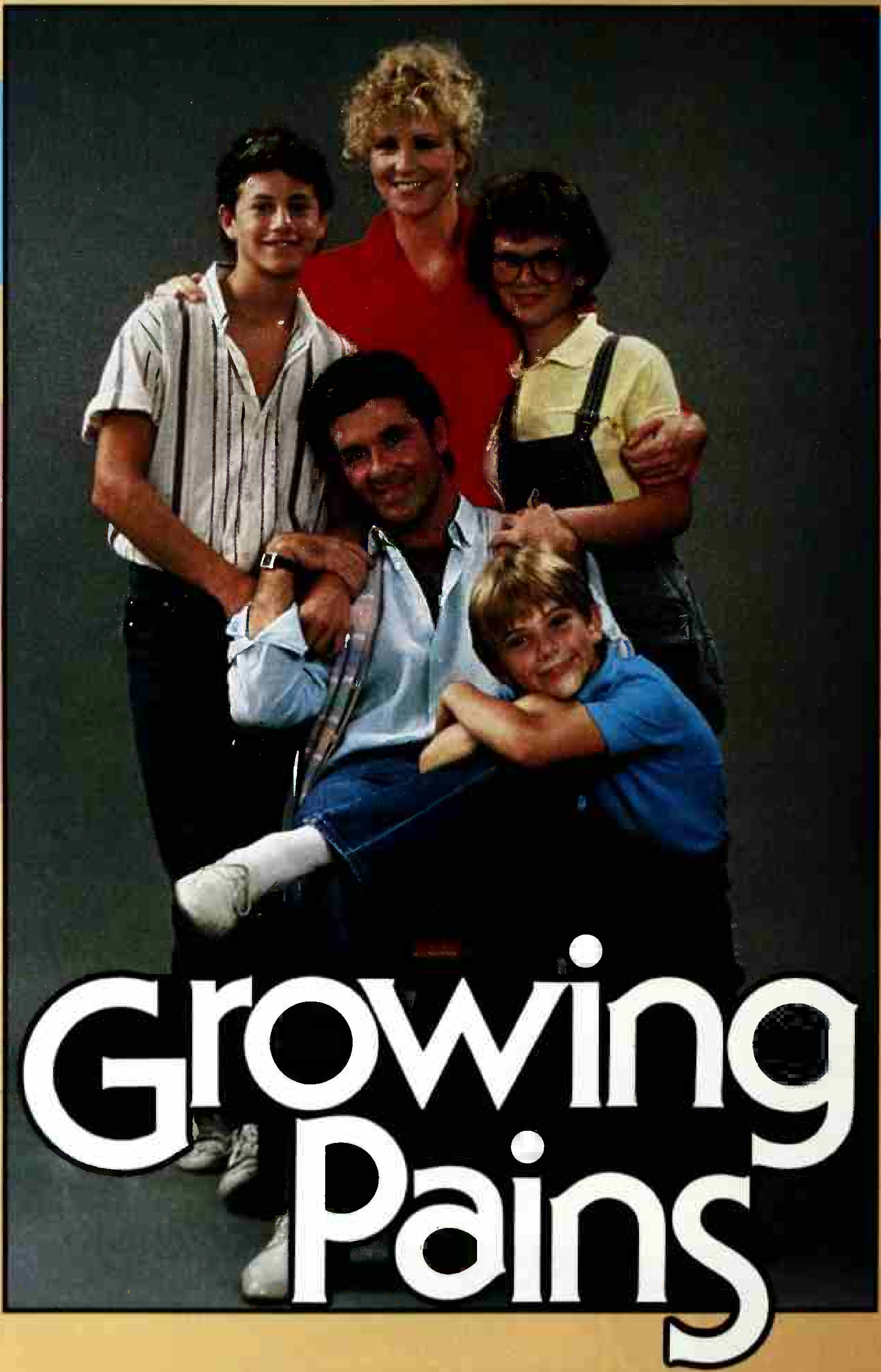

Growing Pains

Publisher's Letter

Class of 1990: What will broadcast world look like when it graduates?

You sit in rather uncomfortable seats—all 600 parents and students—listening intently to a perfunctory description of what's in store over the next four years. The parents, with a tinge of anxiety, are reassured that their prized possession is in good hands in his new environment. You are given an orientation program, which reads in bold letters across the top, "CLASS OF 1990." 1990! It's a jolt. 1990 has always been considered a watershed year in television, a gateway to the electronic era. The past four years have seen dramatic changes in the broadcast field, especially under relaxed Federal Communications Commission ownership rules. What is ahead for these young men and women four years from now as they step across the platform in cap and gown to receive their diplomas? What will the broadcast world look like in 1990?

■ International developments in communication will be accelerated. Satellite interconnection will be available to the most remote parts of the world. It will make the "one world" concept of half-a-century ago closer to reality.

■ Cable: By 1990, cable will have reached a penetration of 60 per cent. In other words, six out of 10 homes in the U.S. will be equipped with cable.

■ High definition: This development, which will provide a dramatic improvement in picture quality and color, is meeting slow acceptance worldwide. The 1,125-line system developed by the Japanese and now supported by the U.S., has a big jump on the rest of the world and has a good chance of becoming the de facto standard. While high-definition requires a completely new system of transmission and reception, it has current applications in the motion picture industry.

■ Digital developments: Both TV and radio are moving inexorably in this direction, in which picture and sound are converted to numbers and then back again. There is already some success in establishing world standards. It permits multi-generation of dubs with no apparent degradation in the picture. Internationally, the big virtue of digital systems is that they will avoid the transcoding necessary when transferring NTSC, PAL, or SECAM standards from one to the other. Though certainly not by 1990, the day will come when people will view high-definition digital pictures on large, flat panel TV screens—from our point of view, the ultimate in TV.

■ Teletext and videotex will likely start taking off in 1990, after a slow start. What will kick off teletext will be digital circuits in TV sets, which will make it possible to add teletext circuits at very low cost to the consumer. Videotex will be a bigger success in the business field than among consumers. However, it will still provide an increasing number of consumers with various banking and shopping services by 1990.

■ The synthesis between computerization and communication will be accelerated. The class of 1990 is comfortable with the potential and flexibility of computers. They will know how to utilize these remarkable instruments in all facets of communication.

Many developments are technically feasible: they have to be economically harnessed to the new era. This is one of the great challenges facing the class of 1990.

With the class of 1990 go the hopes, in addition to the new era of communications, that they will individually have a sense of balance, of integrity and a realistic sense of values.

SELL MATES.

KATE & ALLIE

HERE TODAY. SOLD TOMORROW!

Produced by ***Reeves Entertainment Group***
Distributed by

MCA TV

PUNKY BREWSTER

88 episodes

More of a Good Thing.

Just to prove you can never get too much of a good thing, the adorable PUNKY BREWSTER is now available for your station.
88 adventures that the kids will love.
44 new episodes are now in production.
Thank goodness, some kids never grow up.

Columbia Pictures Television

Available for Stripping Fall '87

Letters

15-second spots

I am writing with reference to the limitations of 15-second TV spots as discussed in your June 23 issue (*Agencies confront creative limitations of 15-second spots*). I'd agree with Mr. Kopcha [Steve Kopcha of D'Arcy Masius Benton & Bowles]. Fifteen-second commercials *do* demand focus, and I'd add simplicity. I wouldn't say they necessarily are a better form than a 30 or 60. Some messages/products work well in 15s, some better in 60s. I think they will become a valued addition to the 10, 30, 60-second media buffet. I don't believe they will in the immediate future be the only form but rather one of many new lengths we'll be choosing from. I don't agree with Mr. Littleford [Ted Littleford, Foote, Cone & Belding] i.e., that the form is more irritating and boring. That is a result of the specific concept. We do a number of 15s for Frito-Lay. In fact, it is the length we use exclusively for Lays and Dips and I think they're some of our finest work. When I was at Needham in Chicago we had an outstanding Squeeze Parkay 15-second campaign. I challenge anyone to charge a lack of emotionalism.

All spots should be "hard sell" or we haven't done our job. I believe the mistake is when the 15 is not developed with that understanding, but rather a lift. Lifts have, are and always will be a delicate operation.

The fact that 15s carry fewer copy points is one that should be applied to all lengths. Too much advertising is created without the discipline on focusing on the one compelling point that should be made.

As to research's conclusions, the jury should still be out. As with the transition from 60s to 30s, we as an industry will get better at executing them. I also believe, to Mr. Kopcha's comments on audience reaction, they will adjust, too.

We find the use of 15 comes sometimes from client, sometimes from media, sometimes from account and creative. Collaboration is key.

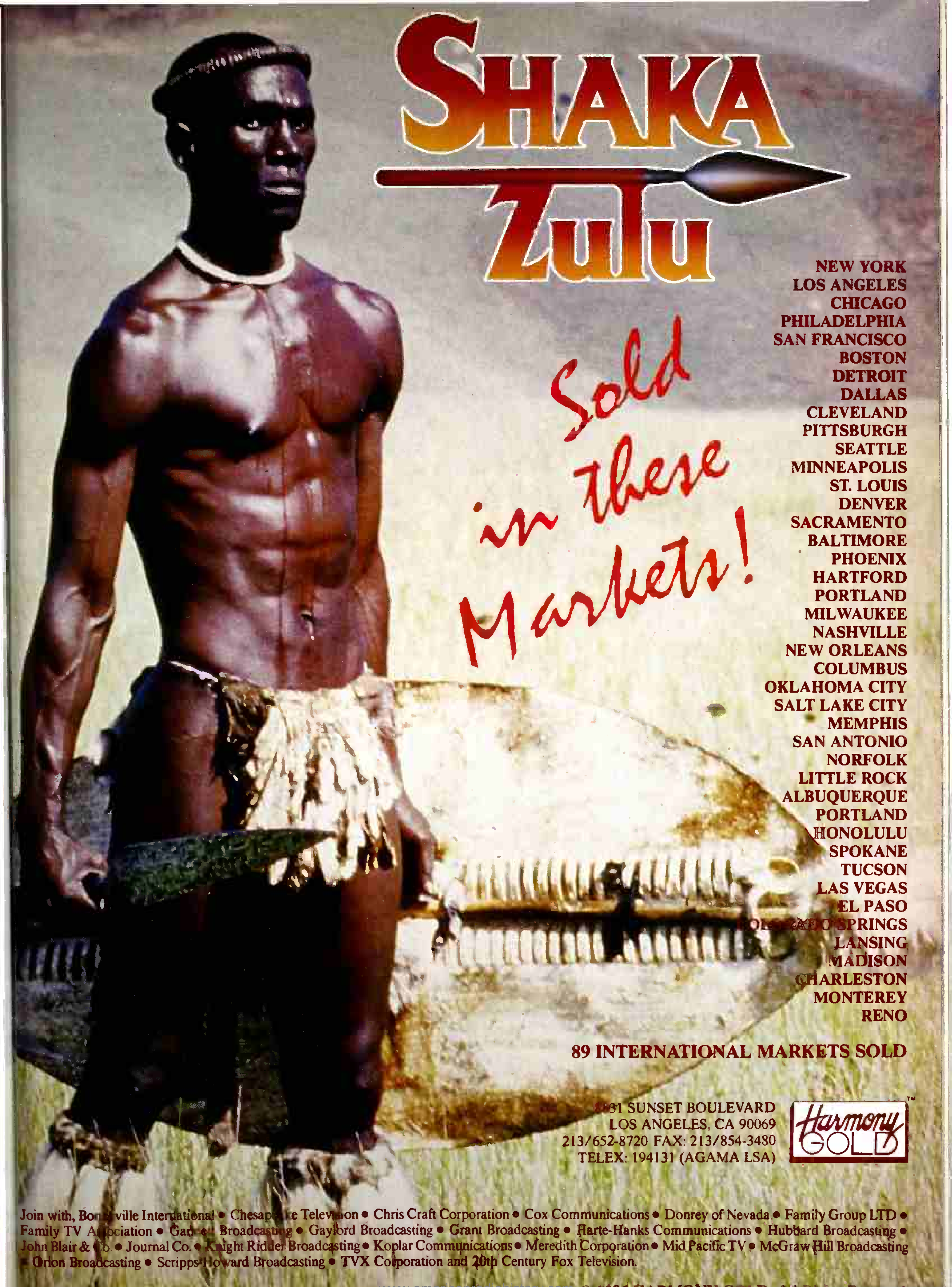
I agree with Mr. Massin's [Fred Massin, DFS-Dorland] theory on the need for visual impact, Mr. Patterson's [Jim Patterson, J. Walter Thompson] feeling once the code is cracked you'll see more, Mr. Moss' [Charlie Moss, Wells, Rich, Greene] that the 15s must be simple and are very right for the right kind of problem.

Use of music will be our toughest accomplishment. My associates in the music area, as we speak, are seeking solutions. I do, however, remember Dick Reynolds at Comtrack in Chicago delivering the National Anthem in three seconds.

I, we, as an agency are enjoying the 15-second alternative and are blessed with clients who understand the strategic, copy point disciplines it brings.

In regard to the cable "creative" dilemma, I would say it's more of a "creative" delight than dilemma. Creative people love the opportunity for greater flexibility, thinking outside the traditional media dots, and having even a greater fix on talking to a specific market as cable is more targeted. I believe we are just beginning to understand how to take advantage of it. The first reaction was to use it as rock/video commercials. Better thinking is being applied. As for the debate over whether an award will make people "able" to be more creative... well I think the people that are able would still be without the award. The award, like a gold medal, simply stirs up competitive juices.

JOSEPHINE CUMMINGS
Executive vice president,
Executive creative director,
Tracy-Locke, Dallas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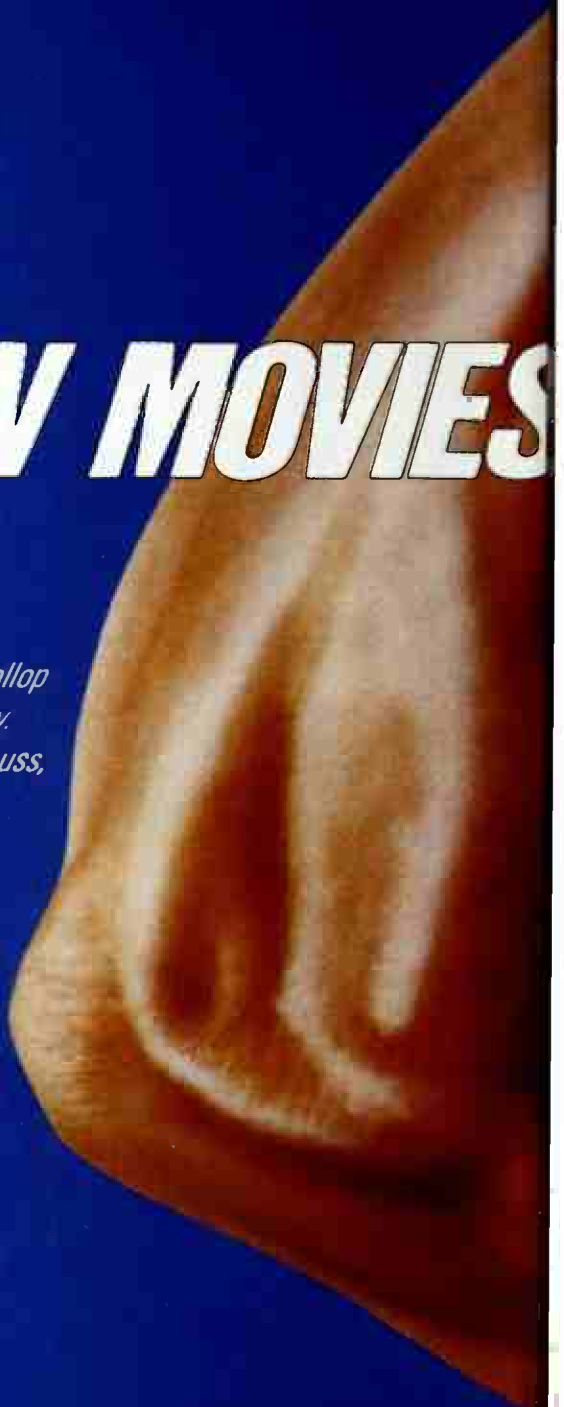
ULTRA-4
MADE FOR TV MOVIES



Finally, a made for television package that has the action and adventure needed to pull in the elusive male audience with the storylines that appeal to women.

Ultra-4 from Lorimar-Telepictures, movies designed to pack a wallop in syndication, with the ratings muscle to perform play after play.

Action and adventure titles like "Under Siege" with Peter Strauss, "Wild Horses" with Kenny Rogers, "The Deliberate Stranger" with Mark Harmon, four-time Emmy winner "Special Bulletin" plus twenty-three additional powerhouse titles.

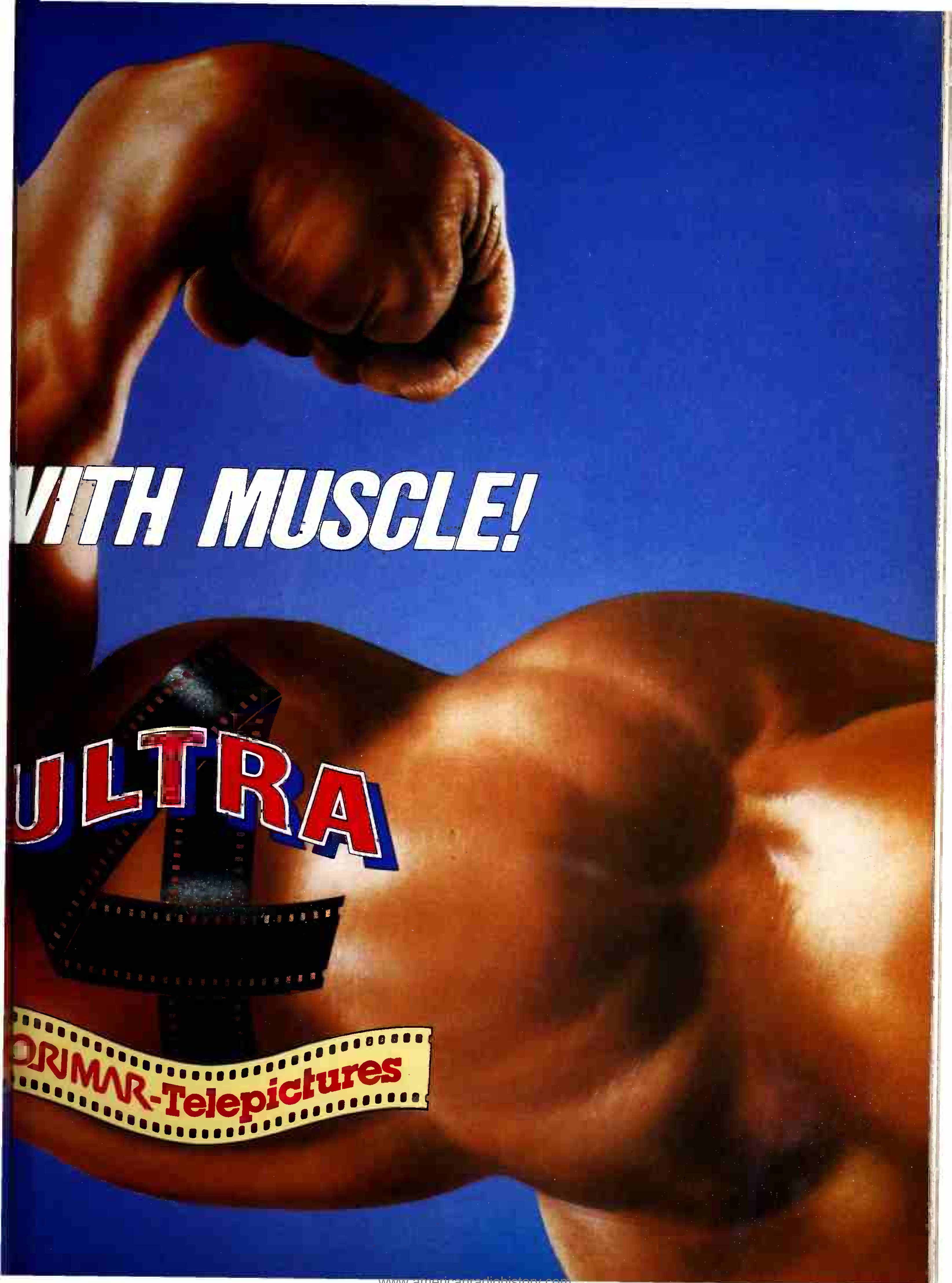
And Lorimar-Telepictures' Ultra-4 comes with the ultimate state-of-the-art promotional tools to maximize their performance on your station.

You know how well made-fors work in syndication, now's the time to put the power of these titles to work for you!

ULTRA-4 from LORIMAR-TELEPICTURES

Made-4 Action!
Made-4 Adventure!
Made-4 Television!
Made-4 You!

LORIMAR-Telepictures
PERENNIAL



VITH MUSCLE!
ULTRA
ORIMAR-Telepictures

Sidelights

Metter takes over

Bert Metter, new chairman and CEO of J. Walter Thompson USA, expects to continue to concentrate on the agency's creative product, regardless of the extent of merger activity among the competition because, he says, "Whenever an agency takes its eye off its clients' business, it endangers everything it's built up. An agency can buy growth or it can earn growth by doing work that makes its clients grow. I'll stick to earning it."

Metter moves up from vice chairman of J. Walter Thompson's domestic unit to succeed Burt Manning, now chairman of the executive committee at Jordan, Manning, Case, Taylor & McGrath. Metter, who started as a copywriter, has been with JWT for 26 years and has helped win such recent pieces of new business as IBM, Miller High Life and Trintex. He's helped map strategy and supervised the creative work on Ford's World Car, the Escort, the Mustang, and in Europe, the Fiesta. And shortly before his new promotion, Metter had been assigned overall new business responsibility for JWT/USA and supervision for all subsidiaries of the domestic company.

He joined JWT in 1960 as a direct response writer, was elected a vice president in 1965, became a creative supervisor in 1969, and rose to senior vice president in 1973. In 1978 he was named executive vice president and creative director on all Ford business, and two years later a director of the U.S. company. In 1982 he became executive creative director of the agency's New York office and was named vice chairman of JWT/USA in 1984. Last year he was elected to the agency's worldwide Board of Directors.

JWT's Bert Metter

Along the way, Metter has won over 40 creative awards at major television commercial and film festivals.

CBS' 'olive branch'?

The recent appointment of David C. Fuchs as senior vice president, corporate affairs at CBS Inc., is considered by Wall Street analysts to be an "olive branch" extended by chairman Thomas H. Wyman to the Broadcast Group. With the recent cost-cutting, layoffs and "bruised egos in the news division," one observer notes, "it was important not to bring in an outsider but someone the broadcast people would be happy with."

Fuchs succeeds William Lilley III, who earlier had been vice president of government affairs at American Express and is leaving to become president of American Business Conference, Inc. Fuchs, a 33-year veteran of CBS, had been senior vice president, CBS News and earlier senior vice president, broadcast affairs, CBS/Broadcast Group.

Seltel's robust 1st half

Selkirk Communications' determination to retain its TV rep firm, Seltel, Inc., after selling its two radio rep firms—Selcom Radio and Torbet Radio—to John Blair & Co. (see *Sidelights*, March 17) appears warranted by the latest financial data out of the Toronto-based company.

Selkirk reported that Seltel's gross billings for the first six months of this year were 16 per cent ahead of last year's corresponding period. This increase was well ahead of spot TV in general (*Business Barometer* shows spot TV for the first half up 8.5 per cent).

The parent company's second quarter report said its U.S. rep subsidiary had two strong back-to-back quarters and that '86 could have been "an exceptional year were it not for the loss of some station clients late in the first half."

Mets' broadcasts bucks

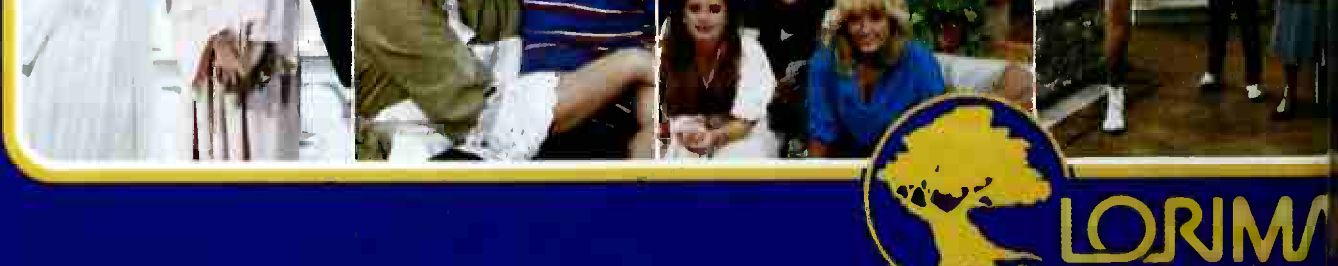
The New York Mets appear to be the "jewel" in the Doubleday & Co. empire, according to a recent *New York Times* article. One of the major elements in the Mets' contribution is said to be the broadcast rights which almost doubled to $14.9 million in the last fiscal year ended April 30, from $8.2 million for the 1985 fiscal year. In the 1984 fiscal year, Mets' broadcasting revenue was $6.9 million, according to an income statement released by Dillon, Read & Co. Total revenue of the ball club in 1985 was $27 million and soared to $43.1 million in fiscal '86. Of this, the local broadcast rights were 25 per cent higher than generally believed, or about $10.7 million, while the network broadcasting pact brought in an additional 10 per cent, or about $4.2 million.

SOME DAY
A FIRST-RUN
SITCOM WILL
HAVE ENOUGH
EPISODES TO
STRIP.

THAT DAY H

DOWN T

104 HALF-HOURS!



LORIM

AS ARRIVED!

D EARTH

AVAILABLE FALL '87!

Telepictures PERENNIAL

Tele-scope

Almost $260 million spent on barter in 1st half: BAR

Two-hundred thirty-seven advertisers spent a total of $259,590,000 on 117 monitored syndicated programs during the first half of this year, according to Broadcast Advertisers Reports' study of barter/syndication advertising activity for the first six months of 1986. The total represents spending on 17,232 announcements advertising 1,041 different products. However, according to the service, National Syndicated TV, total expenditures for the second quarter were down $16,126,000, from $137,858,000 in the first quarter to $121,732,000 in the second quarter, for roughly the same number of spots, although 15 more shows were added for the second three months than the first quarter.

Other highlights in the study show that *Wheel of Fortune* was the top series in terms of ad revenue; Proctor & Gamble was the Number 1 advertiser in spending; Twix was tops among the brands; and candy and gum, took Number 1 in product class. Television Program Enterprises was the top syndicator revenue-earner.

The following is a rundown of highlights in the BAR National Syndicated TV report:

Top five shows	Estimated revenues	Spots
Wheel of Fortune	$18,470,200	322
Fame	$17,332,000	362
Entertainment Tonight/This Week	$16,369,500	623
Solid Gold	$13,384,900	325
Star Search	$11,824,100	373

Top five advertisers	Estimated expenditures	Spots
Procter & Gamble	$27,763,950	1,034
Philip Morris	$18,404,050	944
RJR Nabisco	$ 9,918,550	575
Mars	$ 8,077,900	594
Kellogg	$ 7,646,100	664

Top five brands	Estimated expenditures	Spots
Twix candy bar	$ 3,046,000	234
Hasbro GI Joe & accessories	$ 2,883,000	275
Mattel Masters of the Universe	$ 2,866,500	390
Velveeta food cheese spread	$ 2,652,800	161
Crystal Lite beverages	$ 2,505,100	86

Top five product classes	Estimated expenditures	Spots
Candy & gum	$20,537,550	1,283
Games, toys & hobbycraft	$16,659,500	1,995
Cereals	$12,560,500	1,072
Dental supplies & mouthwash	$ 9,110,700	592
Cookies & crackers	$ 8,397,350	392

BAR's *National Syndicated TV* also measures syndicator revenues. Based on the programs monitored by BAR, syndicator ranking is as follows:

Top five syndicators	Estimated revenues	Shows
Television Program Enterprises	$60,932,100	9
LBS Communications	$44,934,850	14
Camelot Entertainment	$31,552,699	5
Lorimar-Telepictures	$20,856,632	7
Tribune Entertainment	$14,903,450	8

Wright held right for NBC

Known to former associates as a softspoken, personable executive, Robert C. Wright is considered by Wall Streeters to be an excellent choice to succeed Grant Tinker as CEO of NBC. Wright, 43, will be moved over from parent company General Electric, where he most recently was president and CEO of its highly profitable financial services unit. To those who know him, Wright's style of participative management isn't far afield from that of Tinker.

According to John Reidy, vice president and media analyst at Drexel Burnham Lambert, Wright's experience as president of Cox Cable, which has involved some exposure to programming and more than a passing acquaintance with Cox Communications' broadcast interests, should serve him well at NBC. Wright had moved from GE to Cox when the former was considering acquisition of Cox. He returned to GE three years ago after Cox decided to go private.

Edward Atorino, first vice president at Smith Barney, considers Wright "a professional manager out of the GE school of professional management." He compares Wright, who has a law degree, with CBS chairman Thomas H. Wyman. "He's a fast learner," Atorino holds. "He'll adapt to NBC, and NBC will adapt to his style." Unlike the Capital Cities/ABC management, Wright has no previous reputation as a cost-cutter, but rather is considered incentive-oriented. Atorino notes, though, that he can be expected to take a hard look at the cost structure to determine if improvements can be realistically made. "I think he has the luxury of time to learn the business," Atornino adds.

Fox's latest purchase

With the purchase of WXNE-TV Boston by Fox Television Stations, Inc., thus nailing down a major market affiliation to the Fox Broadcasting network, the latter continues to add affiliates. Latest are one top 50 market and two in the second 50. Biggest addition is WUTV(TV) Buffalo, channel 29 (35th ADI). Others include KBVO-TV Austin, channel 42 (79th); WFFT(TV) Ft. Wayne, channel 55 (93rd); KCIK(TV) El Paso, channel 14 (104th); KVTV(TV) Lubbock, channel 34 (141st); WTUV(TV) Utica, channel 33 (158th), and KIDY(TV) San Angelo, channel 6 (192nd).

TELEVISION SELLS

Television sells better than any other medium. It reaches more people, with greater impact. *Spot TV* is the big winner. Provides added prestige and awareness . . . enables advertisers not only to select the best audiences, but the best markets as well. Spot Television takes top honors in the media derby. When you think of Spot TV, think of Petry.

PETRY

Petry, Inc., The Original Station Representative

The Boston outlet was bought from the Christian Broadcasting Network and gives CBN Cable the right to license 36 features from 20th Century Fox Film Corp.

Meanwhile, Fox Broadcasting has okayed 13 episodes of *Duet*, the sitcom being produced by Gary David Goldberg's UBU Productions in association with Paramount. Creators Ruth Bennett and Susan Seeger will be exec producers. Details released on Embassy's sitcom for Fox, as yet untitled, reveal it was created by Ron Leavitt and Michael Moye, who were exec producers of *The Jeffersons*, created *It's Your Move* and were responsible for the development of *Silver Spoons* with David Duclon. Exec producers will be Bill Sammeth and Edgar Rosenberg; producer will be Bruce McKay.

'Growing Pains' clearances

Growing Pains, the Warner Bros. sitcom currently appearing on ABC-TV on Tuesday nights, has cleared 49 markets for syndication, according to William Hart, vice president and domestic sales manager, Warner Bros. Television Distribution. This includes seven of the top 10 markets and 19 of the top 25. The breakdown with regard to affiliation is: 17 ABC affiliates, four CBS, four NBC and 24 indies.

Stations are: WPIX(TV) New York, KCOP(TV) Los Angeles, WPWR-TV Chicago, KBHK-TV San Francisco, WLVI-TV Boston, KTVT(TV) Dallas-Ft. Worth, KHTV(TV) Houston, WUAB(TV) Cleveland, WTAE-TV Pittsburgh, KSTW-TV Seattle-Tacoma, WATL(TV) Atlanta, KMSP-TV Minneapolis-St. Paul, WTOG-TV Tampa-St. Petersburg, KPLR-TV St. Louis, KRBK-TV Sacramento-Stockton, KUTP(TV) Phoenix, WXIN(TV) Indianapolis, WHCT-TV Hartford-New Haven, KPTV(TV) Portland, Ore., WVTV(TV) Milwaukee, KOCO-TV Oklahoma City, KTVX(TV) Salt Lake City, WCHS-TV Charleston-Huntington, WHTM-TV Harrisburg-Lancaster-Lebanon-York, KMOL-TV San Antonio, WJRT-TV Flint-Saginaw-Bay City, WFLX-TV West Palm Beach, WEAR-TV Mobile-Pensacola, WAWS-TV Jacksonville, KGSW-TV Albuquerque, WOI-TV Des Moines; WUHF(TV) Rochester, N.Y., KVUE-TV Austin, KGUN-TV Tucson, KDEB(TV) Springfield, Mo., WAPT(TV) Jackson, Miss.; WLTX-TV Columbia, S.C., WTVW(TV) Evansville, KLAS-TV Las Vegas, KTHI-TV Fargo-Grand Forks, WJCL(TV) Savannah, KNTV(TV) Salinas-Monterey, KARD(TV) Monroe-El Dorado, WLTZ(TV) Columbus, Ga.; WCOV-TV Montgomery, WJAC(TV) Beaumont-Port Arthur, KTVN(TV) Reno, WAOW-TV Wausau and KLBK-TV Lubbock.

Grace's partial victory

Although CBS has agreed to run W. R. Grace's 60-second commercial on the federal deficit, NBC holds firm in stating that it will not accept the commercial, while Capital Cities/ABC is still weighing it as part of an overall review of its stance on advocacy advertising. Stephen Elliott, director of corporate advertising for Grace, earlier told TV/RADIO AGE (August 18) that 85–90 per cent of a budget of slightly over $1 million had already been spent, including independent TV and cable, with no budget determined for next year.

Payment completed for Blair

Now that Reliance Capital Group, L.P. and its modified tender offer have emerged victorious over counter-bidder Macfadden Holdings in the hard-fought court battle to acquire John Blair & Co., Blair president Jack W. Fritz reports that payment has been completed for the seven million shares, or 61 per cent of Blair stock purchased by Reliance.

These purchased shares have gone into an FCC mandated trusteeship arrangement under which former U.S. Senator and one time presidential candidate Eugene McCarthy is sole voting trustee. The voting trust will continue while the commission considers Reliance's application for FCC approval to serve as licensee for the Blair owned television and radio stations—a process that normally takes between 60 and 90 days.

During the period that this voting trusteeship is active, Fritz promises that the company's operations will continue the same reporting relationship they currently have with Blair's board of directors. The trusteeship will remain in effect until consummation of Blair's merger with Reliance Capital.

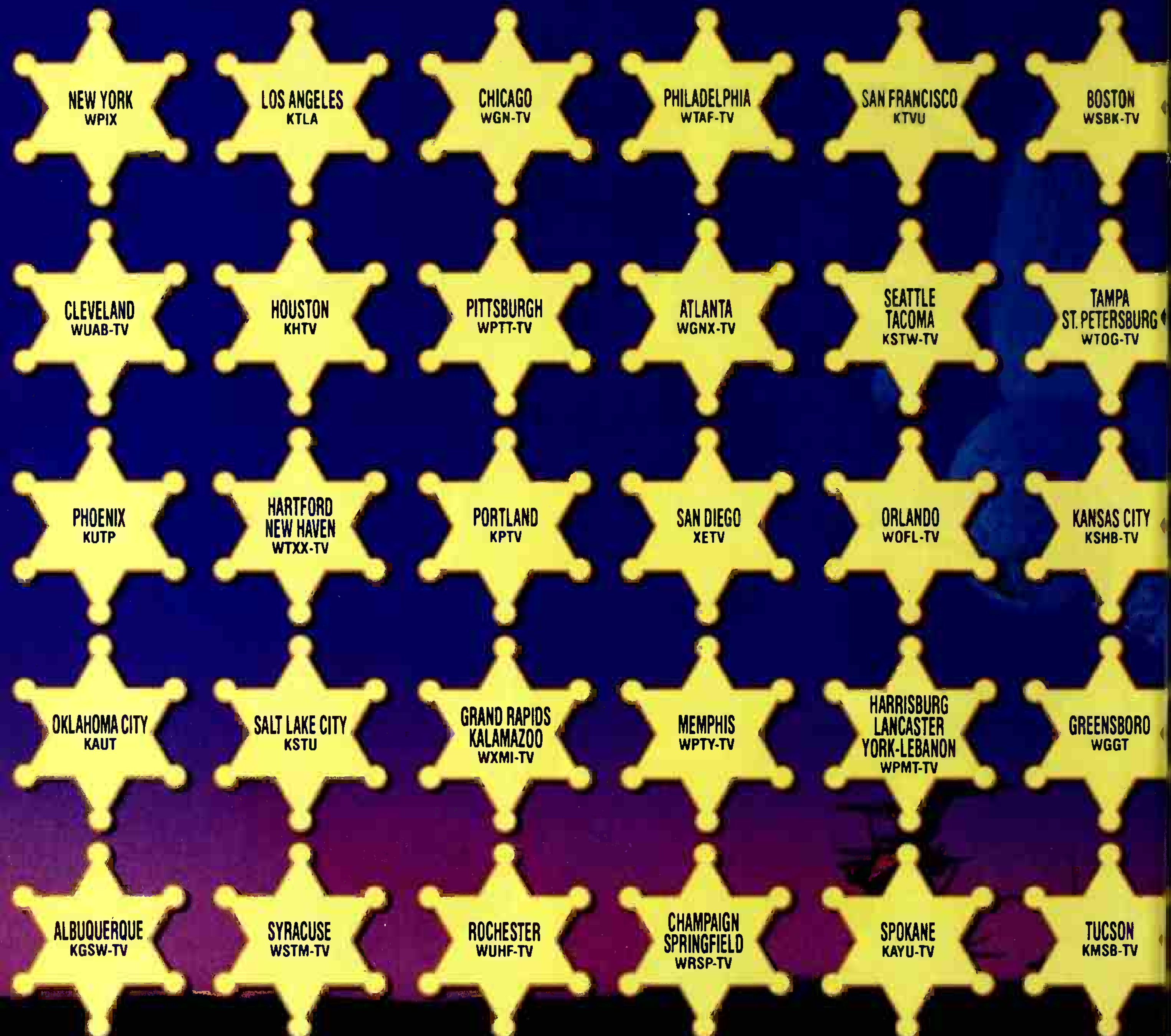
Brown joins New World

Tony Brown, formerly senior vice president and general sales manager at Blair Entertainment, has joined New World Pictures in the same capacity in its television distribution division. Other new sales personnel are Joseph Middleburg, Monte Lounsbury, and Jim Weathers. All held vice president and sales manager posts in various regions at Blair. Also, Dorothy Hamilton, from Blair, has been named director of sales service.

Taft's indie plans

Taft Broadcasting's announcement that it may sell its five independent TV stations comes as no surprise. Rumors have been speculating for some time to this effect. As Victoria Butcher, vice president at Eberstadt Fleming, Inc. pointed out recently (*Wall Street Report*, July 21), the company is being "pursued" by the Bass Brothers, who now own nearly 20 per cent of its stock. "If it were not possible that they could lose control of the company, they would probably tough it out," Butcher said. Taft, which has retained Goldman Sachs as its financial advisor, has stressed that it has made "no final decision" regarding a sale.

80% COVERAGE A YEAR AHEAD OF TIME!



In a crowded marketplace, one new animated series stands out: **BraveStarr.**™

BraveStarr™ is different: it's the definitive space age western fantasy adventure.

And **BraveStarr**™ has the Filmation difference: the quality, the concern for content, the made-in-the-USA animation that distinguish He-Man,™ She-Ra™ and Ghostbusters.

Demonstrating that there's always room for a hit, **BraveStarr**™ in record time has attracted a powerful lineup with the best time periods across the country.

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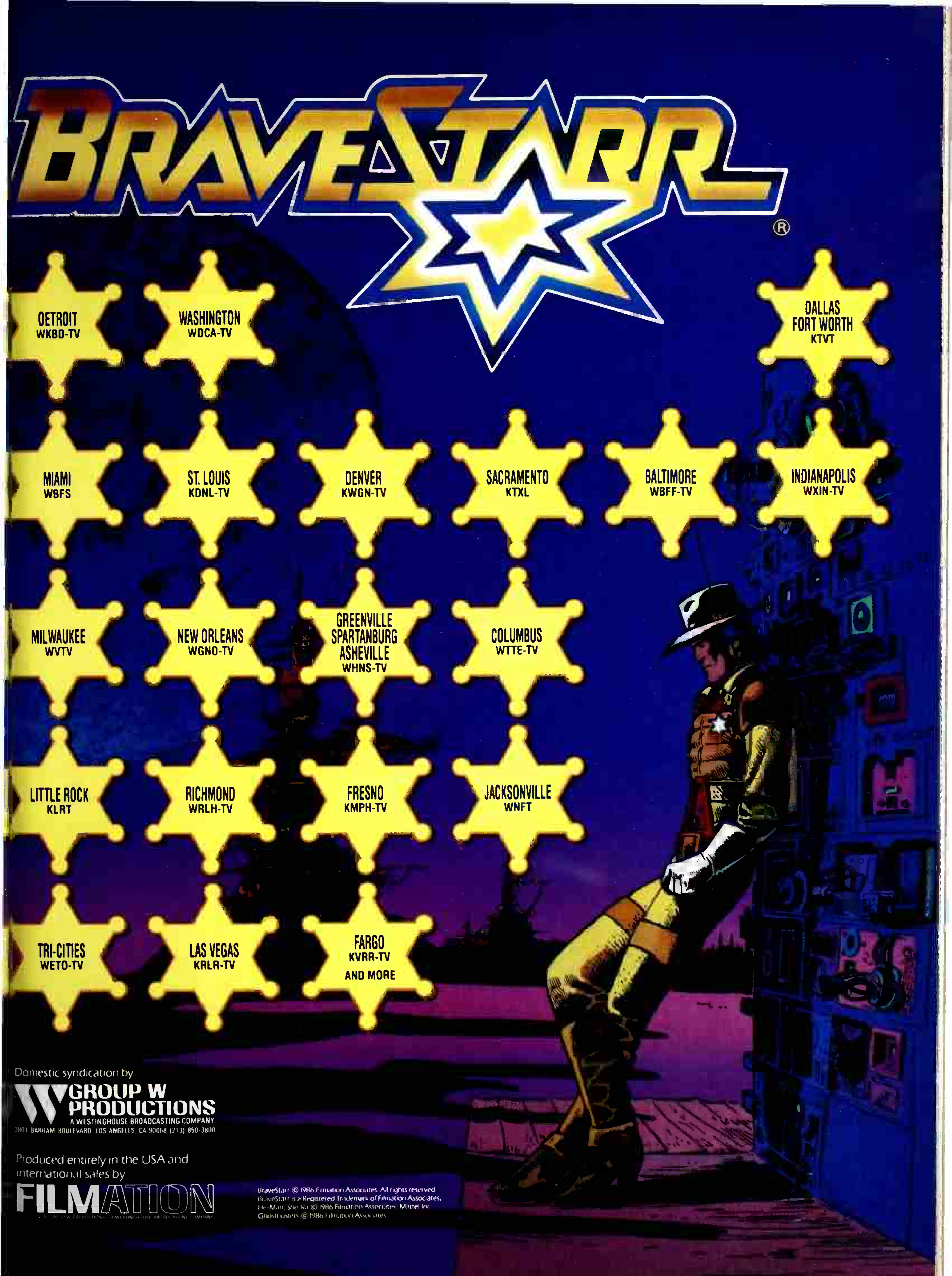
65 Half-Hour Episodes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BALTIMORE WBFF-TV
INDIANAPOLIS WXIN-TV
MILWAUKEE WVTV
NEW ORLEANS WGNO-TV
GREENVILLE SPARTANBURG ASHEVILLE WHNS-TV
COLUMBUS WTTE-TV
LITTLE ROCK KLRT
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TV Business Barometer

June local billings rose a nice 14.7%

June wasn't the best month for local TV business this year, but it was the next best thing to it—the second best month in percentage terms.

The June increase in local time sales came to 14.7 per cent, the best percentage increase this year except for that of May, when local time sales climbed 18.4 per cent.

Time sales in June for the local category amounted to $387.6 million against $337.9 million the year before. This pushed the second quarter total up 13.5 per cent to $1,381.8 million vs. $1,217.9 million in '85.

For the full six months, local billings were $2,439.8 million vs. $2171.9 million during the preceding year's first half. The rise is equivalent to 12.3 per cent. During the first half, there were four months with double-digit percentage increases: January, February, May and June.

The sharp drop in June local billings via-a-vis the previous three months represents a seasonal factor, though the gap between June and May has been widening in recent years. The 18.4 per cent jump in local billings in May set a monthly record for local time sales at $532.8 million, according to *Business Barometer* reports. May was the second month in which local TV volume topped $500 million. The first month to do so was October of last year, when local time sales reached $504.9 million.

The continuing flow of local ad money in June was spread evenly across the three station revenue groups reported by *Business Barometer*. The smaller stations—under $7 million in annual revenue—were up 13.5 per cent; the medium-size stations—$7–15 million—rose 14.8 per cent, and the larger stations—over $15 million—climbed 14.9 per cent.

Essentially tied for first place in their percentage increase in June, the larger stations achieved that ranking for the first time. During the previous five months, the larger stations ranked second in local performance three times and ranked third twice. The medium-size stations were first in local performance in every month this year, until tied for first by the larger stations. As for the smaller stations, while they haven't done badly at all, they've been third in ranking local percentage increases for four of the six months so far.

Network comp

The small increases registered by network compensation in recent months (there was even a small drop in April), continued in June. The rise was only 1.1 per cent for a total of $35.1 million. For the second quarter, network comp totaled $114.5 million, up only 0.6 per cent. And for the first half, network comp came to $226.8 million, up a very modest 1.9 per cent.

The latter figure represents only 4.2 per cent of the total $5,345.3 million in total time sales plus network comp racked up by TV stations during the first half of '86.

Local business +14.7%

(millions)

1985: $337.9 — 1986: $387.6

Changes by annual station revenue

Under $7 million	+13.5%
$7–15 million	+14.8%
$15 million up	+14.9%

Network compensation +1.1%

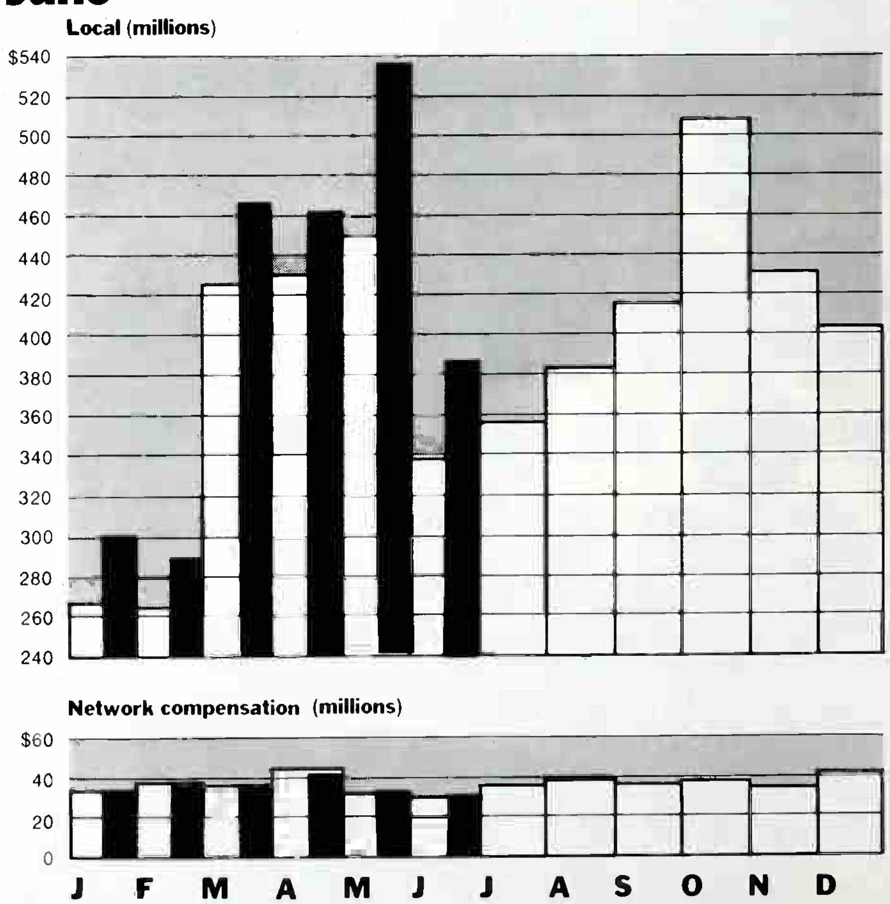
(millions)

1985: $34.7 — 1986: $35.1

Changes by annual station revenue

Under $7 million	+3.5%
$7–15 million	+0.9%
$15 million up	+0.8%

June



Cable Report

TBS loss fires skeptics; Ted's legions undaunted

The magnitude of the $85.8 million second-quarter net loss recently reported by Turner Broadcasting Co. has unleashed a new round of skepticism among some Wall Streeters. TBS' declared $26 million loss on this past July's Goodwill Games in Moscow contributed to the deficit, which has sparked fresh concerns over the firm's asset valuation versus stock prices and its heavy debt load. TBS had predicted a Goodwill loss of $10 million-$15 million. But Turner's believers on the street predict that he once again will confound the skeptics and pull off a recovery.

The bright spot in the quarterly results is a 59 per cent rise in revenues, to $158.1 million, from $99.3 million a year earlier, when TBS recorded net loss of $6.7 million, a reflection of the price of trying to take over CBS.

TBS exec. v.p. Robert Wussler, *standing l. and Ted Turner on set of Goodwill Games with anchors Nick Charles (standing), Anne Loughlin and Bob Neal.*

The second-quarter revenue increase, however, was wiped out by $66.2 million in interest expense. Turner took on $1.4 billion in debt to finance his acquisition of MGM/UA and its film library, the only part of the property he is retaining. There was also an additional $49.6 million amortization charge related to the value of the film library. Several analysts still believe that Turner overpaid for the property, a contention Turner has disputed.

Turner initially said this past July's Goodwill Games would "blow the networks away." But advertising support was lackluster and ratings disappointing. Several analysts said the business performance of the games has hurt Turner on Wall Street, at least in the short-term, reinforcing a feeling that unpredictability and risk characterize his business moves.

Ted Turner controls about 80 per cent of TBS stock. Of the rest, the next largest shareholder is TeleCommunications Inc., the largest cable MSO, with an estimated 3 per cent of outstanding shares. If financial conditions worsen, Turner, as 80 per cent equity holder, could afford to sell off some of his stock and still firmly control the enterprise.

Seeking new allies? But the magnitude of the second-quarter loss, some believe, could lead Turner to expand his financial ties to TCI, or seek new alliances with other media companies. In the past, such stalwarts as Time Inc. and Viacom have expressed an interest—Time in Cable News Network, Viacom in MGM. But editorial control of CNN was a sticking point with Time, and Turner reportedly wanted more money than Viacom was willing to pay for certain MGM assets.

Turner has agreed to sell most of MGM's non-library assets back to United Artists, with some properties to go to Lorimar-Telepictures Inc., for a total of $490 million. Those deals, aimed to be completed by the end of September, will be used to help pay off $600 million in extendable notes—"junk bonds"—floated on Turner's behalf by Drexel Burnham Lambert.

While TBS debt load will be reduced somewhat, the company still will carry sizable debt. The firm also notes that amortization charges in connection with the MGM film library acquisition will contribute to continuing "large net losses."

Wall Street's concern centers mostly on what some analysts see as a troubling disparity between TBS stock price and break-up value of the company. Valuations of Turner's holdings vary widely. But Adam Levy, research associate at the investment house Donaldson Lufkin Jenrette (DLJ), believes TBS stock price, trading at about the $17 mark, represents a discount over breakup value of about 50 per cent, compared to the 20 per cent discount on most cable system stocks. "The stock is an attractive value, but we wouldn't buy it. [Turner] seems to be in a race to create and destroy the value of the company. His motives appear far from reaching the asset value of the stock. He has other motives, maybe, bringing peace to the world. Well, that's nice, but if I own a stock, I want to increase the value of the stock."

Valuation variations. Says Mark Riely, broadcast analyst with the brokerage firm Eberstadt–Fleming, "There is a lot of uncertainty and so much debt. [TBS] is so leveraged that relatively modest changes in assumptions of valuations of the networks and the film library can lead to a substantial variation in the valuation of the stock.

"Anyone who plays TBS stock essentially plays Ted Turner. The question is, does he put his own ego ahead of the financial results of the company? You've got to wonder whether his vision of his own destiny overwhelms the bottom line." Riely adds, "Predictability counts for something on Wall Street."

Turner supporters, however, have heard this all before. Drexel Burnham Lambert, the house whose successful marketing of TBS junk bonds made possible Turner's MGM deal, remains confident in their client. Says Drexel's John Reidy dryly: "We didn't raise the money with a view toward not being able to repay it. The only thing new is the Moscow loss. . . . I don't think there's any real concern at this point in time."

The Goodwill Games, Reidy acknowledges, were a "disappointment" that appears to have hurt the valuation of his assets on Wall Street. But Turner, he adds, "can survive that." Reidy acknowledges that estimates of asset value of TBS stock range broadly, from $25 to $60.

April set as 'Cable Month'

The cable industry is back in the self-promotion business—and this time, it looks like the plan is going to be "product-specific" enough to satisfy cable programmers.

The National Academy of Cable Programming, an offshoot of the National Cable Television Association, has declared April, 1987, "National Cable Month." The idea is to utilize national and local industry outlets—trade groups, satellite networks, local cable system operations—to promote cable programming with the same intensity employed by broadcast networks in promoting their fall seasons in September. As described by Ralph Baruch, chairman of Viacom International and chairman of the Academy, "The goal of National Cable Month is to build viewer awareness and loyalty to the abundance of quality program available on cable. Both operators and programmers putting their energies into this drive will ensure that television viewers know that when you are looking for good entertainment or information programs, you need cable to make television come alive."

The scenario for the promotion was developed by about 100 industry representatives, both programmers and cable operators. They drafted a distinctive "signature" campaign, which will have its own logo and look. This umbrella outline allows cable operators and programmers the flexibility to incorporate the cable month idea into their own marketing plans. Also, creative promotional campaigns are being planned for exploitation in both national and local media. The task force chose April because of its high TV viewing levels, with greater sampling of cable fare by viewers.

Comparison with CCI. In some ways, the goals of National Cable Month are similar to those of the defunct Council for Cable Information (CCI). That industry effort, abandoned last year, revolved around using national TV and radio advertising to elevate cable's image and awareness among viewers. That effort expended $6 million, with results that many of its industry backers deemed questionable. A major complaint of cable operators was that the council put most of its capital into national advertising, not doing enough to tailor the effort to the specific needs of regional and local cable markets.

Also, the CCI effort purposely downplayed promotion of specific shows or networks, instead concentrating on what many deemed a generic, and arguably vague, "cable makes you feel good" approach. Instead of selling cable programming, the initial CCI campaign concentrated on selling "cable" almost as a certain "brand" of entertainment. "That may work for Coca-Cola, but it didn't work for us," remarked a top executive of a major satellite network at the time.

Remarked NCTA chairman Trygve Myhren, head of American Television & Communications, the second-largest MSO: "Research has shown repeatedly that a large share of both our customers and nonsubscribers have very incomplete knowledge of the programming available only on cable television. National Cable Month promises to be a real breakthrough."

Reinforcing the emphasis on the program being the main product, as opposed to the technology, Peter Chernin, executive vice president of Showtime/The Movie Channel, comments: "The industry's support of National Cable Month is a clear sign that we recognize that what we are all selling is entertainment."

Robert Klein to USA web

Look out, Joan Rivers and David Brenner: Yet another comic that won fame on Johnny Carson's *Tonight Show* is getting his own TV outlet—on cable.

The comic is Robert Klein, and the network is USA. Klein comes to USA's Friday night lineup starting October 3 with an hour-long weekly gabfest that will feature the comedian doing his trademark stand-up observations about the human condition.

Klein, in a sense, fills the shoes of Dick Cavett, who did a critically acclaimed weekly talk show for USA this past season. The Cavett show generated okay but not exciting ratings for USA. The network probably would have renewed him, but Cavett chose to take his act to ABC-TV, which will feature him twice a week in the midnight slot after *Nightline*.

Klein is something of a cable TV institution; Klein did the first non-theatrical HBO special way back in 1975, and continues to do specials for the pay TV leader. His appearance weekly on USA fits in nicely to the corporate structure, given that HBO parent Time Inc. owns a third of USA.

Robert Klein

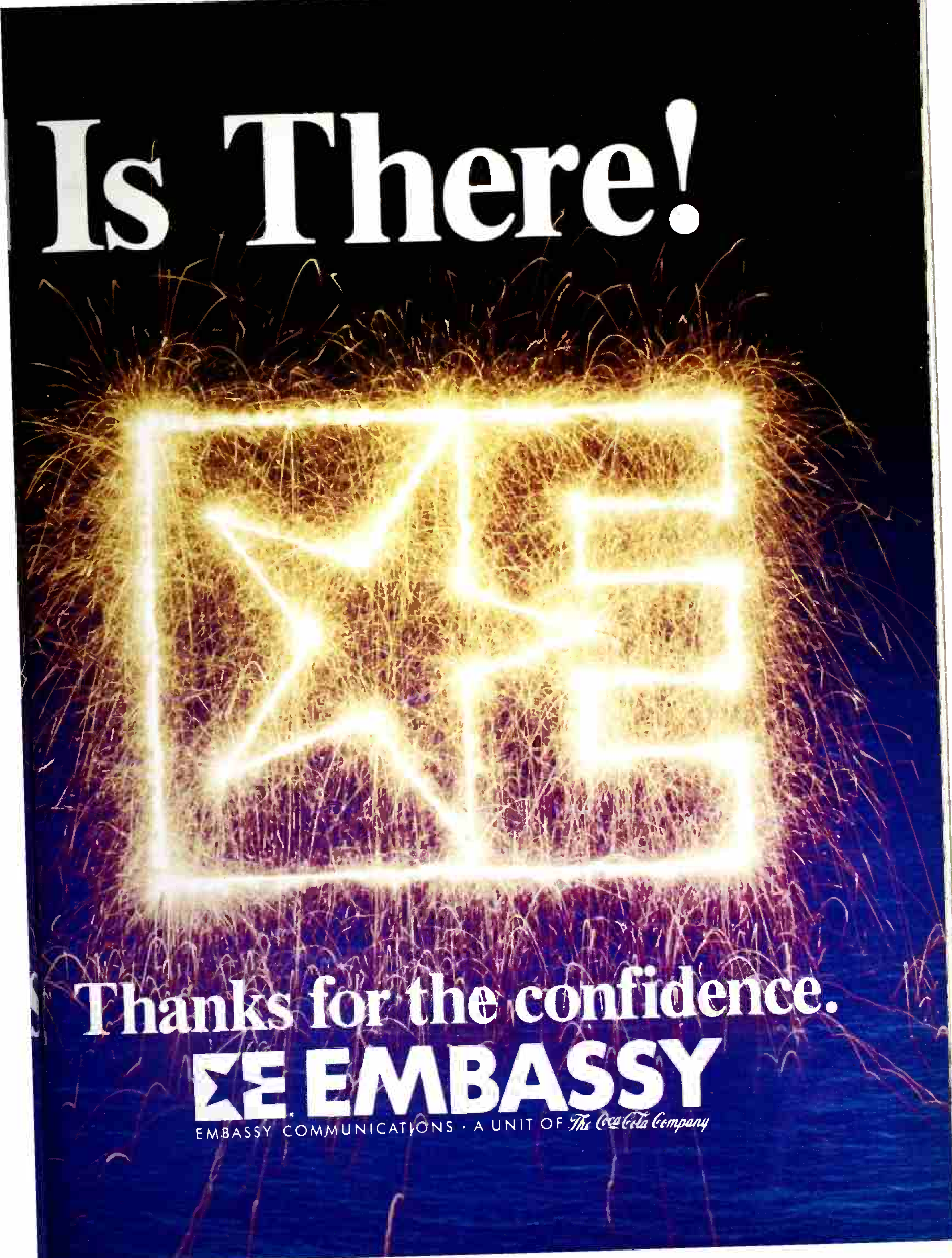
Klein, signed for a 26-week run, is taping before a live studio audience in New York. He'll also interview guests "known and unknown," the network says. Joe Cates is producer/director. Of his entrance into the crowded talk-show field, he states: "I have no intention of emulating other talk shows. If anything, I'd like to emphasize the difference."

Also at USA: If you watch *Hill Street Blues*, you may recognize the new lead in *Sanchez of Bel Air*, USA's original half-hour sitcom debuting this fall on Fridays at 8 p.m. ET. The role goes to Reni Santori, who recently played a featured part on the NBC-TV series. Sanchez, sort of an updated *Beverly Hillbillies*, is about a Mexican-American clothing designer who moves to Bel Air. It's being produced by Paramount Domestic Television for an exclusive cable window on USA.


When
local movie
ratings mean
the most...

Embassy I

You've Run 73% Of Our Titles During Sweeps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Radio Report

Transtar, CNN in new tie; former to handle clearances

Under a new arrangement, Transtar Radio Network, Colorado Springs, will handle clearances for the Cable News Network. Previously, CNN, which has some 200 affiliates, pitched stations to sign up for its news service. Both Transtar and CNN have been sold in combination to advertisers since last January, via a cash-plus-barter basis or on a straight barter arrangement. Two minutes are held back for national sale in each half-hour for national sale, according to Terry Robinson, chief executive officer of Transtar, which has about 400 affiliates. CNN will continue to produce its own news.

Trigony to head Cox radio

Filling a position that had been vacant for some time, Cox Enterprises has named Nicholas D. Trigony as executive vice president, radio, for its broadcasting division. Trigony has been vice president and general manager at KIKK Houston, a Viacom International station, since 1981. Previously, he was with ABC for nine years. During that time, Trigony was vice president and general manager at WPLJ(FM) New York (1977–81); vice president and general manager at KXYZ Houston (1975–77); general sales manager at WLS Chicago 1974–75). Before joining ABC, Trigony was a radio account executive for John Blair & Co.

Steinmetz to head KQRS

Mark S. Steinmetz, general sales manager at KQRS Minneapolis-St. Paul, Capital Cities/ABC-owned radio station, has been promoted to president and general manager at the outlet. Prior to joining KQRS, he had been at WCCO-FM Minneapolis, for three years, joining the station in January, 1982, as an account executive. A year later, Steinmetz was promoted to local sales manager and in January, 1984, was named general sales manager. Steinmetz began his broadcast career at KQDS (formerly KAOH) Duluth, as midday announcer in September, 1976, and subsequently went to WEBC Duluth, in April, 1978, as an account executive.

Local radio up 8.6 per cent

An 8.6 per cent increase in local radio advertising revenues in May over the same month last year is reported by Robert Galen, senior vice president for research, Radio Advertising Bureau. For the first five months, RAB's Composite Billing Pool shows a 7.8 per cent increase over the equivalent 1985 period.

Data for this analysis is based on a composite of 72 markets participating in the RAB pool, representing 55 per cent of the U.S. population. Miller, Kaplan, Arase & Co. reports on 12 southern, six southwestern and 19 western markets. Hungerford, Aldrin, Nichols & Carter reports on eight eastern and 15 midwestern markets. The RAB research staff compiles data for 13 additional markets.

Radio market data offered

It won't be as complete as the financial data that the Federal Communications Commission compiled until 1981, but broadcasters will soon be able to get a compilation of market-by-market financial information. The Radio Advertising Bureau and the National Association of Broadcasters are publishing a new book, *1986 Radio Market Trends*, under an agreement with two CPA firms—Miller, Kaplan, Arase & Co., Los Angeles, and Hungerford, Aldrin, Nichols & Carter, Grand Rapids, Mich.

As previously reported in TV/RADIO AGE (*Why no radio station financial data?*, March 18, 1985), the two accounting firms, in their joint effort to fill the information gap, ran into cooperation problems in collecting such data from stations as net income, not having the FCC's clout. The book will include market-by-market data for 55 markets for 1984 and 1985—total local and national spot advertising and total time sales plus percentage changes. The accounting firms cover 45 markets, and the remaining 10 contribute data to RAB's "Billings Pool."

The book will be available at NAB's Radio '86 convention September 10–13 in New Orleans and from NAB's Station Services Department, priced at $50 for RAB and NAB members and $100 for others.

Co-op, sales help from RAB

The Radio Advertising Bureau is offering a new co-op advertising source book as well as a series of 18 day-long radio sales training sessions titled "The Seven Step Formula for Doubling Sales."

The second edition of *Radio Co-op Sources*, according to Joyce Reed, vice president for retail and co-op advertising, will have 9 per cent more plans than the first one—a total of 5,250. This is due to a new listing of all products produced by a given manufacturer, rather than just simply listing the parent company. Volume II has 1,473 plans that offer 100 per cent co-op to radio stations—40 per cent more than Volume I, which was just published seven months ago.

Meanwhile, the sales training sessions will run from September 30 through November 21, according to Wayne Cornils, RAB executive vice president. Locations are: Atlanta, Boston, Buffalo, Charlotte, Chicago, Cincinnati, Dallas, Detroit, Los Angeles, Minneapolis, New Orleans, Orlando, Pittsburgh, Richmond, San Francisco, Seattle, St. Louis and Washington.

Radio Business Barometer

Network radio's bang-up July $$

While some of the other broadcast media suffer from depressed demand, network radio continues its merry way, apparently repeating—even more so—the pattern of the first two quarters. That pattern describes a bang-up opening month for the quarter—which July was. If the pattern repeats, the percentage increases for August and September should decline, but still leave the quarter with a hefty increase in revenues over the year before.

The July increase in radio network revenues, according to the latest monthly figures from the Radio Network Association, came to 32 per cent, the biggest percentage increase for the year to date. It was also the biggest billing month of the year to date. In current dollar terms, in fact, it was the biggest month in modern network history.

July billings reached $36,950,434, topping the two big $35 million months in May and June. Last year, the total for July came to $28,075,664.

The largesse was not spread evenly among the four sales territories. One of them actually showed a decline, indicating that one or more of the other territories did smashingly well in attracting business.

That territory was Detroit, up no less than 70 per cent, though it must be pointed out that Detroit billing levels represent a relatively small base. However, it was not all automotive business out of Detroit. RNA president Robert Lobdell noted: "Network radio is serving a more diversified list of clients every week. In this (Detroit) territory alone (clients included) Pontiac Firebird, Kelly Services, Inc., the K-Mart Corp., J. M. Smucker Foods, Chevrolet trucks, Goodyear Service Centers and Stroh's Beer, to name a few."

The July increase brought network radio totals for the seven months to $213,725,039, compared with $181,504,229 during the same '85 period. The increase was 18 per cent.

For Detroit, the 70 per cent rise brought the July revenue numbers to $3,178,179, compared with $1,870,333 in the same '85 month. For the seven months through July, the total came to $17,601,512 for the Motor City territory as against $13,195,949 last year. The seven month increase amounted to 33 per cent.

The one piece of bad news out of the RNA was the drop in Los Angeles territory billings during July. This amounted to 11 per cent, bringing revenues to $2,239,004, compared with $2,523,629 the year before. The West Coast territory is still ahead of the game, however, and still sports a double-digit increase for the year to date. Through July, Los Angeles territory revenues were up 11 per cent to $13,182,391, compared with $11,911,499 during the comparable seven-month period in '85.

N.Y., Chi data

The New York territory, which accounted for 60 per cent of network radio billings last year, rose 26 per cent to $22,381,014 in July. For the seven months to date, billings out of New York rose 14 per cent to $127,055,392.

As for Chicago, billings in July rose a healthy 55 per cent to $9,152,237.

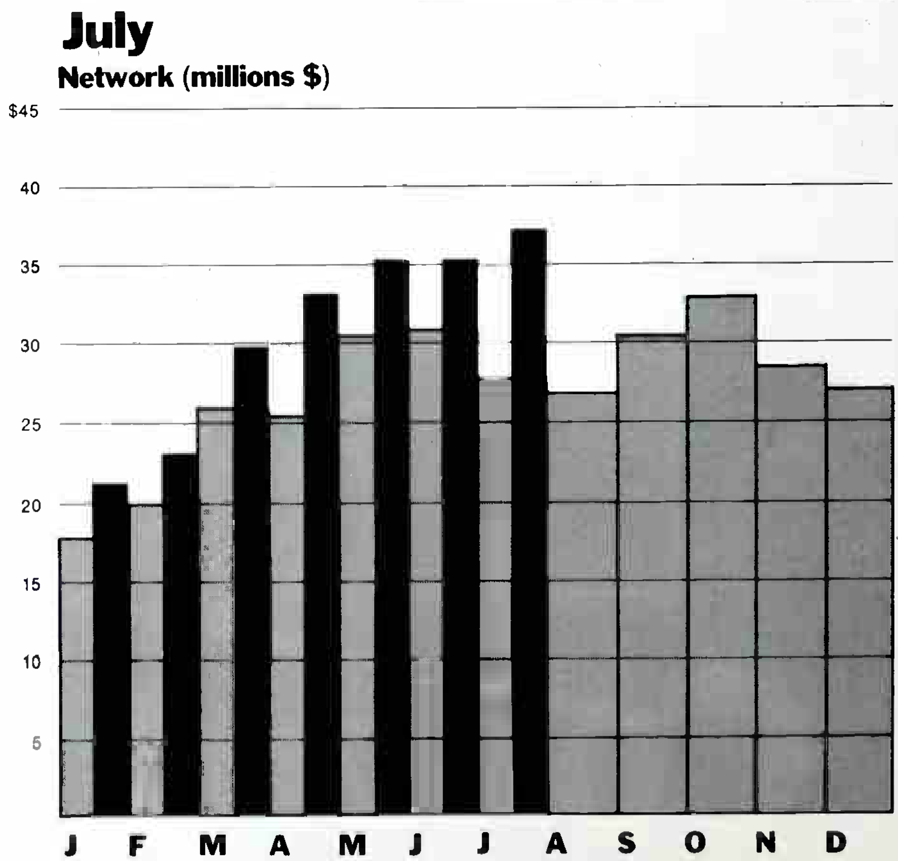
Network **+32%**

(millions) **1985: $28.1** **1986: $37.0**

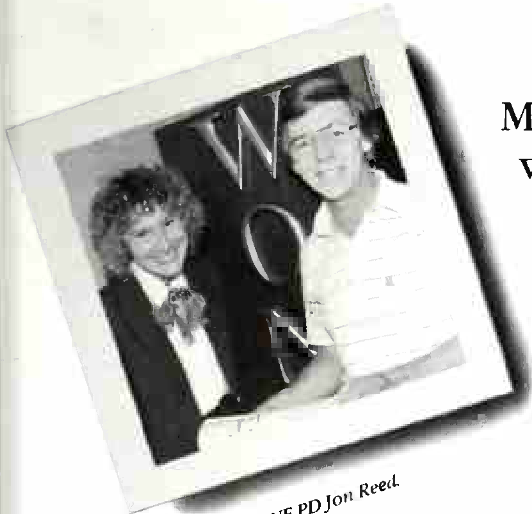
Changes by territories

Territory	Billings (000)	% chg. 86–85
New York	$22,381,014	+26%
Chicago	9,152,237	+55
Detroit	3,178,179	+70
Los Angeles	2,239,004	−11

Source: Radio Network Association



Cathy Moran knows more about WONE/WTUE and WJFM because she's been there.



Cathy with WONE PD Jon Reed.

McGavren Guild Radio salespeople will spend two weeks this year working at our client stations.

We feel that this type of first hand information is why McGavren Guild Radio salespeople know their markets, stations and the radio industry better than any other rep.

That's why Cathy Moran, Account Executive from our Detroit office, recently traveled to Dayton and Grand Rapids to work at WONE/WTUE and WJFM.

"After visiting these two markets, I returned to the office with valuable information, plus the enthusiasm and good feelings only a station visit can generate."

At McGavren Guild Radio we believe the best way for a national rep to sell beyond the numbers is to have reliable, first hand station and market knowledge through regular visits to our client stations.

McGAVREN GUILD RADIO
Innovative Leadership

Cathy with WONE/WTUE GSM Jim Meyer.

WJFM SM Jack Swart, MGR Detroit rep Elaine Slasinski, Cathy Moran and MGR Chicago rep Linda Muskin.

WONE/WTUE VP/GM Don Schwartz with Cathy.

WTUE Midday DJ Jan Neilson with Cathy.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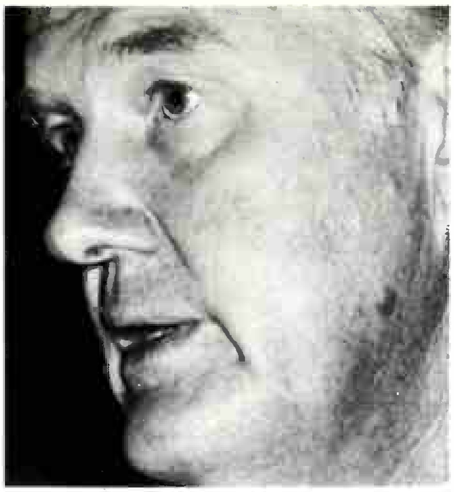
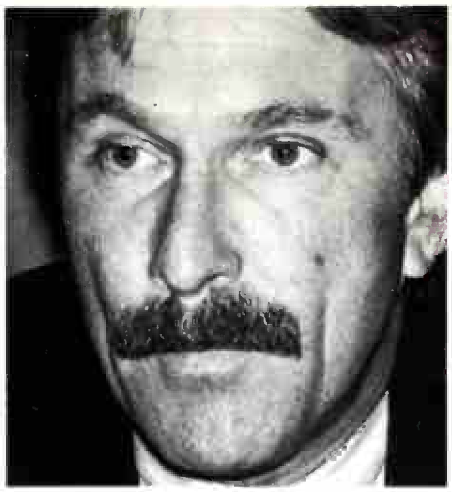
Without A Doubt.

Viacom's Brian Bieler



Group W's Warren Maurer



Price's Jack McSorley

Attracting new-to-radio clients a key station priority

The economy is soft, and national advertising is a tough sell. Logic dictates that radio stations turn to what has historically been their bread-and-butter—local business. Local business is controllable. It is direct. It is immediate—commercials air, and, hopefully, the cash register rings.

The new buzz words are "consultant sell", "vendor promotions", "sales development." But are these merely slogans or are they legitimate methods of ensuring healthy business increases over the long-term? And, while stations concentrate on developing new-to-radio local advertisers, can something be done on the national [spot] level to bring in new clients, instead of simply dividing up the same old pie?

As station executives from all over the country prepare to attend the Radio '86 Convention September 10–13 in New Orleans (co-sponsored by the National Association of Broadcasters and National Radio Broadcasters Association), TV/RADIO AGE assembled three radio group broadcasters and an executive from the Radio Advertising Bureau to discuss the various facets of radio advertising—sales development efforts, agency attitudes, pricing problems, creative challenges.

The participants: Brian Bieler, president, radio division, Viacom Broadcast Group (eight stations); Warren Maurer, vice president, AM station group, Group W Radio (six stations); Jack McSorley, senior vice president, radio, Price Communications (16, soon to be 18 stations); and Dan Flamberg, senior vice president, communications, Radio Advertising Bureau.

All generally agreed that a greater effort has to be made in attracting new-to-radio clients. But no matter how willing the spirit, there are some practical problems. For instance, pointed out Maurer, "the *cost* of selling has gone up a lot . . .we're used to going into an agency and getting an order and that's x per cent. Now, with all this new business development, our cost of sales is higher. Or, to put it another way, our production-per-salesperson is lower."

But there is a distinct advantage in dealing with local businesses. Said McSorley: "If you're selling cost-per-refrigerator to an appliance retailer, then he knows that he sold 11 refrigerators last weekend, and all he had to do was sell 10 to break even. He's probably going to be on your air next week." The reverse, he added, is true at national ad agencies. "They don't know how many refrigerators rolled out of the Sears and Roebuck store in northern California."

While radio stations focus on developing new clients at the local level, they can't help but wonder if a comparable effort is being made on the national level.

The controllability of local business was emphasized by Bieler, who pointed out that local is "a more consistent factor for us than national. You can control the local end, and that's what we concentrate on."

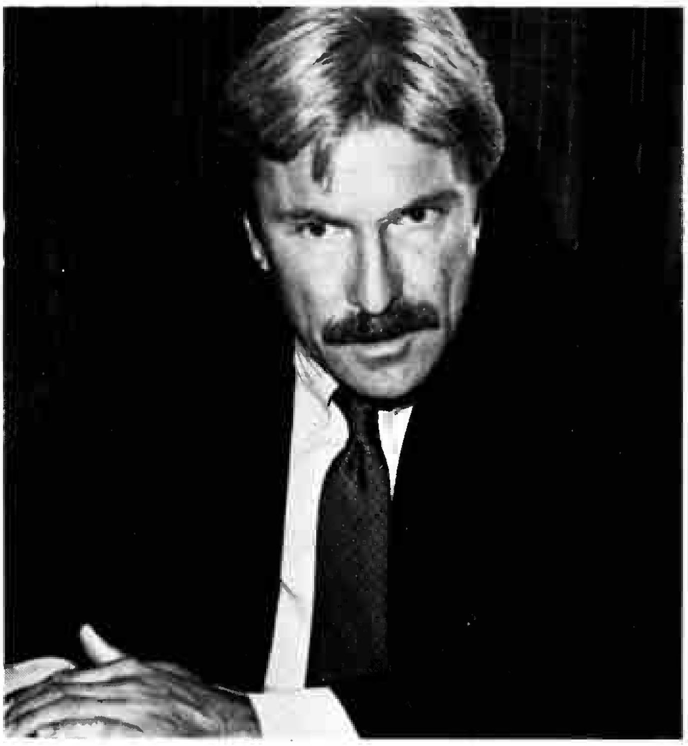
To that end, Flamberg said RAB is "beginning to shift some of our emphasis and some of our manpower from the traditional national business development front and move it into retail. We've established a target of 15 retail chains as a way of blanketing the country, and we've begun to try and understand better the decision-making process in these chains."

Despite the emphasis on local, the talk invariably also shifted to the national advertising scene, where the news has not been good. "One of the reasons the agency community says they don't use radio, more," commented McSorley, "is that there are 9,000 of us out there, and they're over-inundated with input. So we have to find a way that we can tell a radio story without a given buyer having to see every AM/FM radio station in the United States to get an idea."

The complete discussion, moderated by TV/RADIO AGE editor Sanford Josephson, begins on the following page.

TV/Radio Age: *We all know the overall economy isn't that great and national advertising business is certainly not healthy. This puts more emphasis on local/retail business and, specifically, on attracting new-to-radio advertisers. Could each of the broadcasters briefly describe what your current efforts are in attracting new-to-radio advertisers.*

Brian Bieler: We feel that the controllability of local business is a more consistent factor for us than national. So we're going to concentrate on things that we can control. It's really difficult to control the waves and economy nationally that you can control locally. Our concentration and emphasis is going to be local. National business is, to a large degree, soft. And we're making gains through local effort as best we can. I guess it's the age-old question when you're dealing with the reps of national business: What do you do to incur and create that business, and I don't know if it's the tail wagging the dog as to how much you can incur. But you can control the local end, and that's what we concentrate on.



Jack McSorley: "We've either developed retail sales departments or added incentives in terms of commission structure to attract new business."

Warren Maurer: Over the past five or six years our sales staffs have increased. We probably have twice as many salespeople now as we did six, seven years ago. So one thing is, we have a lot more people on the street. And we've tried all the normal stuff that everybody else tries. We've tried making direct calls, bush beating and all that stuff. We've had some very nice successes in vendor sales, particularly in Pittsburgh. And co-op has been okay, but it really depends on the market.

I think what we're afraid of doing and what we've seen happen is that we lose sight of what our real business is and, no matter what we say about traditional agency business, I think we still have to remember that that's where the bulk of the dollars are. Like Willie Sutton is supposed to have said when asked why he robbed banks, "Because that's where the money is." That's still true in the agency business. Sometimes we get more excited about a small new piece of direct business, and yet we'll get a major piece of agency business that doesn't seem to get us all that turned on. It's just a danger that I think we all face in finding and developing new business—that we don't forget where the old business came from.

Jack McSorley: I don't know that the developing of new business has to preclude agencies.

Maurer: That's true

McSorley: And there are various pockets that advertisers have other than just straight ad budgets. We've increased the size of our sales departments almost across the board. We've also either developed retail sales departments or added incentives in terms of commission structure to attract new business.

Now the definition of new business can be somewhat arbitrary depending on your needs, but, for example, in one market we'll define new business as something that has not been on the stage in 13 months, which takes cyclical advertisers out of the picture. And then we'll pay a premium if it comes from an agency say, for 30 days, and if it is developed directly maybe for 90 days, because of the amount of effort entailed in making a sale.

I think the other advantage to direct business is it's not as efficiency sensitive. As our business continues to develop, it seems that it becomes more and more cost sensitive with less and less lead time. And although some of the rep companies are starting to address new business, like Katz and Interep, we probably still have a long way to go before we're going to see any major impact on the national front.

TV/RA: *From the RAB standpoint, has there been greater emphasis in recent years on local/retail?*

Dan Flamberg: Well, we're beginning to shift some of our emphasis and some of our manpower from the traditional national business development front and move it into retail. We've established a target of 15 retail chains as a way of blanketing the country, and we've begun to try and understand better the decision-making process in these chains. This impacts all across-the-board, because what's happening is the local markets are being rip-sawed. The small, independent businesses, which have been bread-and-butter accounts for lots of radio stations, are being knocked off as bigger and bigger chain stores are getting deeper and deeper into the market level. So the shoe store that you counted on as a regular piece of your business is now being driven out of business and being replaced by a chain that's owned in a distant place and it's bought in a distant market, using criteria which may not necessarily apply to your market.

So we've looked at that situation and targeted 15 of these chains. In addition, we're trying to work more closely with stations and with city groups and state groups to target specific kinds of accounts, either by business category or by individual account to begin to develop more of this business.

But I think lots of broadcasters are playing the odds—they figure they'll get more people out on the street. More people out on the street equals more calls. More calls is going to harvest a better percentage of leads. And we're seeing an increased number of salespeople in almost all market sizes.

Brian Bieler: We are finding success in positioning the stations much more in a qualitative basis along with the rating game. Obviously, the rating game remains somewhere from 75 to 80 per cent of what you're going to do in major markets. The actual number, the empirical number in the Arbitron book is going to be the basic foundation for your business. If you have a good book, obviously, you're going to have the rewards. The percentage in increases beyond this in extracting better rates, though, really comes down to the added value in positioning with things other than just

Brian Bieler: "If you have people actively going after your regional business, you're going to see a return."

rating books. And we're making an effort in every market where we can to get our hands on Scarborough and International Demographics, and any tools that we can have that will add value to the basic premise of spot rates, because the business is so competitive that we try and stay away from the problems of pricing. The downward pressure is always there on the radio industry because of ourselves and because of everything else. It's always a suppression down.

Maurer: What we've seen happening, and I'm sure everybody else has, too, is that the *cost* of selling has gone up a lot. I mean, as you try to develop these new things, we're used to going into an agency and getting an order and that's x per cent. Now, with all this new business development our cost of sales is higher. Or, to put it another way, our production-per-salesperson is lower. And I'm not sure where that leads, but it's costing, at least in our case, more to make sales than we're used to spending. That's a trend that somehow I hope we can get our hands around.

McSorley: The other side of the coin is, being in a supply and demand business, there are a lot of markets this year where national cost-per-point in the market has been depressed through the competitive bidding process. And a market that can be brought in at, say, 60 bucks a point, has actually come in at $30 or $40 a point, and the dollars just have evaporated or gone to another medium or gone on to another market or gone back into the advertiser's pocket. So in selling a limited, perishable inventory, we have to get out of this price-rating sensitive arena, or we're heading in the wrong direction.

Maurer: I don't know the answer to that. We see that happening nationally all the time. You'll get a price per-cost-per-point or something and you'll submit on that and you'll walk away, and two days later, you'll find out you lost it because you were 30 per cent above the market.

McSorley: And the market has fluctuated in the interim.

Maurer: It never goes up, though . . .

Flamberg: Part of that is, broadcasters have tended not to want to walk away from the business. So we have a very loose understanding of the concept of price integrity. And it's a classic dilemma—who's going to raise their skirt first. But inevitably somebody in the market does, and then that price pressure comes right down. And it's a very rare station that will return to a buyer and say, "Okay, if your price point is 60 bucks on the market I'm your high, and you find some cheap guys to make your mark." It's a very rare station that will say, "You absolutely need us," or "Here's the absolute value of our station. We're not going to go beyond this point. Make up your numbers with the lower price spread."

Bieler: That's a good point. As limited inventory stations, we're constantly evaluating that point, and the point is, we will take walks on business to maintain the price integrity and the bottom.

And I think from a programming perspectus, as we get more competitive, there'll become more pressure on broadcasters as to how many units you can run and maintain your positioning in the rating picture. If you have a bottomless pit there's always someone there that's going to try and fill it up at a lower rate.

Flamberg: That really does call into question the value of the service we're providing. And one of the other problem areas that radio stations have is: How do you use the value added elements that you can bring to the table to the maximum benefit to the radio station? There are millions of radio stations that are either giving away their inventory or selling their inventory and adding promotions and merchandising and all kinds of other factors where, when you factor that in and do some kind of financial analysis, you realize that the unit price and the value of that inventory gets degraded signficantly.

And the question now is, do you give away a promotion as a way of enticing someone onto the air or do you hold that back for somebody who's already made a major commitment, and then it's icing on the cake. And it's a constant dilemma and in a competitive and changing environment you get all the different players evaluating that strategy differently. So in one particular market for little or no money you can get a fabulous campaign and an unbelievable promotion and throw in some merchandising, too; and in another market that's going to cost you significantly more.

TV/RA: *You constantly hear the term today, the "consultant sell." In other words, the days of calling on a list of agencies or a list of accounts and trying to sell a schedule are over and, today, radio stations have to be marketing consultants or have to go out and know more about the businesses they're dealing with and help them to use the medium intelligently, even to the point of maybe setting up a media schedule for them that includes not only your station but other stations as well. Has this been overstated? Is this a legitimate direction?*

Maurer: I think it's a wonderful concept. It only works with the guy whose money is actually being spent, though. It doesn't work with agencies, particularly, because their goal is different. The buyer normally isn't interested in—"will the product sell?" The buyer's interested in: "can I reach these predetermined efficiency, reach, frequency—whatever goals I have to set?"

So that when you talk about product movement and all that other business that comes up in the "consultant sell" that really can only be directed to the guy who's at the cash register. And that's a problem in our industry. Unlike newspapers who have called on clients for a lot of years, I don't think our industry does much client work. We've called on agencies a lot, but we haven't done much in terms of clients—in good times *and* bad. So a "consultant sell" to me is the way selling should be done, but it has to be done to the person who's in a position to deal with it and act on it.

McSorley: I agree with you. I think that's a long haul proposition, and I think that, on the one hand, we ought to get to know people above the buyer level at agencies. And I think, on the other hand, we ought to get to know the clients themselves, and the best time to do that is when you're doing business—not when you missed a buy.

One of the reasons the agency community says they don't use radio more is that there are 9,000 of us out there, and they're over-inundated with input. So we have to find a way that we can tell a radio story without a given buyer having to see every AM/FM radio station in the United States to get an idea.

Maurer: We are all fishing in this big pond and somebody catches a fish and we all run over to see if we can catch the same fish. And the switch pitch: You get somebody on radio who's brand new, and I guarantee you the next day there'll be 40 radio salespeople in that office. "Buy my station," and yet nobody's going in because there's a new ad in the newspaper, or they saw something new on television. But boy, if it's on radio, I guarantee you that the first person to hear that will be another radio salesperson.

McSorley: One of the things we've advised our stations to do is to look at the microfilm in libraries for newspaper ads that occurred a quarter before. Because with a newspaper ad it's easy to measure value. If a guy got a quarter of a page, a third of a page, you have a pretty good idea of what he spent. And if he ran three consecutive ads, you've got an idea of what size the pie is and whether you can go in and get a piece of it.

I think there's another phenomenon happening in our business. I think—to oversimply the example—we're going to end up where all stations in a given market are going to be between a 6 and an 8 share or between a 4 and a 6 share. It seems that everybody is sort of moving into the middle; so now we have a lot more stations in the arena with a 10th of a point between them in a given demographic and ratings all with a perishable limited inventory, all vying on a limited supply of business. And it often results that the stations that hold out until the last minute buy will get higher rates from an agency or from an advertiser than stations who try to sell out earlier, because there's just no other place to place the business.

Warren Maurer: "No matter what we say about traditional agency business, that's where the bulk of the dollars are."

That's fine in a high demand period. In a low demand period, such as 1986, it can be devastating, because everybody is cutting their rates, as I indicated before. And you end up bringing the market in at half the cost-per-point as it was originally scheduled for. And it's going to take us a couple of years to get that market back, if the agencies don't respond quickly.

Maurer: Speaking about your comment about looking at old newspapers, the RAB is very helpful in that. They've set up a lot of planning tools that are very helpful in looking ahead—where you find leads, who's having an Easter sale and that kind of business. We try to have our salespeople use that as much as possible.

Flamberg: Thank you. I certainly appreciate that. The thing that Jack is saying is true. If you look at the tracking studies over the last 10 or 12 years, and you look at the market's share of the ratings, the curves are beginning to come together. So you no longer have an absolute market leader, you no longer have a bell curve—you've got them all bunched up there in the ratings.

And I guess that plays to what Brian was saying before: that stations now have a greater burden to differentiate themselves. So they're using these qualitative research tools, some of which are very useful and genuinely proven, some of which the research guys are still arguing and screaming about methodology. But they answer the perennial question: will it work? And the retailers seem to need this differentiation, not only in terms of ratings, but in terms of formats—when you have a major market where you have six or seven or eight stations in some kind of loose, adult contemporary kind of format who are all playing relatively the same music and it's very difficult to distinguish the positioning in the marketplace and then certainly even more difficult to kind of extend that positioning to a given retailer's buying audience.

RAB's Dan Flamberg: "Budgets slotted for promotion have been increasing as national advertising budgets have been decreasing."

Bieler: I think Jack's point of the compression of shares is very obvious, especially if you go back over the last six or seven years. We had runaway stations with a 12 share. I don't see any 12 shares in New York anymore. I don't think we're going to see 12 shares in New York anymore. But within the compression of the shares, I think, a better targeted profile. Slicing up the demographics—stations between a 6 and an 8 as we measure 12-plus, very definitely have a niche within the 10-year cycles.

And I perceive the industry to be going somewhat as the specialty magazine industry has gone. When the mass magazines were there, the boxcar numbers were a compilation of demos across the board. That doesn't exist, as it ceased to exist in the magazine business. Radio can't service 18–49 anymore. I don't see stations that can do 25–54 across the board. It's much more of a rifle shot within the 10-year cycles, especially in the major markets, where we're pinpointing our programming to be competitive; and I think the sales story, specifically, has to be tailored to what you are filling within this niche.

Flamberg: I have the sense that, while that's true, it's more true rhetorically than practically. The agency buyer, while reading about targeted marketing and regionalization of buying and all that stuff, is still buying women 18–34; and we still have a couple of steps to go before that buyer begins to see that all women between 18–34 are *not* alike and that certain radio stations give you a different lifestyle skew, and begin buying on those criteria. They're still buying on what we call targeted marketing but which in real life are fairly gross criteria. So we may be a little bit ahead of where the buyers are.

Bieler: I think it's our position as an industry to make sure that, psychographically, all the available tools to measure the differences are there; it becomes *our* burden.

McSorley: I think that has to be done on the pre-sell because I think that the buying community is overworked as it is. It seems that buyers come down with shorter terms and more markets. And a buyer has two days to buy the top 50 markets, and they can't afford to determine at that time qualitative information. They're just going to buy the demographic and the point levels given them by the planner. So the rest of it has to be done as a function of pre-sell. And we get back to the problem: Does the advertising community want to deal with 9,000 radio stations? The answer is probably no. So we're going to have to find another vehicle to get our story told.

Flamberg: But I should inject that they're not unwilling to *be* told. The RAB has media planners' training seminars in Chicago, L.A., Detroit and New York, which are generally oversubscribed. We've run about 500 planners through it in the last year. So that they are willing to be told the story. Whether or not they're applying that story in the construction of buys, that's the next step in the process. But there's no question that at the buying level it's become mostly a mathematical game.

And if you look at the analysis that the rep firms turn out quarterly, the average time for a buy is about 10 or 12 days. The average length of a buy is about 10 or 12 days at this point in time, so, I absolutely agree with you. We've got to find a different way, a better way, to kind of lubricate the pipeline before the buy actually falls down on somebody's desk.

Maurer: I think we have to be careful when we complain or comment about the short lead times because it's one of radio's great strengths, and we've been promoting that for as long as I've been in the business. You can get on quick, and you can get off quick. So I'm not all that discouraged about short lead times on buys because I think radio has the ability to react to that where other media can't

McSorley: But when I think it puts a strain on the buying process is when the buyer just doesn't have

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Major market affiliates also eye sitcom checkerboard, but only two are definite

Comedy/game show hybrids new access tack against 'Wheel'

BY ROBERT SOBEL

Affiliates in the top 50 TV markets who don't have *Wheel of Fortune* admit there's little they can do to keep the King World game show from spinning to another first-place ratings finish in access this coming fall. However, they are trying several new vehicles in the hopes of at least slowing down *Wheel*'s momentum a little.

Most of these are game shows in the broad sense, but their emphasis is decidedly on humor, perhaps to offset the more traditional game-show genre of *Wheel* and its other powerful roommate from King World, *Jeopardy*! Of the traditional type going against *Wheel*, one major game show, *The Price Is Right*, last season's newcomer, has already become a casualty and will not return this fall. But a few, most notably Bel Air Program Sales' *The New Newlywed Game* and the mid-season entry Lorimar-Telepictures *The $1,000,000 Chance of a Lifetime*, both of which are perceived as humor/entertainment-oriented game shows, are doing well and have been renewed. Also making a dent in access is the *New $100,000 Pyramid* from 20th Century Fox.

Also in the access mix on affiliates in the top 50 markets are the long-running *Entertainment Tonight* from Paramount and Group W's *PM Magazine*. And although both appear to be losing some clearance and ratings ground, they are still getting a solid piece of the access pie.

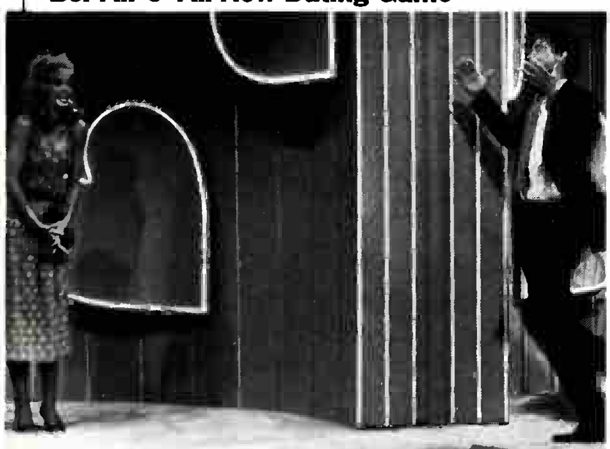
One new development in access is checkerboarding of sitcoms. And although only two affiliates are planning to run these weekly series in the time period, the future potential of checkerboarding may very well hinge on how the programs fare. (Affiliates in the top 50 markets are prohibited by the Prime Time Access Rule from running off-network fare in access).

Four new properties

Currently there are four new major first-run strip properties—other than sitcoms—entering the access arena this fall: Orion's *Hollywood Squares*; Bel-Air's *The All New Dating Game*; The Program Source's *Card Sharks*; and ABR Entertainment's *Crosswits*. While these strips will be used all over the board in time periods at affiliates in the top 50 markets, they are also scheduled to run in access in a varying number of cases. According to Peter Chislett, Katz Communications director of programming research, *Dating Game* will see access action mostly on affiliates which run two half hours as access,

Four new major first-run game show strips and entering the access arena this fall.

Bel-Air's 'All New Dating Game'



ABR's 'Crosswits'

TPS' 'Card Sharks'

Orion's Hollywood Squares'

Access* schedules—network TV affiliates, top 50 ADIs, fall, 1986

	Market	ABC	CBS	NBC
1	New York	WABC-TV News New Hollywood Squares	WCBS-TV News Wheel of Fortune	WNBC-TV News New Newlywed Game
2	Los Angeles	KABC-TV News Eye on L.A.	KCBS-TV 2 on the Town Photoplay	KNBC Entertainment Tonight Card Sharks
3	Chicago (6:00)	WLS-TV News Wheel of Fortune	WBBM-TV News News	WMAQ-TV News New Newlywed Game
4	Philadelphia	WPVI-TV Jeopardy! Wheel of Fortune	WCAU-TV Entertainment Tonight New Dating Game	KYW-TV People's Court Evening (PM) Magazine
5	San Francisco	KGO-TV News New Hollywood Squares	KPIX News Evening Magazine	KRON-TV Wheel of Fortune Entertainment Tonight
6	Boston	WCVB-TV News Chronicle	WNEV-TV News Entertainment Tonight	WBZ-TV News Evening Magazine
7	Detroit	WXYZ-TV News Entertainment Tonight	WJBK-TV News Superior Court	WDIV Jeopardy! Wheel of Fortune
8	Dallas-Ft. Worth (6:00)	WFAA-TV News News	KDFW-TV News New Newlywed Game	KXAS-TV News Wheel of Fortune
9	Washington	WJLA-TV Jeopardy! Entertainment Tonight	WUSA-TV News Wheel of Fortune	WRC-TV News New Newlywed Game
10	Houston (6:00)	KTRK-TV News News	KHOU-TV News Wheel of Fortune	KPRC-TV Undetermined at presstime

* 7–8 p.m., unless noted

(*continued on page 94*)

as a lead-out to its Bel-Air sister, *Newlywed Game*. All told, *Dating Game* has been sold in more than 145 markets, representing a 90 per cent U.S. household clearance.

Hollywood Squares probably has the most access clearances of the newcomers, says Jack Fentress, Petry Television's vice president, director of programming, "simply because when Orion began selling the show, it held firmly to that time period." Fentress continues that the premise of the show "is marvelous," and he sees the strip as having vast potential.

In Fentress's view, *Squares* represents the new breed of show that is basically entertainment with a game element in it, as a device to keep the program rolling. "It's a genre that everyone feels might compete against *Wheel* and/or *Jeopardy*! Matt Shapiro, vice president, director of sales at MMT Sales, says stations are looking to *Newlywed Game* and *Squares* to capture younger skewing audiences than the older demo usually associated with traditional game shows. He notes that when *Newlywed Game* was introduced last season, it got good demo numbers in access, "although they have dropped off in the May book because there are fewer young adult viewers in May than in November."

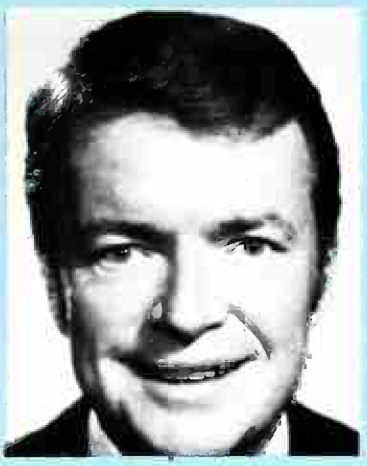
Dean McCarthy, vice president, director of program services at Harrington, Righter & Parsons, says that affiliates in the top 50 markets are taking one of two approaches to try to compete with *Wheel*. One involves the combination of *Newlywed Game* with *Dating Game*, both called by McCarthy "as really comedy shows, not game shows in the true sense of the word." And the other approach is stations combining *Entertainment Tonight* with *PM Magazine*, in an information block. Affiliates which don't exercise half hours of access generally run *ET* at 7:30 as a lead-in to their network news, points out McCarthy. But, by and large, he concedes, no one has yet discovered a successful formula against *Wheel*.

To John von Soosten, vice president, director of programming, Katz Television Group, access this fall will be business as usual, with *Wheel* as the predominant show. "Other than a lot of

(*continued on page 92*)

FEEDBACK!

"The thirst for short-term financial gain can supercede the appetite for normal business growth and development . . . It now threatens broadcasting, and with it, our tradition of service."



Thomas F. Leahy,
executive vice president,
CBS/Broadcast Group,
at affiliates' meeting earlier this year.

"I think you have to be very careful when you paint with a broad brush. You must look at such action on a case-by-case basis—who are the investors, who are the parties involved? Such a statement cannot apply to all cases of leveraged acquisition in the broadcast business. You have to temper conclusions to the facts of the actual situation."

Francis A. Martin III,
President & CEO,
Chronicle Broadcasting

"Broadcasters must be organized so they can meet their obligation to serve the public interest. That means that management must operate efficiently and still be realistic about its measures of successful performance in periods of slower advertising growth."

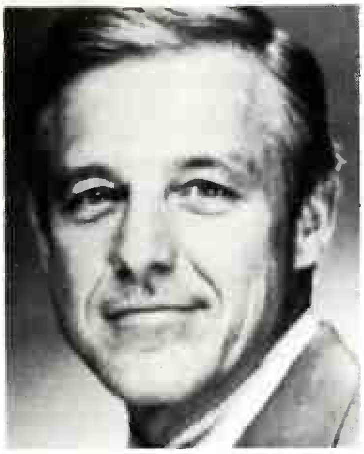
Edward T. Reilly,
Executive vice president,
McGraw-Hill Broadcasting:

"Baloney. Some of the best operated stations have the best bottom lines. A good example are the CapCities stations that have always been among the best. We must maximize community service and involvement while cutting out waste."

Stanley S. Hubbard,
Chairman & president,
Hubbard Broadcasting

"I agree. To a great extent, the deregulation of the broadcasting industry allows stations to be bought and sold by literally anyone on short notice. This has invited into broadcasting shrewd investment banking people who see opportunities for financial rewards and an impact on cash flow as sellers instead of as broadcasters."

James Rupp,
President,
Midwest Communications



"We are increasingly concerned about some of the apparently irresponsible financial decisions in the broadcast industry. These run across the board from enormous costs paid for broadcast properties to the grossly increased cost of syndicated programming, to the decisions that seem to be driven by an almost blind competition, just as in other industries such as oil and banking.

"These financial policies most likely will lead to a significant shakeout in the broadcast industry."

William Banowsky,
President,
Gaylord Broadcasting

"I think the business about threatening broadcasting is somewhat overstated. It might be more accurate to say the attention of financial people to broadcasting is changing the way we do business. I think it is very properly creating leaner, more responsible organizations; lines of reporting are clearer. In many respects, it's a changing of the guard, partly due to financial, partly due to technology."

Joel Chaseman,
President,
Post-Newsweek Stations

"A lot of the people that are buying and selling are good operators. The people that bought our corporation are investment people; they understand ratings and the things that maintain ratings,. . . I don't think they have diminished the quality of our public services."

Richard D. Dudley,
Chairman & president,
Forward Communications

"Too often in business and all industries we find those managers who will try to maximize short-run performance at the expense of the long-run health of a company. I see this happening in selective circumstances in the broadcast industry, the result of which could very well be a reduction in the quality of programming.

"I would personally counsel my colleagues in the broadcast industry to make certain that, as decisions are made, long-term consequences are carefully evaluated."

Rodney H. Brady,
President,
Bonneville International Corp.

Five more markets will add service within a year, but economic limits loom

Local meter activity breaks through in smaller markets

By ALFRED J. JAFFE

The battle between Arbitron and Nielsen to meter the major markets, which heated up in the early '80s and then seemingly cooled, hasn't really cooled at all. What looked like marking time was actually masking intense behind-the-scenes activity. As it turns out, in the next 12 months five markets will be invaded with new meter installations. This, despite continuing cries of financial pain from the broadcasters.

Furthermore, one of the to-be-metered markets, Hartford-New Haven, which signed with NSI, is the 24th DMA (and 24th ADI, also), a TV household rank which, a short time ago, would have been considered too small to afford metering. Now it's not too clear where the cutoff lies, i.e., at what level of market revenues or profits metering is clearly too rich for the blood.

One result of the Arbitron-Nielsen battle in smaller and smaller markets is the likelihood that only one metered service will be able to get the business and the other will be left with a diary operation. Another problem is that since indies are the essential grease to get a local metered service off and running, and since Arbitron and Nielsen want at least three subscribers, the smaller the market, the harder it is to find the required indie trio.

Nielsen will begin spewing out metered data from the Hartford-New Haven market next July. Hartford-New Haven will then become the 15th market to be metered by Nielsen and the third of three DMAs which will debut metered data by next summer. Currently metering 12 markets (see list), Nielsen has also scheduled Atlanta for metering this coming October and has set May, '87, as the debut date for meter data from Seattle-Tacoma.

In the latter market, Nielsen is proudly claiming "total station support," by which they mean that all the major affiliates and independents "have committed" to the service. That comprises a neat half dozen, including KING-TV (NBC), KIRO-TV (CBS), KOMO-TV (ABC), KCPQ-TV, KSTW-TV and KTZZ-TV. This coup of sorts is significant in that in a number of markets the indies alone have cleared the way for metering since they almost invariably gain audience share at the expense of affiliates.

That's what's happening, for example, in Hartford-New Haven, where the three indies—WTXX-TV, WTIC-TV and WHCT-TV—have committed and, at this writing, none of the affiliates.

In the meantime, Arbitron has revisited Cleveland, which it had shelved for metering purposes a couple of years ago on the grounds of economic hardship, and has signed up all three indies with recorded viewing, sign-on to sign-off,

Hartford–New Haven, which signed with NSI, is the 24th DMA, a TV household rank which, a short time ago, would have been considered too small to afford metering.

plus the NBC O&O, no less. The latter is WKYC-TV and the three independents are WUAB(TV), WOIO(TV) and WCLQ(TV). All have signed, says Arbitron to "multi-year" contracts, which in the current nature of things means seven years, lean or fat. Metered data will begin to flow in May, '87.

Arbitron has one more metered market coming onstream, though it's a special case. The market is Denver, where Nielsen already has been turning out metered audience profiles, but the service is ScanAmerica, which Arbitron is jointly operating with SAMI. That not only means people meters, but electronically measured product purchases by sample households. This is done by a "wand" which optically reads the bar codes on the products purchased.

ScanAmerica test results

The ScanAmerica people meter-cum-wand has been tested for a number of months with a sample of about 200 households, with what the partners consider good results. But ScanAmerica has started increasing the sample and is scheduled to build up a 600-household panel by April of next year. The service will start full operation at that time, whether there are any subscribers or not, says Anthony "Rick" Aurichio, president/COO of Arbitron and heir-apparent to chairman/CEO Theodore Shaker.

ScanAmerica will begin pitching the service by the end of this year, Aurichio says. By that time, the service will have more data under its belt, including further verification of product purchase information, a particularly important requirement. Aurichio comments, half seriously, that ScanAmerica will have to continue proving the reliability of its product purchase information "for the rest of our lives."

Nielsen's success in signing up Hartford-New Haven is due to a number of factors. The key factor is that three stations were willing to lay out the cash. WHCT-TV joined the other two indies despite (or, perhaps, because of) the fact that it did not meet minimum reporting requirements for total-day audiences in either the Arbitron or Nielsen May sweep books. If WHCT-TV did not sign, the other two indies, if they wanted to have metered data badly enough, might have had to pay the third station's share. However, there are two other indies slated to come into the market, which makes it an attractive deal for a rating service, if not for the existing indies, who face fractionalizing of the audience.

Arnold Chase, president of WTIC-TV, notes that Hartford-New Haven is an "interesting and challenging" market for the rating services. It's close to New York and some ad people who work in New York live there, he points out. It's also been noted that the market is a dual metro, with a lot of spill-in audience to New York stations, partly accounted for by cabling. Chase says that Hartford's cable system—actually six franchises run by United Cable—is the largest in the state and accounts for 24

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TELEVISION/RADIO AGE

Spot Report

September 1, 1986

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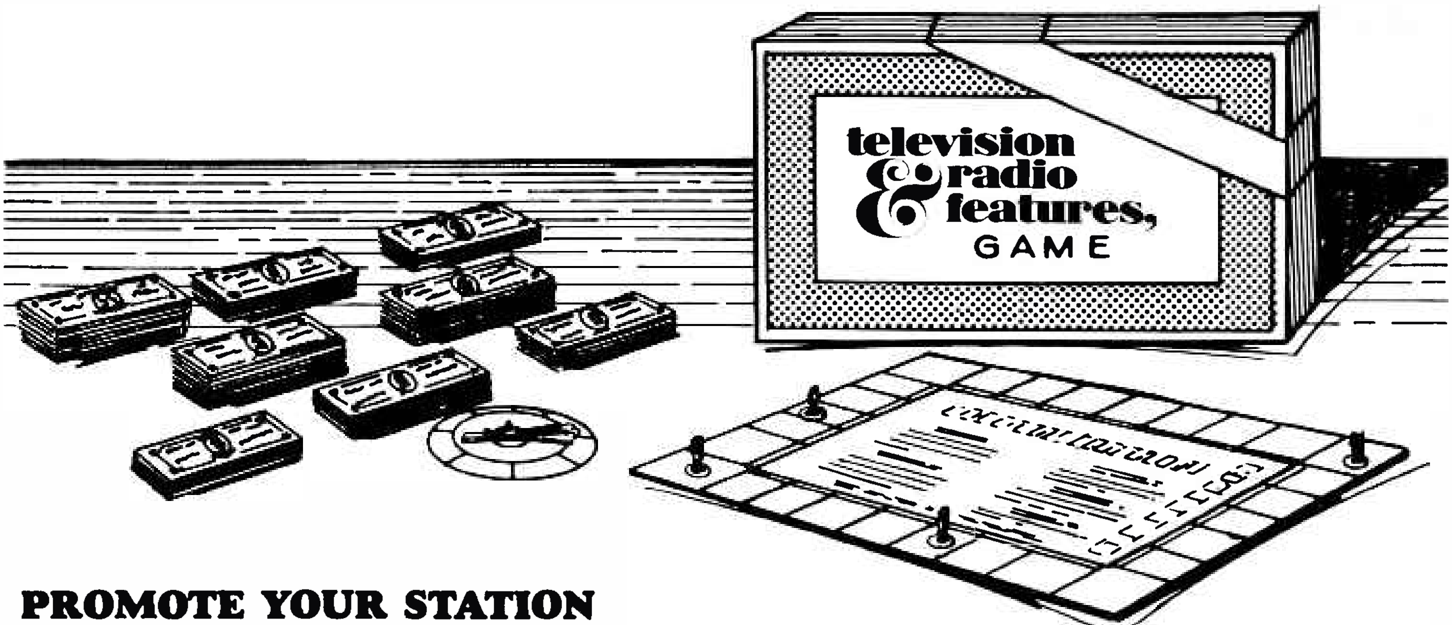

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Spot Report

September 1, 1986

Local revenues topped spot in 1st half: TvB estimates

Local TV advertising topped national/regional spot during the first half, according to TvB estimates. The bureau, employing various data sources, including Robert Coen's estimates from McCann-Erickson, figures that local business rose 14.2 per cent to $2,968 million, while spot climbed only 7.0 per cent to $2,949 million. Citing as a reason for faster local growth the development of newer business categories, many of which have been promoted by TvB, bureau president Roger Rice also noted that another reason for the sizable climb in local billings this year "is that national advertising agencies are increasingly using regional offices to place business." In short, some business that would normally be defined as spot is ending up in the local column because of direct dealing with stations by ad shops, who bypass reps. BAR figures published by TvB for the first half still show spot leading local in the 75 top markets it measures—$2,237 million vs. $2,092. TV/RADIO AGE's *TV Business Barometer* also shows spot still leading local—$2,678.9 million vs. $2,439.8 million (see *Barometer* figures in this and the August 18 issue). As to BAR figures, TvB has supplemented them in recent years since they represent only 75.8 per cent of spot and 68.3 per cent of local business.

Among the vigorous business categories affecting local TV's growth, Rice referred to local education services, up 52 per cent to $39.8 million; health care, up 40 per cent to $55.1 million; tourism, up 26 per cent to $46.7 million, legal services, up 25 per cent to $21.8 million, and leisuretime activities, up 20 per cent to $64.8 million.

Top 5 categories. TvB also reported the top five local categories for the first half: restaurants and drive-ins, up 12 per cent to $348.3 million; auto dealers, up 9 per cent to $167.7 million; food stores and supermarkets, up 16 per cent to $138.9 million; banks, savings & loans, up 15 per cent to $107.0 million, and furniture stores, up 2 per cent to $92.5 million.

The top five network TV categories were: food and food products, up 3 per cent to $770.4 million, automotive, up 15 per cent to $457.2 million; toiletries and toilet goods, down 10 per cent to $444.7 million; proprietary medicines, up 5 per cent to $396.1 million, and beer and wine, up 29 per cent to $225.2 million.

The total combined network, spot and local billings for the first half came to $10,125 million, up 7.2 per cent over the previous year.

P&G third in spot TV

Procter & Gamble ranked only third in spot TV expenditures for the second quarter, according to Broadcast Advertisers Reports. Its $38.1 million compared to $68.0 million for Pepsico and $45.7 million for Philip Morris Cos. However, it is in second place in spot spending for the year to date, through June, and in network TV it remains in first place with expenditures of $215.7 million through the first half. Philip Morris is not far behind in network spending of $186.7 million, but General Motors is a poor third at $108.2 million.

Top 10 spot TV clients

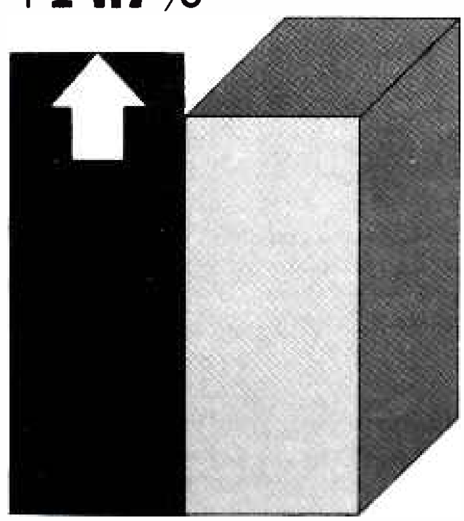
2nd quarter, 1985 TV

Parent company	*Estimated expenditures*	*Year-to-date expenditures*
Pepsico	$68,033,685	$108,648,262
Philip Morris Cos.	45,655,523	68,279,410
Procter & Gamble	38,085,635	96,353,547
McDonalds	34,275,765	57,753,810
Pillsbury	31,943,031	56,528,422
Anheuser-Busch Cos.	29,469,823	44,773,599
General Mills	26,493,520	53,944,637
Coca Cola	26,406,673	41,781,476
Political advertisements	25,414,204	33,304,971
RJR Nabisco	19,954,530	34,902,822

June

Local business *(millions)*

+14.7%



1986: $387.6 **1985: $337.9**

Complete TV Business Barometer details p. 28

Spot Report

Campaigns

Associated Milk Producers, Inc., RADIO
Crume & Associates/Irving, Texas
GOOD HEALTH is being promoted for 10 weeks that started in mid-August in a good many radio markets in Texas and neighboring states. Buyers set schedules to impress young women 18 to 34.

Barton Brands, Ltd., RADIO
Dawson, Johns & Black/Chicago
CORONA EXTRA BEER is scheduled for four to six weeks of spot advertising that started in late August in numerous western radio markets. Target audience is young men 18 to 34.

Beatrice Foods, RADIO
Zechman & Associates/Chicago
SWIFT MEATS are set for three weeks of spot placement planned for a late August start in a long and coast-to-coast lineup of radio markets. Negotiators arranged schedules to reach women 25-plus.

Campbell Taggart, Inc., TV
The Bloom Agency/Dallas
EL CHARRITO MEXICAN TORTILLAS are being pitched for four to eight weeks that started in early September in a good many western and mid-southern television markets. Media worked with daytime, news and fringe inventory to appeal to women 25 and up.

Ciba-Geigy Corp., TV
Foote, Cone & Belding/Chicago
SUNKIST VITAMIN C is being prescribed for eight to 12 weeks that started in early September in a fair lineup of western television markets. Negotiators arranged for a full arsenal of dayparts to reach both men and women 18 and up.

Dart & Kraft, TV
NW Ayer/New York
BREYERS ICE CREAM and OTHER FOOD ITEMS are sharing 13 weeks of third quarter spot exposure in a long and nationwide list of television markets. Buyers placed a full range of dayparts to reach women 25-plus.

Isaly Co., RADIO
W. B. Doner and Co./Baltimore
KLONDIKE ICE CREAM BARS will be offered for four weeks starting in early September in a long and nationwide lineup of radio markets. Media team arranged schedules to attract women 18 and up.

The Maytag Co., TV
Leo Burnett Co./Chicago
HOUSEHOLD APPLIANCES are being recommended for two to three weeks scheduled to break on various September air dates in a long and coast-to-coast list of television markets. Media worked with daytime, news and fringe inventory to attract women 25 and up.

Morton Thiokol, Inc., TV
Needham Harper Worldwide/Chicago
MORTON SALT is being advertised for six to 13 or more weeks that started in mid-August or will commence in October in a long and nationwide spread of television markets. Negotiators concentrated on daytime and fringe placement to reach women 25-plus.

OkiData Corp., RADIO
Shimer von Cantz Inc./Philadelphia
COMPUTER PERIPHERALS are being sold for three weeks that started in late August in a nationwide lineup of larger radio markets. Buying team set schedules to appeal to men 25 and up.

Quaker Oats Co., RADIO
Berry-Brown Advertising, Inc./Dallas
VAN CAMP'S PORK & BEANS are appearing for two to four weeks in spot advertising that started in late August in a good many midwestern and Texas radio markets. Target demographic is women 25-plus.

Ralston Purina Co., TV
Tatham-Laird & Kudner/Chicago
CONTINENTAL BAKING CO. WONDER BREAD is being recommended for four weeks that kicked off in early September in a long and coast-to-coast lineup of television markets. Buying group placed primetime, daytime, fringe and sports adjacencies to reach women 18 and up.

Southwestern Bell Corp., RADIO
D'Arcy Masius Benton & Bowles/St. Louis
TELEPHONE SERVICE is using seven weeks of radio advertising that started in early September in a select grouping of markets in Texas, Oklahoma and Kansas. Buyers set schedules to attract both men and women 25 and up.

Mrs. Smith's Frozen Foods, TV
Leo Burnett Co./Chicago
EGGO WAFFLES are being featured for 10 to 15 weeks that kicked off in late August in a long and coast-to-coast list of television markets. Media team lined up daytime,fringe and kid inventory to appeal to women, children and teenagers.

Time Inc., RADIO
BBDO/New York
HOME BOX OFFICE PAY CABLE is set for two weeks of spot advertising scheduled to begin in mid September in a fair lineup of radio markets across the country. Buyers placed schedules to attract both men and women 18 and up.

United Airlines, RADIO
Leo Burnett Co./Chicago
BARGAIN PRICES for air travel are being featured for four to 10 weeks that took off in late August in a long and nationwide spread of flight destinations. Preferred demographic target is adults 25 and up.

Weight Watchers, TV
Stone, August & Company/Birmingham, Mich.
REDUCING PROGRAM is being recommended for four to five weeks that started in early September in a long and widespread lineup of television markets. Media worked with a full range of dayparts to attract women 35-plus.

Less is new

Procter & Gamble's new Puritan salad oil, reformulated with low-fat canola vegetable oil, kicked off national television advertising on the networks in mid-August, following successful test marketing in West Coast locations. Agency for the launch is Grey Advertising and the target audience is women 25–54. P&G's consulting nutritionists say canola, "available for the first time in this country as a cooking and salad oil, contains 50 per cent less saturated fat than corn or other leading vegetable oils."

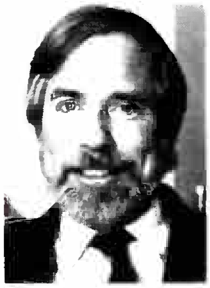
Si, RC!

Television, radio and outdoor advertising are carrying the new "Si, RC!" message to Hispanic audiences for Royal Crown Cola. Agency is The Carrido Group in Miami. Sal Lopez, RC's national Hispanic market manager, says the campaign alternatives were a separate marketing plan for each major market segment—Mexican, Puerto Rican and Cuban, or a single program to appeal to all Hispanics. The decision was for a single campaign to appeal to all U.S. Hispanics—"a program national in scope, yet regionally sensitive."

Appointments

Agencies

Arnold Semsky, executive vice president, director of media and programming services at BBDO/New York, has been elected a senior vice president of BBDO Worldwide. He joined BBDO seven years ago and has headed media in New York since 1979.



Steven Auerbach has joined Ally Gargano/MCA Advertising, Ltd. as senior vice president and director of network programming. He moves in from Backer & Spielvogel where he had been vice president, director of network programming. At Ally/MCA he reports to **Dawn Sibley,** senior vice president and media director.

Carole Smith has been promoted to manager of broadcast research and **Barbara Callan** and **Nancy Terry** step up to media group heads at McCann-Erickson/New York. Terry and Callan had been media supervisors, and Smith advances from assistant research manager.

Jeffrey W. Singer has been named vice president, associate media director, at Saatchi & Saatchi Compton in Detroit. He joined the agency last December from Grey Advertising where he had been the group media head on Renault—which he now supervises at Saatchi, along with media work for the International and Fleet accounts.

Jolene M. Fedrick and **Debra Kassidis** have been promoted to vice president/associate media directors at William Esty Co. Kassidis came to Esty in

Retail Report

Understanding 'Store Wars'

About three years ago, Morris Saffer, president of Saffer Cravit & Freedman, Toronto-based retail ad agency, gave a speech in Chicago called "Store Wars," which, in his words, described "the battle for survival that retailers would face in the '80s."

In the audience was the president of Carson Pirie Scott. Recalls Saffer: "He asked me if I could work for them." SC&F took on the Chicago-based department store group as an account, and the agency's generic image campaign, "Carson's Is For Me" has won some awards and generated a lot of conversation. So much so that Saffer Cravit & Freedman now has three other major U.S. department store clients: Filene's, Boston; Woodward & Lothrop, Washington, D.C.; and The Parisian, Birmingham, Ala.

SC&F, which does more than $100 million in billings, has a clear-cut philosophy for retailers—"the store as a brand, as opposed to being a distribution center for other brands." A retailer, Saffer points out, "can bring more power to a marketplace than any national brand. What we do is set up a marketing position, a target customer. Positioning advertising in a vacuum doesn't mean anything."

And while the Canadian agency may have made its greatest U.S. impact with its image commercials ("Feeling Filene's, "Parisian Point of View in Everything We Do"), Saffer emphasizes that the advertising is aimed "not only at share of mind but at real sales objectives. We're very much bottom line-oriented. Generic advertising does not work by itself—only when it's integrated as part of the whole campaign."

For instance, the "Feeling Filene's" campaign, launched for the Federated Department Stores unit this spring (TV/RADIO AGE, May 12), was spearheaded by a 30-second generic TV commercial, but that spot was backed up by "Feeling Filene's" print ads that featured specific merchandise. The TV commercials, Saffer feels, made people more responsive to the followup print ads. "When we asked for the order, they responded."

Saffer also has some cogent advice for retailers with regard to media selection. As pointed out in his original "Store Wars" speech, retailers have had "to learn how to make money with lower margins and higher operating costs." As part of that strategy, they've also had "to cut advertising expenses." The only way to do that, he said, is through "efficient use of the media to maximize money."

That means that retailers are "no longer afraid to choose radio over print if the demographics work out right—the old excuses of print for sales and radio for image just won't work . . . Equally, radio is having to fight for its place against TV. No medium can write its own ticket, wing it. The information must be relevant to making decisions."

Saffer, incidentally, is a firm believer in psychographic lifestyle marketing tools to help define a retailer's target customer. In the U.S., the agency employs the Values & Lifestyle Study (VALS) developed by the Stanford Research Institute of California that divides the population into "need-driven," "outer-directed" and "inner-directed" consumer groups.

Retailers who fail to understand the psychographic or "emotional" differences among consumers could be courting disaster, in Saffer's opinion, because he sees "a very definite trend toward the end of the mass merchandisers as we now know it and the growth of more specialized mass merchants." Two examples of how understanding (or not understanding) customer traits can help or hinder a marketing objective: "Marks & Spencer didn't define its relationship before it attacked the Canadian market and has suffered for a decade until it found love. [On the other hand], Benetton succeeded in tapping into the same trend emotions in North America that it discovered in Europe, and the love affair was immediately consummated!"—**Sanford Josephson**

1977 following posts with Benton & Bowles and Ted Bates. Fedrick joined the agency in 1981 from Della Femina, Travisano & Partners.

Sharon Weinberg Menking has been promoted to vice president, associate media director at SSC&B:Lintas USA. She joined the agency in 1981 following posts with Saatchi & Saatchi Compton and with Foote, Cone & Belding, and now steps up from assistant media director.

Lorraine Morgan has been elected a vice president of Ketchum Advertising/Pittsburgh. She is an associate media director overseeing media work on such accounts as Alba, Heinz, Westinghouse, PPG and Pittsburgh National Bank.

Rosemary Driscoll has joined Ingalls, Quinn & Johnson as market research manager. She moves in from Washington, D.C. where she had been a study director with Market Facts, Inc.

Patricia Germain has been promoted to broadcast supervisor at Ross Roy/Detroit. She came to the agency in 1979 as a secretary and now steps up from assistant broadcast supervisor.

Jackie Seligman has been promoted to media supervisor at Laurence, Charles, Free & Lawson in New York. Her assignments include the agency's McDonald's and General Mills accounts.

Mary Ann Terlinden has been named a senior media planner for the Cincinnati office of Fahlgren & Swink. She came to the agency in early 1984 as a buyer from Freedman Advertising.

Cindy Groeneveld has joined McCann-Erickson/Detroit as a broadcast buyer reporting to broadcast supervisor **Barbara Moser.** Groeneveld moves in from posts at TeleRep and at J. Walter Thompson.

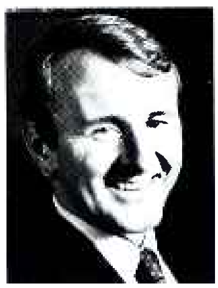
Laura J. Feist has been promoted to senior media planner/buyer at Ensslin & Hall Advertising in Tampa. She joined the agency earlier this year from Tavernier, Perez, Molsick & Associates where she had been media director.

Pam Monaghan is now a media planner at Bozell, Jacobs, Kenyon & Eckhardt/Chicago. She was formerly with Jack Levy & Associates.

Media Services

Stuart I. Bodow has joined Time Buying Services, Inc., a division of RDR Associates, as vice president, marketing and client development. He comes aboard from Media General Broadcast Services where he had been a senior account supervisor.

Representatives

Erica Farber and **Marc Guild** have been promoted to executive vice presidents at Interep. Guild moves up from vice president/sales and operations for Internet to become general manager of Interep's unwired network division. Farber, who had been vice president/general manager of Interep Marketing Systems will now be Interep's radio development director and spearhead the company's Major Account Selling Program.

Daniel Parisi has been appointed national sales manager for the Ranger and Rebel sales teams at Seltel/New York,and **Sabrina Leonard** has been promoted to Houston sales manager. Leonard steps up from account executive and Parisi had been a team manager.

Susil Hearst has been promoted to group sales manager of TeleRep's R Team in San Francisco. She had been an account executive with the R Team for the past seven years.

Jeff Dashev has been promoted to executive vice president/western division for McGavren Guild Radio. He moves up from vice president/Los Angeles regional manager to succeed **Les Goldberg,** now president and chief operating officer of InteRep.

Edward Tinney has been appointed manager of Seltel's Warrior sales team in Los Angeles. He replaces **Lavada Heath** who is now vice president/Los Angeles office manager for Seltel.

Julie Troy has been appointed an account executive at CBS Radio Representatives in San Francisco. She moves in from Chicago where she had been with the sales staff of WGN.

Richad J. Landesman has transferred to the New York sales staff of Select Radio Representatives as an account executive. He had been marketing manager in Select Radio's Marketing and Research Department.

New digs

New Los Angeles offices for all Interep Companies have moved to 10880 Wilshire Blvd., Suite 1215, Los Angeles, Calif., 90024. The new telephone numbers that go with the new address are: Durpetti & Associates (213) 475-5513; Hillier, Newmark, Wechsler & Howard (213) 470 7178; Major Market Radio (213) 474 5311; McGavren Guild Radio (213) 470 3383; and Weiss & Powell (213) 475 0033.

Hispanic unit

Bergelt Litchfield Inc. has acquired Spanish-language agency JI Advertising and changed the name of the Hispanic shop to Bergelt Litchfield Iribarren. David H. Venghaus, chairman and CEO of Bergelt Litchfield, says BLI is set up to serve both international and Latin American clients and to develop specialized marketing/communications efforts targeted to Spanish-speaking Americans.

BLI is headed by Jaime Iribarren who founded JI Advertising in 1976 with partner Lynn Ritzler, also now with BLI. Born in Chile, Iribarren got his agency start with McCann-Erickson in a number of its Latin American offices where he became a senior art director. He came to New York in 1960 where he worked for Bozell & Jacobs and for Koehl, Landis & Landan. BLI starts out with JI clients Lan Chile Airlines and USA Fruit.

Joseph D. Eisberg has joined Katz Continental Television as a sales executive in New York. He had been general sales manager at WTZA-TV Kingston, N.Y. At Katz, he's assigned to the Southeast station group headed by **Mike Spiesman.**

Janie Roling has been promoted to the Atlanta sales staff of Eastman Radio. She has been a sales assistant for Eastman in both the rep's Dallas and Atlanta offices.

Clay Ashworth has joined Hillier, Newmark, Wechsler & Howard as an account executive. He had been national sales manager for WMAQ-FM Chicago, and before that was general sales manager for KFIM(FM) and for KINT AM-FM, both in El Paso, Texas.

Carol Williams and **Robert C. Neville** have been added to the sales staff of Blair Radio's San Francisco office as account executives. Neville transfers from the rep's Los Angeles office and Williams, a former Denver office manager for Avery-Knodel Television, has most recently worked on sales and research proposals for such radio stations as KNEW/KSAN(FM) San Francisco.

Ron Strauss had joined the sales staff of MMT Marketing in New York. He had been selling for the Lancers sales team at Katz Independent Television and before that he had been an account executive with Metromedia.

Albert J. Romano is now a sales executive at Katz American Television. He moves in from Seltel and at Katz is assigned to the New York Red sales team, headed by **Chickie Bucco.**

Chase buys

Chase Broadcasting Co. of St. Louis has acquired KGLD/KWK(FM) St. Louis from Robinson Broadcasting of Missouri for $6.9 million, subject to FCC approval. Robinson Broadcasting principals are Thomas J. Embrescia, Larry Pollock and Larry J. B. Robinson. Chase is headed by Roger M. Freedman, chairman, and Perry Ury, president. Broker in the transaction is H. B. La Rue of New York. Chase's parent company, Chase Communications Corp., is headquartered in Hartford, Conn. and owns WTIC AM-FM Hartford and WSTC/WSYR(FM) Stamford, Conn.

One Seller's Opinion

How to generate 13 months of revenue for your TV station

Westerberg

At the heart of every television sales manager's job is making and overachieving budget. Oh sure, being customer-focused, driving rates, managing inventory and developing the sales staff are in there too. But miss a few budgets in succession and chances are you won't have to worry about the other responsibilities. Achieving revenue goals is the yardstick by which we are measured.

A program that can help achieve revenue goals is development of a series of events that when applied throughout the year will bring in additional total revenue equal to another period: in short, a 13th month. These are revenue producing special events either created or adapted to your station selling/marketing plans. But the events or their structure is not so important as is planning value and presentation.

Our sister station, WSMV-TV Nashville, has six projects planned this year: one major, three average, and two smaller events. The major campaign is called *Homecoming '86 Salutes*, and ties into a statewide celebration that takes place throughout the year. Add to this a quarterly project, two new vendor programs, a couple of seasonal events, and the station is set up for the year.

Successful revenue producing projects don't just happen. They require a lot of lead time and planning. Often, the idea is the easiest part, and the work is conceptualizing the idea into a workable project, given the structure of your station. These projects often require a lot of cooperation between departments, production, creative services, and yes, even news. *Homecoming '86 Salutes* took nine months from conception and planning until the first schedule started to run.

Since many such projects are out of the realm of traditional selling opportunities, planning and communication should take place at all levels. Often the general manager establishes the priorities and responsibilities of each department involved. And although top-down involvement is important to set responsibilities, feedback and communication from the actual "doers" is essential to make the project work.

Value or perceived value to your clients is crucial to success. A genuine opportunity must exist, but again, the type of opportunity is not as important as the concept of it. For the *Homecoming '86 Salutes*, the concept of "cause related marketing" was used as a key sales point. A holiday greeting package focused on good will at an appropriate time of year. A successful vendor program must convey the benefits of strong sell through of product at retail and economies of special media purchases. The stronger the concept of value, the better your chances of a successful project.

Finally, your event must be presented in a form that can, in itself, close. For advertiser presentations, we recommend both a written and video pitch, complete with video spokesperson, story boards and spec spots so the prospective advertiser can visualize his participation. All this may sound like a lot of work, but the days of merely selling spots are over. So go ahead, start planning your "extra month." Thirteen could be your lucky number.—**John Westerberg,** *president and general manager, WEAU-TV Eau Claire, Wisc.*

Jeff Basler and **Anna Chinappi** have been named account executives in the Dallas sales office of Blair Television. Basler comes from the sales staff of KLZ/KAZY (FM) Denver to replace Sal Tofano, now an account executive on Blair's Independent Red Team in New York. Chinappi came to Blair in 1982 and last year was named a team supervisor for the rep's CBS/NBC teams.

Marge Lewis has been appointed an account executive in the Minneapolis office of TeleRep. She moves in from Martin Williams Advertising where she had been bradcast media manager and before that she had worked for Cash Plus and for Campbell-Mithun.

Michael Goodman has joined Harrington Righter & Parsons in New York as an account executive on the Green Team. He was formerly an account executive for MMT Sales.

Maureen Toomey is now an account executive with the Detroit sales office of Hillier, Newmark, Wechsler & Howard. She had been with the sales staff of Republic Radio and before that had been an account executive for McGavren Guild.

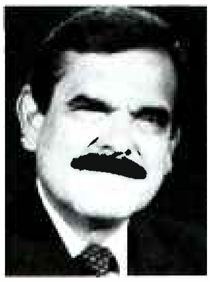
Susan Donnelly has joined the Detroit office of Republic Radio as an account executive. She had been selling for WQRS Detroit, and before that had been with Christal Radio.

Looking for stations

Rosenblatt

Financial Capital Broadcasting Co. has been formed by Miami-based Financial Capital of America, Inc. to acquire and operate broadcast properties. Sam Rosenblatt, former vice president, general manager of WTMI(FM) Miami, who has been named president of the new entity, says he's looking for broadcast facilities, "initially radio stations, in the top 30 markets. Our preference is for FM stations with good signals in markets that have growth potential. Our intent is to assess the radio needs of the markets we enter and, where appropriate, make whatever changes will enable the station to meet those needs and operate profitably."

Stations



John Vera has been named vice president, general manager of KCBA-TV Salinas-Monterey-Santa Cruz. He comes to the Ackerley Communications station from KMST-TV in the same market where he had been general sales manager.

Robert L. Simmons has been elected president of the Sinclair Group, which consists of three TV independents and CPs for two others. He had been vice president, sales, for the group since 1978 and vice president, general manager of WTTE(TV) Columbus, Ohio, for more than a year.

Joe Heslet has been appointed general manager of SRO Broadcasting's recently acquired KHIH(FM) Denver. He was formerly general manager of KMJ/KNAX(FM) Fresno, Calif.

David D. Boylan has been named vice president, general manager of Taft Broadcasting's WGHP-TV Greensboro-Winston-Salem-High Point. He had been station manager for NBC's WKYC-TV Cleveland.

Christopher Conway is now president and general manager of KSDO AM-FM San Diego. He returns to Gannett after two years as president of Conway Communications of St. Louis. Before that he had been vice president/marketing director of KIIS(FM) Los Angeles.

Thomas J. Post has been appointed general sales manager of WHNS-TV Greenville-Spartanburg-Asheville. He steps up from national sales manager of the Pappas Telecasting station.

Garry H. Ritchie has been appointed vice president, general manager of WDAU-TV Wilkes-Barre-Scranton, effective with its transfer to new owner Diversified Communications. Ritchie had been vice president, general manager of WCJB(TV) Gainesville, Fla., also a Diversified property.

Hugh Breslin moves up to general manager of Great Trails' WHAG-TV Hagerstown, Md. (Washington) to replace **George Wymer,** now vice president, general manager of WIZE Springfield, Ohio, also a Great Trails radio station. Breslin had been general sales manager of WHAG-TV.

Jack R. Donahue has been appointed general manager of Heritage Communications' KDLT-TV Sioux Falls-Mitchell, S.D. He was formerly vice president/general manager of Burke Broadcasting's KYCU-TV Cheyenne, KSTF-TV Scottsbluff, Neb., and KTVS-TV Sterling, Wyo.

Operating company

Gordon H. Hastings, formerly of Katz Television and RKO Radio, has formed Hastings Broadcasting Corp. to acquire and operate broadcasting properties. Hastings says the company's goal is to build a group of radio stations, "focusing initially on medium-sized or smaller markets in the Northeast, with our first station within reasonable proximity to New York."

This, he says, is because "running a radio station right requires hands-on involvement, and I intend our company to be an *operating* company, not a holding company—an operating company in which I'll be closely involved with the stations and their communities."

Hastings, a former vice president, general manager of RKO-FM Radio Representatives in New York and onetime president of Katz Television, is currently president of the International Radio and Television Foundation, a past chairman of the IRTS Annual College Conference, and a past director of the Station Representatives Association.

Media Professionals

Reasons behind growth of barter syndication

Dennis Silverman

Senior vice president, Media Operations
Bohbot & Cohn
New York

Dennis Silverman of Bohbot & Cohn sees barter syndication as "an excellent alternative to the networks because it's an affordable way to build a national base of exposure for our accounts. It doesn't require the massive amounts of money it takes to match advertisers on the order of General Foods or Procter & Gamble in trying to leverage the networks."

Silverman notes that, "When it comes to reaching household purchase decision makers, syndicated properties like *Wheel of Fortune*, *Jeopardy* or *The New Newly Wed Game* offer some very viable alternatives that don't leave negotiators between a rock and a hard place with the networks. They offer us an additional direction in which we can take an account."

But Silverman does point out one potential drawback of barter syndication from the advertiser's standpoint: "That's the extent to which barter takes away spot inventory from the stations that the barter show appears on, thus cutting into supply. In this sense, barter can act to solidify pricing of the smaller supply of spot inventory remaining, thus tending to force rates higher for national spot accounts."

On the other hand, he notes that this would become a real drawback, "only when other forces also combine to tighten up the spot marketplace. Fortunately, this hasn't happened lately, and advertisers haven't seen any horrendous spot rate increases in recent quarters."

At the same time, he adds, "Barter holds down station overhead for all seasons, tight or loose, because it provides a growing source of programming that they don't have to worry about producing cash to get. And another advantage for clients is that the syndicators always guarantee audience delivery, either in terms of cash back or in additional spots."

While the networks also provide guarantees, Silverman says the networks' makegood spots "aren't always those most favorable to our clients. For instance, we have a number of toy clients, so what we need is makegoods in children's programming during fourth quarter, and we can't always get that from the networks.

Ritchard P. Homberg has been named sales manager of Group W's WINS New York. He returns to WINS from a post as sales manager of KMEO AM-FM, the Group W stations in Phoenix.

Gary S. Rozynek is now general sales manager of WAVA(FM) Washington, recently acquired by Emmis Broadcasting from Doubleday. Rozynek moves in from WENS(FM), Emmis' radio station in Indianapolis, where he had held the same position.

Cliff Williams has joined KTVL-TV Medford, Ore., as general sales manager. He had been general sales manager at KTVZ-TV Bend, Ore.

Anthony J. Vinciquerra has been named general sales manager of WBZ-TV Boston. He comes to the Group W station from Washington, D.C. where he had been general sales manager of Taft's WDCA-TV.

Mark De Boskey has returned to San Diego as general sales manager of KYXY(FM). He had been general manager of KKNU(FM) Fresno-Visalia.

Mike Benjamin has been promoted to sales manager of WRKT Cocoa, Fla. He moves up from account executive for WRKT and its sister station, WSSP(FM).

Don Waier has been named general sales manager of KSTS-TV San Jose. He moves in from the *San Jose Business Journal* where he had been sales manager and director of marketing.

Leonard J. Hart is now general sales manager of WLTE(FM) Minneapolis-St. Paul. He had been vice president, general manager for Malrite's WNYR/WEZO(FM) Rochester, N.Y.

New Station

On the Air

KTMA-TV Minneapolis; Channel 23: ADI, Minneapolis-St. Paul. Licensee, KTMA Acquisition Corp., 2505 Kennedy St. Northeast, Minneapolis, Minn. 55413. Telephone (612) 623-0200. Donald O'Connor, general manager; Leon Serruys, general sales manager. Represented by Independent Television Sales. Air Date, September.

Buyer's Checklist

New Representatives

CBS Radio Representatives is now exclusive national sales representative for KQV Pittsburgh. The news/talk station is owned by Calvary, Inc.

Christal Radio has been named national sales representative of KIMM/KGGG(FM) Rapid City, S.D. KGGG offers contemporary hits and KIMM programs a country music format.

Hillier, Newmark, Wechsler & Howard have assumed national sales representation of KYXY(FM) San Diego and KJR Seattle. KJR airs a personality adult contemporary sound, and KYXY programs a top adult contemporary and gold hits format.

Independent Television Sales has been appointed national sales representative for KTMA-TV Minneapolis-St. Paul. The new independent is owned by KTMA Acquisition Corp., and Edward H. Herlihy, former general manager of WATL-TV Atlanta, is president.

Major Market Radio has been appointed national sales representative for the United Broadcasting Co. and its stations including KSOL(FM) San Francisco, KALI Los Angeles, WJMO/WRQC(FM) Cleveland, WKDM, New York, WYST AM-FM Baltimore and WINX Rockland, Md. All three Maryland stations broadcast adult contemporary formats, WJMO and KSOL offer urban contemporary music, KALI and WKDM are contemporary Spanish stations and WRQC has a CHR format.

Petry Television has been named national sales representative for KSAT-TV San Antonio. The ABC affiliate is owned by H&C Communications.

New Call Letters

KTKA-TV Topeka is the new call designation of KLDH-TV, the ABC affiliate recently acquired by Joseph and Marion Brechner of Orlando, Fla. Manager of the stereo station is Dennis Czechanski.

Transactions

Narragansett Capital Corp. has completed acquisition of KOVR(TV) Stockton-Sacramento from **Outlet Communications Inc.** for $123.5 million.

NewCity Communications of Bridgeport, Conn. has completed its $68.3 million leveraged buyout of the Katz Broadcasting Co. from **Katz Communications, Inc.** The purchase includes the American Comedy Network which syndicates comedy material to 150 radio stations as well as 11 radio stations formerly owned by Katz. They are WYAY(FM) Gainesville-Atlanta; WZZK AM-FM Birmingham, Ala; WEZN(FM) Bridgeport, Conn.; WDBO/WWKA(FM) Orlando; WSYR/WYYY(FM) Syracuse, N.Y.; KWEN(FM) Tulsa; and WFTQ Worcester and WAAF(FM) Worcester-Boston. NewCity plans to sell WFTQ.

Noble Broadcast of Boston has agreed to purchase WSSH(FM) Boston for $19.5 million, subject to FCC approval. Chairman and principal stockholder in the station is Arnold Lerner. John Lynch is president of Noble, which plans no changes in format or personnel of the station.

The First Step On Your Path To Selling Co-op...

1. The Co-op Source Directory, the most comprehensive source of manufacturer co-op programs available anywhere. Over 3,800 complete program summaries (8,000 brand names) organized in a simple, easy-to-use way. Each listing includes key program information: manufacturer, product classification, accrual rate, eligible media, contact name and number and more. The Co-op Source Directory simplifies your search for co-op, makes your promotion planning easier and results in more effective use of your time.

THREE STEPS TO GUIDE YOU THROUGH THE CO-OP MAZE...

With the SRDS Co-op Identification System you can eliminate those blind alleys, false starts, missed deadlines and lost co-opportunities that prevent you from successfully managing co-op information.

Another Step In The Right Direction...

2. Customized Data Base Reports, are supplemental working tools designed to contain only the information essential to your specific sales needs. They are particularly valuable in generating sales leads...identifying co-op funds available to retail accounts...pinpointing expirations...conducting co-op audits, and saving you and your retail accounts time and money.

The Final Step To Effective Co-op Management...

3. Co-op Recovery Printouts, computerized printouts available in 8 retail categories, designed as a sales tool to help you work with retailers to identify the co-op funds the retailer qualifies for. All you add is earned accruals — you and the retailer can then easily develop an ad schedule.

These three indispensable tools are derived from the SRDS data base of co-op information. This data base is constantly updated, so you're assured of the most accurate information possible.

Best of all, the SRDS Co-op Identification System is available on an as-you-need-it basis. No long term contracts. As your needs change, you can request the products that fit those needs.

For more information on how the SRDS Co-op Identification System can successfully guide you through the co-op maze...send in the coupon or call Dave Johnston at 1-800-323-4601 (in Illinois call 312-441-2134).

Yes! I'd like more information on the SRDS Co-op Identification System...

☐ **Co-op Source Directory** ☐ **Customized Data Base Reports** ☐ **Co-op Recovery Printouts**

Name ________________ Title ________________

Company ________________ Telephone ( ) ________________

Address ________________

City ________________ State ________________ Zip ________________

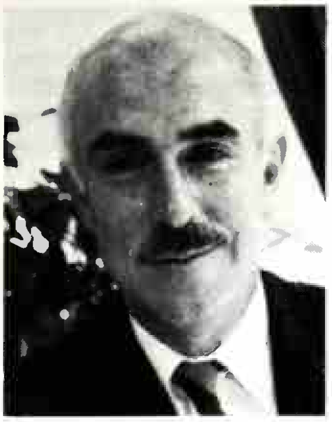
Co-op Identification System
Standard Rate & Data Service, Inc., 3004 Glenview Road, Wilmette, IL 60091 TR

Co-op Identification System

Standard Rate & Data Service, Inc., 3004 Glenview Road, Wilmette, IL 60091

Viewpoints

Gordon Link



Executive vice president, worldwide media director, McCann-Erickson in a recent speech before the National Academy of Television Arts and Sciences in New York.

Impact of fragmentation on mass media world continues unabatedly

The media world of 1986 is being impacted by several discrete events and continuations of patterns of development that have evolved over the recent past.

The fragmentation of the mass media began several years ago as new and more specialized media vehicles and the systems to distribute these new forms came into wider penetration. The atomization—the fragmentation—of the mass media continues unabated.

The continued growth of special interest (more narrowly editorially focused) magazines is exemplified by the thriving of such vehicles as *Byte* and *Road & Track*, while the traditional mass books like the once powerful and omnipresent seven sisters of the women's service field are continually revising and recalculating their rate bases downward.

Cable television now is at the 45 per cent household subscription level and while there are many in the industry who believe that the marginal growth to the next plateau of 55 per cent will be extremely difficult, if not impossible, the vast wiring of the American continent has generated new and reasonably viable viewing options.

There are now extant examples of successful narrowcasted (or narrow-focused) ad-supported cable networks—like MTV and CNN—both of whom have now turned the corner to profitability, and both of whom are vertically programmed—providing the same basic kind of thematic programs throughout their broadcast days. Other burgeoning advertising-supported networks—USA and CBN—are horizontally programmed much like the traditional mass networks of ABC, CBS and NBC.

The growth of cable systems over the last decade has also resulted in the ascendency of strong independent television stations. The must-carry rule [initially] required that local cable systems carry the signals of indigenous independent stations. This resulted in wider distribution of clearer signals throughout their markets, which in turn led to bigger audiences, the ability to charge advertisers more for these larger viewer bases and the reinvestment of these new streams of advertising revenues into better quality of network and first-run programming—leading of course to bigger audiences.

The research revolution

The advent of people meters and other new forms of audience measurement in the U.S. (thanks to AGB for roiling the waters here with its Boston test) has pressured the previously monopolistically lethargic A. C. Nielsen and Arbitron to actively seek out, listen to and act on the complaints and suggestions of their clients (the agencies and media that subscribe to these audience research firms).

The result is a new focus on testing and developing people meters (among new innovations), which will in turn signal new methods of calculating audiences, negotiating media buys and developing the computer hardware and software base that will be appropriate to handle the tidal wave of new data that will sweep over all facets of the industry.

And let us not forget the profoundly important effects of the rise of the videocassette player. Now at 38 per cent U.S. penetration and rising rapidly, VCRs take more and more of our potential audiences out of the advertising impact game for at least a few hours per week. More and more testing and probing will have to be done in order to find some way of utilizing this influential new medium in an advertising sense.

The zapping generation

The multitude of viewing options on cable, plus strong and attractive independents, plus VCRs, plus the prevalence of remote control devices have begun to condition audiences to not simply sitting back and watching the same channel throughout the day and night, but to actively seeking out more attractive programming and commercials (or seeking out the absence of commercials) by such manifestations of audience flight as channel switching and zipping and zapping.

The 1960s theory of "least objectionable programming" controlling the viewer's attention is dead and buried.

The 15-second commercial is already on the way and at the moment offers a favorable cost impact ratio versus the current 30-second standard; the cost is about 50–55 per cent of a 30, yet it delivers about 75 per cent of the impact as dimensionalized by the current measurements of attention and recall.

But, eventually, we anticipate that as the 15 becomes more and more of a standard, the prices will rise, the cost-to-impact ratios will decline and the overall impact of the television medium will decay as more and more viewers switch or zap out of commercial pods that will then contain say eight 15-second spots instead of four 30s.

It will be our greatest challenge to find ways to work within a 15-second world without sacrificing the media and impact values that we currently have.

Programming/Production

Viacom looking to colorization

Viacom Enterprises is eyeing colorization on at least one golden oldie black-and-white product initally and if it does well will go the colorization route with others. First program likely to be colorized will be *I Love Lucy*, 179 half-hours. The timetable for a colorized *Lucy*, however, is up in the air at this point, depending in part on how far the colorization process advances.

In an interview, Joseph Zaleski, Viacom Enterprises president of domestic syndication, says that "we will have to do one of the black-and-white series soon" as a means of revitalizing some of the oldies, which in turn will add up to new sales at the company. For example, he continues, "if we colorize *I Love Lucy*, it would give it a reason to be moved from the noon time period, where it generally has been playing, to a 4 p.m. time period or even 6 to 8." Once that happens, he continues, the numbers will be higher.

Joseph Zaleski

A go-ahead for ordering colorization of other oldies will hinge primarily on whether the initial entry works, he continues, because of the costs involved in colorizing a black-and-white film, \$200,000 per film, which Zaleski calls prohibitive. Future colorization possibilities include World War II footage acquired by Viacom.

Down the line, Zaleski adds, the colorization process will create a different viewing of the classics and will give them a new birth as well. When it comes to a solid-pulling *The Honeymooners*, Zaleski says he's reluctant to put the series in color at this point. "*Honeymooners* works, and I'm afraid to have anyone touch it."

Zaleski says he sees such large deals as the MGM-Turner color arrangement on films with Color Systems Technology (TV/RADIO AGE, April 28) as paving the way for a lot more colorization projects. MGM/Turner, which retains the TV rights to *Gilligan's Island*'s 95 half hours, will colorize the show. The popular series has a present lineup of 50 stations.

The MGM/Turner deal with CST will cost about \$18 million and involves the conversion of 100 black-white MGM and pre-1948 Warner Bros. movies. Another deal struck by CST was with Four Star International, involving the film *Wanted Dead or Alive*, starring Steve McQueen. Also, CST signed a \$2.5 million contract with Walt Disney for conversion of 16 black-and-white Shirley Temple films from the 20th Century Fox film library. Conversion is also being done by Colorization, Canadian-based firm.

De Laurentiis on move

The De Laurentiis Entertainment Group is moving into television production and distribution, involving two syndication vehicles. In one move, DEG, in association with Fred Silverman and Gordon Farr, is planning to produce and distribute a comedy strip, *Honeymoon Hotel*, while in the other, DEG has reached agreement with the Access Entertainment Group to co-produce and co-distribute *Hollywood Close-Up*, weekly TV series. In the case of *Honeymoon Hotel*, DEG is planning to produce 100 half-hours in what is being called by DEG as TV's first "instant strip" sitcom.

Plans call for producing a week of five episodes of *Honeymoon Hotel*, which will feature Isabel Sanford, in early November, in association with major station groups. Production will begin in May, 1987, for stripping in the fall, 1987. In the first year, stations will take two runs of 100 episodes, and a third run of 60. During the sweep rating periods there will be no reruns, and thereafter 65 all-new episodes will be produced in each of the ensuing years, providing 13 weeks of fresh programming for the beginning of each season and the sweep rating period.

According to Paul Rich, DEG executive vice president of programming. *Honeymoon Hotel* will be offered for all-cash, and DEG is looking for airing in primetime on affiliates in the top 50 markets or/and in access as well as early fringe on both affiliates and independent stations, says Rich.

Rich sees the instant strip as an especially attractive form for 1987, when only three strips will be introduced: *Cheers*, *Family Ties* and *Punky Brewster*.

Assembled writers and directors for *Honeymoon Hotel* have credits including *Mary Tyler Moore*, *All in the Family* and *M*A*S*H*.

In the deal with Access, DEG will underwrite all production costs of *Close-Up* for one year, beginning on September 21. Access will continue to distribute *Close-Up* in the U.S. and DEG will distribute the half-hour weekly series throughout the rest of the world. It airs on 18 stations in the top 25 markets. Access began syndicating the show last year.

Motown $65 mill spree

Motown Productions is going on a \$65 million spending spree, involving practically every entertainment area, including theatricals and theatre, along with primetime TV, syndication, cable and video cassette programming. The initial TV network entry, *Sidekicks*, has already begun production as a coventure in association with Walt Disney Productions, for ABC in the fall. Set are 13 half hours of the action-adventure series which is based on a one-hour ABC Disney Sunday Night Movie, *The Last Electric Light*.

Also for primetime TV, Motown has three shows for CBS. One, a six-eight hour miniseries, is called *Lonsome Dove*. *Surviving: The True Story of Merry Dee*, a two-hour MOW, and a half-hour sitcom, *Crashpad*, are also being developed for CBS. For NBC, Motown will produce *Divided Soul*, a TV movie on the life of the late soul singer Marvin Gaye. A production start is planned for late fall.

In syndication, Motown, in association with King World, will produce 195 half hours of *Nightlife*, as announced previously. At present the market lineup totals 110. In the video cassette area, Motown has a pact with MVA Home Video which calls for four original programs, *Motown's Mustang*, *The Last Radio Station* and two *Time Capsule* packages, plus the simultaneous release of corresponding track albums. And, as also announced previously. Motown is preparing to launch its own home video label in association with King World/Hemdale, and has acquired *Fit For Life* for development into a home video. A TV series to be hosted by the authors of *Fit for Life*, Marilyn and Harvey Diamond, is also planned.

In cable, a six-part mystery series, *Crime and Variations*, created by Anthony Perkins and Stephen Sondheim, is in development at HBO, consisting of six half hours. The first *Motown on Showtime*, six one-hour specials, made its debut recently on Showtime. On the theatrical end upcoming are *The Last Dragon II*, to be produced by Motown for Tri-Star; and other film properties include *Durly Durley* for MGM, and

Cheetah and *Heatwave*, with Disney. On the stage, a black musical version of *Oliver Twist!*, is planned for a 1987 Broadway debut.

Syndication shorts

Lorimar-Telepictures has sold *SilverHawks* in 103 markets, representing 86 per cent of the country. The music-driven animated series will be aired in stereo. Youngsters watching the series will get an extra bonus at the end of each episode. Each show will conclude with a special epilogue in which the *SilverHawk* characters test their knowledge about space.

Blair Entertainment has cleared 190 stations for its annual one-hour special *NFL Update '86* which airs in an August 23–September 7 barter syndication window. Among the stations recently cleared are KING-TV Seattle-Tacoma, WTVT-TV Tampa-St. Petersburg, KSDK-TV St. Louis, KUSA-TV Denver and WLWT(TV) Cincinnati.

Also at Blair, five markets have been added to *Death Valley Days*, bringing the total to 55. New sales are KSCB-TV Sacramento-Stockton, WYHQ-TV Grand Rapids/Kalamazoo/Battle Creek, WTRT-TV Florence S.C., KVRR-TV Fargo and KPEJ-TV Midland-Odessa.

New Century Telecommunications will distribute *The Sword of Vengance Gideon* (*Vengance*) this fall for **Alliance Entertainment Corp.** The four-hour miniseries will be available to television worldwide, beginning in September.

Viacom Enterprises will syndicate the two hour specials *The 1986 MTV Video Music Awards Show* and *The MTV Video Music Awards 1986 Pre-Game Show.*

The *Awards* show is cleared on more than 115 stations in the U.S., as well as on stations in 32 countries worldwide. Broadcast window for the show is September 6 though September 30. Pregame show is available now through September 4. Both are offered via barter.

LBS Communications will distribute the pilot of a proposed new half-hour mystery series, *Max Haines Crime Flashback*, for airing in January. Pilot episode is called *Try, Try, Again*, and is based on a true murder story. Barter split is two-and-a-half minutes for national, and four for local in the pilot.

Program Partners Corp. and **RKO Television** will produce *The Soap Opera Awards*, two-hour special, in association with *Soap Opera Digest*. The special will be syndicated for airing on November 28–December 28, on a cash-plus-barter basis for two runs. Local stations get 16 minutes, and PPC will retain three minutes.

Paragon looks to a "new Republic"

The Paragon Group, which recently bought a financial interest via a limited partnership arrangement amounting to about $8,700,000 in Republic Pictures, is looking for Republic to get back on the acquisition and first-run production trail. In an interview, Russell Goldsmith, a general partner in Paragon and who will become chairman of the board and chief executive officer at Republic, says that he sees the new funding helping to get the company back in television production, and "carefully but definitively" to begin to develop pictures for television, prime-time half-hour programs for networks and, at some time down the road to get into daytime game shows.

He notes that Republic has its own assests to get projects off the ground and running with a line of credit of $7 million, "so both with what they have and what we bring, we think we have the capability to achieve a great deal." He continues that Paragon's involvement with Republic is "the next step for Republic, not the last one."

Goldsmith says that Republic has no plans to get involved in producing theatricals. "We may get involved in acquiring TV distribution rights of theatricals and for videocassette, but have no plans to develop theatricals."

One of the major reasons for Paragon putting a large stake in Republic is because of Republic's large film library, points out Goldsmith. He says that the company has about 2,000 films, plus hundreds of short subjects, cartoons and television series. In films, the library is stocked with goodies ranging from Charlie Chaplin to W. C. Fields to films such as *That Touch of Mink*, comedy starring Cary Grant. On the TV end, Republic distributes product such as *Get Smart* and *High Chaparral*. In some of these latter cases, Republic which was known as NTA, a division of NBC in the 1970s, produced several of these series explains Goldsmith. But the financial interest rules forced a divestiture and Republic was given the distribution rights to several shows which had been on NBC.

Goldsmith says he expects Republic to step up its activity in the videocassette area, as well. He notes that Republic has a home video division, which also played an important role in Paragon's decision to put capital into Republic. "It was an attractive element to us. They have done a good job. We hope to acquire product for either cassettes, or TV distribution or both." Under the new direction, Bud Groskopf stays as president, and other management.

NAB parley change

Responding to recommendations of the exhibitor advisory committee, exhibits of broadcast equipment at the National Association of Broadcasters 1987 annual convention will open Saturday morning rather than Sunday, as in the past. Also, the 65th convention, which will be held March 28–31 at the Dallas Convention Center, will close with a dinner and entertainment Tuesday evening, rather than with a Wednesday brunch and entertainment.

The Saturday opening and expansion from 3½ days to four eliminates Saturday setup overtime costs and provides attendees additional time to visit the exhibit halls. The committee also agreed to provide additional security and bus transportation for the exhibitors which, along with other improvements, requires an increase in the per square exhibit hall cost from $16 to $17 on the upper level and from $14 to $15 on the lower level.

In an unrelated development, FCC's Patricia Diaz will address the opening session the NAB's Radio '86 convention, to be held September 10–13 at the New Orleans Convention Center. Also scheduled to speak at the convention is FCC mass media bureau chief, James McKinney.

Programming/Production

(continued)

O'Brien and Toronto

"Toronto works like a stage for us," says William Asher, executive producer of the Orion Television series *Kay O'Brien*, which will be introduced this fall on CBS in primetime. "Working conditions and the staff, plus the citizenry, are just wonderful," notes Asher in an interview. One of the other attractions in shooting in Toronto is the saving in costs, he points out, which amounts to about 20 per cent. However, he says, these monies are eaten up by payment to crews in New York, where most of the exterior of *Kay O'Brien* is being handled. The interior is being shot in the Toronto General Hospital.

Asher says that *O'Brien* costs about $2 million per episode, with savings generated in several ways. One, of course, is the exchange rate, which benefits U.S. dollars. Another is that while the rates paid to union members are basically the same in both Canada and the U.S., fewer workers are necessary. "The difference in numbers is because the crafts aren't broken down in Canada, as they are in the states."

In Toronto, the crew consists of members of the International Alliance of Theatrical and Stage Employees, but, there are no specific craft categories, so unlike in the States, there is no problem in asking a crew worker to "cross over" to help in a needed area.

Asher says another saving is due to the fact that work is normally done by the Teamsters union in the States, such as driving of equipment trucks, is also under the umbrella of the IA. "Under the IA, all the workers are the same and "they don't define certain crew members as Teamsters, who in the States get higher rates and are "extraordinarily expensive."

At presstime, Orion had shot three episodes, with nine more due in the initial outing, with a back order of 12. If the series gets picked up for renewal, production will continue in Toronto, Asher says.

New syndicated shows off and running for fall

Below are premiere dates of shows which are new to syndication in the fall, as compiled by Seltel. A total of 51 shows are involved. Information on marketing terms was provided by Katz Television.

First-run strips

Program	Distributor	Date	Terms	Barter time
Card Sharks	Program Source	9/8	Cash++	1:00N/5:30L
Crosswits	ABR	9/8	Cash++	1:00N/5:30L
Hollywood Squares	Orion	9/15	Cash++	1:00N/5:30L
The Judge	Genesis	9/15	Cash++	1:00N/5:30L
Mix & Match	Family Entertainment	9/29	Cash or barter	
Nightlife/David Brenner	King World	9/8	Cash+	.30N/5:30L
Oprah Winfrey	King World	9/8	Cash++++	2:00/12:00L
Strike it Rich	Blair Entertainment	9/15	Cash++	1:00N/5:30L
Superior Court	Lorimar-Telepictures	9/15	Cash++	1:00N/5:30L
True Confessions	King World	9/8	Cash++	1:00N/5:30L
We Love The Dating Game	Bel-Air	9/15	Cash++	1:00N/5:30L

First-run weeklies

Program	Distributor	Date	Terms	Barter time
Beyond 2000	All American	9/15	Barter	5:00N/7:00L
Cover Story	Fries Entertainment	9/15	Barter	2:30N/4:00L
Dancin' To The Hits	ITF Entertainment	9/18	Barter	2:30N/4:00L
Dream Girls USA	20th Century Fox	9/6	Barter	3:00N/3:30L
Gidget	Colex	9/15	Barter	3:00N/3:30L
Gorgeous Ladies of Wrestling	MG/Perin	9/26	Cash	
Heroes: Made in the USA	Access Entertainment	10/04	Barter	2:30N/4:00L
In Session	JM Entertainment	9/15	Barter	3:00N/3:00L
Kids Are People Too	JM Entertainment	9/20	Barter	3:00N/3:30L
Mama's Family	Lorimar-Telepictures	9/22	Barter	3:00N/3:30L
Off the Wall	Fries/Gaylord/United	9/15	Barter	2:30N/4:00L
One Big Family	Lorimar-Telepictures	9/22	Barter	3:00N/3:30L
Pete's Place	JM Entertainment	9/15	Barter	6:00L
Puttin on the Kids	MCA-TV	9/20	Barter	2:30N/3:30L
Photon	SFM	9/08 or 9/15	Barter	2:00N/6:00L
Rock 'n Roll Evening News	King World	9/13	Barter	5:30N/6:30L
Siskel & Ebert & the Movies	Buena Vista Television	9/5	Barter	2:30N/3:30L
Throb	Worldvision	9/15	Barter	3:00N/3:30L
You Write the songs	TPE	9/05	Barter	3:00N/3:30L
9 to 5	20th Century Fox	9/13	Barter	3:00N/3:30L
What a Country	Viacom	9/29	Barter	3:30N/3:30L

New syndicated shows off and running for fall *(continued)*

Kids

Program	Distributor	Date	Terms	Barter time
Adventures of the Galaxy Rangers	ITF	9/15	Cash++	1:00N/5:00L
Centurions	Worldvision	9/15	Barter	2:00N/4:00L
Defenders of the Earth	King Features	9/29	Barter	2:00N/4:00L
Dennis the Menace	DFS	9/22	Barter	Negotiable
Ghostbusters	Group W	9/22	Barter	2:30N/3:30L
Macron I	Orbis	9/1	Cash	
My Little Pony & Friends	Claster	9/15	Barter	2:00N/4:00L
Rambo	Worldvision	9/15	Barter	2:00N/4:00L
Silverhawks	Lorimar-Telepictures	9/15	Barter	2:30N/3:30L
Smurfs	TPE	10/6	Barter	2:00N/4:00L
Zoobilee Zoo	SFM	9/08 or 9/15	Barter	2:30N/4:00L

Off-network

Program	Distributor	Date	Terms	Barter time
Facts of Life	Embassy	9/15	Cash	
Falcon Crest	Lorimar-Telepictures	9/15	Barter	5:00N/8:00L
Fall Guy	20th Century Fox	9/15	Cash	
Knight Rider	MCA-TV	9/16	Cash	
Magnum P.I.	MCA-TV	9/22	Cash	
Silver Spoons	Embassy	9/15	Cash	
Wonderful World of Disney	Buena Vista	9/15	Cash	

Radio syndication

Kirt Daniels has been named director of program development at **Weedeck Radio Network.** He comes to Weedeck from the Creative Development Network, where he was national sales manager.

ARC Concern Ltd. has launched *American Rock Challenge*, weekly half-hour show hosted by Tommy Powers and Jim Sheridan. The show centers on new talent in competition, with the audience as voters. Prizes vary from promotional items to a grand prize of bookings in Europe. First station signed is Radio Caroline, European outlet.

Clayton Webster Corp., St. Louis, has developed *Costas Coast-to-Coast*, live radio sports program. Host of the new show is Bob Costas, noted sports broadcaster. Scheduled to start November 2 at 9 p.m., the two-hour sports feature will be fed from WHN New York via satellite. The program will be available via barter. Costas will discuss current sports issues each week with major sports personalities. Major sports stations in seven of the top 10 markets have cleared the program, including KMPC Los Angeles, KCBS San Francisco, WEEI Boston, WBAL Baltimore and KRLD Dallas-Ft. Worth as well as WHN.

Multimedia gains

Multimedia Inc. has reported increases in revenues, operating profit and operating cash flow for the second quarter ended June 30. Revenues for the quarter were $97,124,000, compared with $88,501,000 for the similar period of 1985, a 10 per cent increase. Operating profit was up 28 per cent, from $24,532,000 to $31,425,000, and operating cash flow for the second quarter was $38,059,000, an increase of 23 per cent over 1985's quarter cash flow of $30,914,000.

For the six months ended June 30, revenues were up 10 per cent, from $162,368,000 to $178,968,000; operating profit for the first six months gained 29 per cent as compared to the June 30, 1985 period, from $40,507,000 to $52,351,000; operating cash flow totaled $65,602,000 the past six months as compared to $53,346,000 the six months in 1985, for an increase of 23 per cent.

Rickel forms company

A hands-on station image, news and marketing consultation firm has been formed by Larry M. Rickel, manager of the ABC News Advisory Service. The new company, Broadcast Image Inc. will headquarter in Short Hills, N.J.

Programming/Production

(*continued*)

Zooming in on people

Gus Lucas, former vice president, ABC Entertainment and assistant to the president, named vice president of **Viacom Entertainment Group.** At ABC, Lucas held a number of executive positions over a span of 16 years. He'll work with Jules Haimovitz, president of VEG and with Bud Getzler, chairman of VEG.

Jansen Bjork named vice president, director of programming at **Seltel Inc.** She was associate program director at TeleRep.

Hilary Hendler joined **Orbis Communications** as senior vice president, general sales manager, station sales.

Virginia Curtin appointed account executive, media Sales, **Multimedia Entertainment.**

Steve Astor appointed vice president of advertising, publicity and promotion at **Columbia Pictures Television**. He will merge the previously separate network and syndication ad/publicity units into one operation.

Melvyn Smith, director of program services at **Tribune Broadcasting Co.,** promoted to vice president, programming, at TB. Before joining TB in Chicago in January, 1983, Smith was program manager at Tribune's KWGN-TV Denver.

Robert F. Neece, currently vice president, East Coast sales, promoted to vice president, domestic sales, Four Star International.

Tracy Marr promoted to manager, domestic sales administration, **Lorimar-Telepictures Domestic Distribution Group.** She was coordinator, domestic sales for Telepictures Corp. since May, 1984. Also, Hilary Estey joined L-T DDG as senior research analyst.

Karl Middleburg named account executive southern district, **Worldvision Enterprises** domestic sales. He comes to Worldvision from Blair Television where he was account executive in Los Angeles and earlier in Chicago.

Martin E. Rouse II to **Orbis Communications** as account executive, station sales. He had been at Katz Communications since January, 1985, most recently as senior sales research analyst.

Steven Gary Saltman named sales executive, midwest area, **MCA TV**. Most recently, he was assistant counsel, for MCA TV's legal and business affairs department.

Michael E. Tanner appointed vice president, creative services at **Buena Vista Television**. He replaces Patrick Pattison, who will provide consultancy services to Buena Vista through his own agency.

James Ellis promoted to vice president/creative services at the **Tribune Broadcasting Co.** Ellis joined Tribune as creative services director in 1982.

James C. Stern promoted to executive vice president and general sales manager at **ITC Entertainment**. He replaces Joseph Ceslik, who has resigned to join D. L. Taffner. Stern has been with ITC for 13 years in executive sales positions.

Melvyn Smith

James Stern

Gus Lucas

James Ellis

Olga Sanchez has been appointed administrative sales manager for international syndication at **BlairSpan**. She will headquarter in the Telemundo offices in San Juan. She joins Dr. Pedro Simoncini, president of Santa Clara, S.A./Argentina, who was recently appointed sales rep for Argentina, Chile, Peru, Paruguay and Uruguay.

Arthur "Bud" Calabrese has been appointed director of advertising sales/sponsorships at **People & Properties,** sports marketing and TV company. Most recently, he was an account executive at Time, Inc.

Home VideoGrams

Columbia Pictures Television's *The Real Ghostbusters*, which will go into first-run syndication in the fall, 1987, and which will make its network TV debut this fall on ABC, will be released on videocassette on October 22 by **Magic Window**. The first two releases, each featuring one 25-minute episode, will sell for $14.95 at retail. Volume I is called *Knock Knock*, and Volume II, *Play Them Ragtime Boos*. A large promotion will support the release, including a special 3-D centerfold in the October issue of RCA/Columbia's monthly publication, *The VideoGazette*.

The Monkees, a group that was on television in the 1960s via their own series, made a film in 1968, called *Head*, which RCA/Columbia Pictures Home Video will now release in videocassette. The film is a zany chronicle of the psychedelic 1960s and a trip back in time. MTV ran a 22½-hour marathon on the *Monkees'* TV programs last March and April, and the TV episodes are on videocassette by MusicVision, the music video arm of RCA/Columbia.

The original Monkees, *stars of program which ran on NBC in 1966 and later went into reruns.*

Commercials

Directing from behind the camera

Since he decided to become his own cameraman, director Bert Steinhauser says, he's been able to achieve a number of things he couldn't do with someone else behind the camera. Certain elements of lighting and eye movement can only be seen through the camera's eye, the New York-based director points out.

Steinhauser formed Bert Steinhauser Productions after 25 years with Doyle Dane Bernbach, where he was senior vice president, associate creative director and head art director. He recalls, "I loved directing and had been doing it for eight years there—about once a month. I enjoyed it more than being involved in the politics of advertising.

"The thing that really did it for me was that, in the last year, I directed every Volkswagen commercial they did that year—and won three gold medals at the New York Art Directors show, three at the New York International Film Festival and some Clios. That proved to me conclusively that that's what I love."

Director-cameraman Bert Steinhauser *slowly and provocatively reveals Tina Turner as "another boring homebody who reads McCall's."*

Among the clients he's directed commercials for on his own are Miller Lite beer, Spring Air mattresses, Illinois Bell, Campbell's soup, New York's Trump Tower and McCall's. He didn't become his own cameraman until late 1984: "At first, just leaving the agency was a big enough shock. I still felt there were things I had to learn, so I used the best cameramen available."

But now he feels he gets better results from behind the camera—"a more romantic, poetic effect." He explains, "When a cameraman works for different directors, he has to deliver a safe job—overly lit, not as dramatic or poetic or aesthetically beautiful. I underlight when most cameramen overlight. I add to light, using a key light and building from that whatever I feel is necessary. Most people order a gaffe of lights and then cut it down by putting scrims over it so it's not as pure. It's like painting. A painter doesn't paint an entire scene; he adds color as he goes along."

Through the camera, he says, he is able to discover "the accidents of light" and put them to use. When he makes one of these finds, he typically brings the client to the camera for a look. He says what forced him to do his own camerawork on a regular basis was prospective clients pointing to the difference in lighting effects among commercials in his reel preferring those commercials in which Steinhauser did the camerawork.

Steinhauser says his general practice is to do prelighting for commercials—a test with the setting, perhaps an object in the commercial and maybe a stand-in for a performer. This is shown to the agency producer and creative heads the

Advertising Directory of

Selling Commercials

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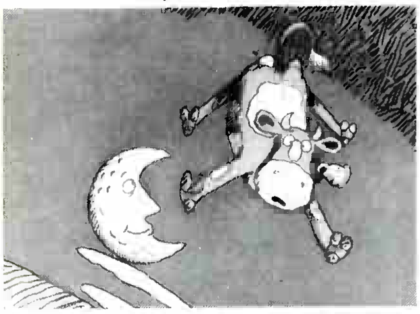
Illinois State Lottery • B.J.K & E.

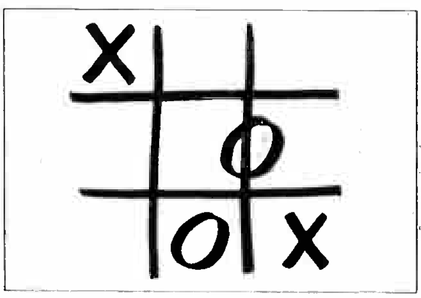


KCMP PRODUCTIONS, LTD., New York

Irving Trust • Brouillard Communications

KCMP PRODUCTIONS, LTD., New York

NYNEX-Tic, Tac, Toe • H.H.C.&C.



GIFFORD ANIMATION, INC., Harwichport, Mass.

Commercials *(continued)*

day before the shoot so that there is concurrence before the shoot starts.

Another virtue of working behind the lens, the director notes, is that "You can come closer to the performer. Because you're hidden behind the camera, he can't see you looking at him. You can see one blade of hair that's lit so that you can correct it. And the eyes are the key feature of the performer's face. You can see them better—and if a performer's eyes look at the camera for a split second, the scene is a waste." He notes eyes were the key to a commercial he did for Illinois Bell, involving a young woman waiting by the phone for a man to call.

While the current direction in commercials has been toward frenetic activity and quick scene shifts, Steinhauser has become known for slower, sometimes sensuous movement. A shoot he did for Clarins Apres Soleil, a sun lotion, to run in the French market, was perhaps too sensuous ever to run in the U.S. It involved a man and a woman applying the lotion to each other's back on a bed.

In this spot, Steinhauser created the feeling of slow motion by slowing down the wind machine blowing the bedroom curtains and playing the music for the commercial during the shooting to create the pace. Shots of the curtains were used as a wipe for a more gentle shift between takes.

Also shot to music was a commercial for *McCall's*, featuring Tina Turner as "another boring homebody who reads McCall's." Here Steinhauser slowly moved the camera up her legs until she was shown lowering the magazine from in front of her face.

Says the director, "A lot of commercials, as well as rock videos, use quick cutting, a lot of action and high energy to cause stimulation. You can be more provocative by slowing down. Quick cuts are often used as a substitute for beautiful photography." He contends the advertiser can deliver a stronger message by using a more lingering approach, allowing the viewer to focus on the product.

Does sexism sell?

A little bit of sexism in commercials may not be totally out of the question, according to focus group interviews conducted by Langer Associates, New York market research firm specializing in qualitative techniques. In its newsletter, *Langer Report*, it points out that enough sexism remains to justify making use of it—"but sensitively and with humor, so as not to alienate 'liberated' consumers."

Sexist stereotypes that most often emerged, the newsletter states, are women who spend too much money shopping, too much time on the phone, and too many hours on their hair and makeup. The mechanically inept woman is another stereotype. Men's comments about women tended to be delivered more in a humorous vein than women's statements about men—which centered on such things as lack of appreciation of the wife's accomplishments and laziness around the house.

Stereotypical comments, it reports, came most frequently from men over 45, but it also points out there is a significant cadre of younger people who were never "liberated."

Cosby carries over

The success of Bill Cosby's NBC-TV series obviously has translated well to his commercials for Jell-O. Video Storyboard Tests, in its April–June analysis of TV campaigns, based on 5,500 interviews across the U.S., ranks the Jell-O campaign third in consumer acceptance—from 11th in the previous quarter and 12th a year earlier.

Another big gainer was Bartles & Jaymes wine cooler, ranked sixth vs. 13th in the January–March quarter and not in the top 20 a year back. A typical comment to the research company, involving the actors in the commercial, came from a 50-year-old in Denver: "They remind me of the old days when people were not as superficial as they are now."

Hefty trash bags and Hardees fast food restaurants, not in the top 20 in either the previous quarter or a year earlier, ranked ninth and 10th respectively—the former with its "Hefty, Hefty, Hefty" campaign and the latter with "War of the Burgers," in the spirit of previously successful comparative advertising campaigns by other fast food advertisers. First and second on the list, unsurprisingly, were Pepsi-Cola and McDonald's.

Doritos' new cruncher

Following a tradition begun by comedian Avery Schreiber a decade ago, Jay Leno has signed a contract to become official spokesman for Frito-Lay's Doritos tortilla chips. The comedian has received wide exposure on *Latenight With David Letterman* on NBC-TV.

Like Schreiber, Leno demonstrates the consequences of crunching on Doritos in his first two spots running on network TV.

Creative director for Tracy-Locke, Dallas, on the campaign was Diane Fannon.

Wall Street Report

Addition of Mutual, higher advertising rates spur Westwood One's gains

Some impressive second quarter and first half figures have been turned in by Westwood One Inc., producer and distributor of nationally sponsored radio programs and, since December 3 of last year, the owner of Mutual Broadcasting System. Norman J. Pattiz, chairman and CEO, attributes its surge in revenue and profits to factors including "the company's successful assimilation of Mutual and generating higher average advertising rates on a significantly larger inventory base." He adds, "These higher advertising revenues combined with our ability to maintain a stable cost base continued to provide substantial operating leverage."

Net income for the three months ended May 31, 1986, rose 93 per cent to $1,712,000 from $887,000 in the like 1985 period, while revenues rose 204 per cent to $14,297,000 from $4,700,000. Earnings per share increased to 24 cents from 16 cents while average outstanding shares were up 31 per cent to 7,262,000 from 5,552,000.

Net income for the half rose 104 per cent to $2,542,000, 35 cents a share, from $1,244,000, 22 cents a share. Revenues were up 215 per cent to $25,526,000 from $8,110,000.

The fiscal year ended November 30, 1985—just before completion of the Mutual acquisition—saw an increase in net income of 78 per cent to $3,473,000, or $1.17 per share, compared with $1,948,000, or 79 cents per share. Revenues increased 49 per cent to $19,103,000, compared with $12,832,000 in 1984.

Dramatic sales growth

The company reports dramatic growth in the number of advertisers purchasing time within Westwood One programs. In 1981, the firm conducted business with only six national advertisers, with two of them accounting for 98 per cent of its business. In 1985, there were 84 advertisers, including 22 of the top 25 advertisers in the U.S., with the two largest clients accounting for 27 per cent of revenue. There were 52 advertisers in 1984.

Westwood One reports that, during fiscal 1985, it introduced several new programs, including *Line One*, the company's first live-via-satellite music, interview and call-in program; *That's Love* and *Mundo Artistico*. It adds that it produced more special events than in any other year in its history, including the largest stereo satellite broadcast in history—*Radio USA for Africa*.

Over the past five years, the company states, the radio industry has grown at a compound annual rate of 8 per cent, the network radio business 15 per cent and Westwood One 34 per cent. It says its impressive growth rate has come from focusing on concerts, big event specials and stereo simulcasts while producing and distributing more regularly scheduled programs and special events each year. Over the same five years, the number of radio programs distributed by the company has increased to 31 from 13, and the number of special events to 43 from seven.

Westwood One Inc.
Summary operating results

	Three months ended May 31, 1985	Three months ended May 31, 1986	Six months ended May 31, 1985	Six months ended May 31, 1986
Revenue	$4,700,000	$14,297,000	$8,110,000	$25,526,000
Income before taxes	1,707,000	3,477,000	2,368,000	5,172,000
Net income	887,000	1,712,000	1,244,000	2,542,000
Earnings per share	.16	.24	.22	.35
Average shares outstanding	5,552,000	7,262,000	5,552,000	7,240,000

Starfleet acquisition

During 1985, Westwood One acquired Starfleet Communications, which had been a competitor. Starfleet was in the business of recording concerts with its mobile recording studio, and the acquisition of Starfleet brought Westwood One's fleet of mobile recording studios to three. In the deal, the company purchased the mobile unit and hired key Starfleet employees.

During the year, the company also constructed a third recording studio, upgraded existing studios at its corporate headquarters, significantly expanded its tape library to more than 8,000 hours of recorded material, and occupied the 14,000 square foot building it purchased in 1984. During fiscal 1985, Westwood One completed a public offering of its common stock, raising almost $19 million. A significant portion of the proceeds were used for the purchase of the network radio assets of Mutual Broadcasting System from Amway Corp. The purpose of the funds also included repayment of debt, development of new programming and providing funds for potential acquisitions complementary to the company's existing business.

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DIANE HEALEY LINEN
Senior Vice President Broadcast Services
After graduating from Harvard Business School, Diane Healey Linen continued her career in broadcasting for ten years with NBC in a number of upper management positions before joining CEA to head the Broadcast Services Division.

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New-to-radio *(from page 47)*
enough time to assimilate more information than just looking at efficiencies within any given time frame.

Maurer: Are there fewer buyers today? Are there fewer people actually doing it? Do you get that impression?

McSorley: I get the feeling that they're overworked.

Maurer: But is that because there are fewer? Agencies have the same economic pressures that all business has. Are there fewer people involved in the actual buying? I know when I was selling it seemed you could get a buyer out and do lunch and talk about your stations. Today it seems difficult to do.

The ability, the capacity to actually talk about your radio station, or if you're repping, your radio stations, seems to be diminished somehow. Business isn't as leisurely as it once was, I guess. It's a lot more frantic, and I'm not sure what that is.

Bieler: Maybe there are less buyers because of the computer age. I think that my estimation probably is maybe a smaller percentage less. But the problem of one buyer controlling 50 markets means the buy is going to give each individual station within the 50 markets much less of an opportunity to sell the added value and the benefits, versus a local agency. So I think when we look at the national sales problem versus local it represents different opportunities, and it has been a concern that radio has had for many years as to how effectively to do a better job at national sales in this arena. It's a much more difficult opportunity.

But locally we do have the opportunity and the time to cultivate and to educate the accounts and reap the rewards.

McSorley: It seems that one of the complaints that I hear constantly about radio is that agencies—and I would imagine consequently retailers—don't know how to use the medium. And I think that no matter what study you see, you'll find that 98 or 99 per cent of the population is a user of radio. So if we're reaching that many people, why haven't we had greater success over the years?

Maybe we ought to help educate the agencies and improve the copywriting process at the local station level, so there is actually a response to a commercial that results in a sale of a product or service that forces the manufacturer or retailer to say to his agency, "Hey that works. Let's do that again."

And sometimes I think we get so wrapped up in this efficiency/dollar thing that we ignore that if we were putting more effective commercials on the air and we were actually getting resounding results, I imagine there would be a higher demand for our industry. And some of the impetus for this belongs at the agency level, too, because running the audio from the TV spots is not the best use of our medium.

Bieler: I'll take that one step further, I agree—there should be more concentration on doing *better*, effective radio commercials, specifically geared to the medium. But I personally have had a question over all these years as to the effectiveness of buying on a cost-per-point or a media point basis because the real value of radio has proven itself to be a frequency medium. And if you distribute enough commercials over enough radio stations, my fear is that you will not make enough impressions at a target audience to have things happen.

And I think a lot of advertisers, as we try to explain and sell them the benefits, kind of miss the objective of what the medium is. In effect, are they taking enough of an aggressive stand in a particular radio station to make something happen? And I think oftentimes when we see national orders come in at eight, nine and 10 spots, I'm not sure what they expect to accomplish.

Maurer: You want to make a guts move, walk away from one of those one time because you don't think it will work. I mean, if you really did get a national order for 10 spots—and I agree with you—and you know it's probably not going to be effective, chances are nobody will say, "We don't want it because we don't think it will work."

Bieler: No, we don't on that basis. But we run limited inventory on the station. So we do walk away from enough business. We're not afraid of it, if it's not right.

Flamberg: But, on the other hand, Warren, you do train your local guys, selling your retailers not to sell a guy three spots.

Maurer: That's true.

Flamberg: And we do walk from that business, and there's probably not a radio salesman in the country that would actually go in and sell less than a dozen spots to some guy, because the guy who owns the shoe store knows just as well as the radio station that unless you've got some kind of frequency, nothing's going to happen.

I think that every station in the country has success stories, and they've been able to fill somebody's showroom or get people to go somewhere or moved shoes off a shelf. And I think a lot of what we've discovered in working with the national advertisers is that a lot of the national advertisers who use radio are looking for a direct response. They want people go to the showroom and see the new Chevy. And we're increasingly finding success stories among national advertisers because they're provoking a response, and they're getting it on radio.

On the question of copywriting, there's no doubt that radio does not get the creative attention that some of the other media get. It's a debate in and of itself. There are some people who have had absolutely atrocious commercials but have bought enough frequency that people get the message. On the other hand, there are people who have done brilliant commercials and run a very limited amount of time and sold out. So that's the kind of question that the Ed McCabes of the world can argue about.

TV/RA: *Jack, you mentioned earlier that new business isn't necessarily local. It can be at the agency level. And then you mentioned also, or alluded to the fact that a couple of the reps are beginning to pay more attention to developing new business. Now at the other end of the cycle, at the local level, there has been a lot of activity in vendor support where a station will come up with a promotional idea, go to a retailer, and help that retailer get the support from the vendor. Is there a possible way that the two can work together?*

In other words, if you have a local promotion, where you go to a supermarket, let's say, and you line up 30 of those vendors for that promotion but as it turns out maybe 10 of those vendors aren't national advertisers on radio, is there a way of working with the rep backward? Can national business be developed working backward toward the rep. Is there any kind of synergy there?

Maurer: I'll try to respond. Here's one of the problems that we've found in that instance. For example, we tried for a while to just clip all of the coupons in all of the Thursday papers and go back to those advertisers and say, "Why don't you support your coupon with radio?" We thought it made sense. The answer invariably was, "Well, we can't just do it in Boston, we have to do it in 100 markets." And I think we'd run into that with a vendor. But it's an idea worth trying—that maybe we ought to try to work vendors' suppliers and get them, to turn them onto radio as well. There seems to be a problem with national in just a specific market. It seems we have to be in all of their markets.

Flamberg: That raises another point, Warren. And that is, we're now discovering—vendor is perhaps the tip of the iceberg—that a lot of national advertisers have gigantic budgets which are not called advertising. But which are called promotion. If you track those over time, you see that the budgets slotted for promotion have been increasing as

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SECOND QUARTER 1986

Category
Parent Company

Product		
ARIZ.	PHOENIX	23,421
CAL.	LOS ANGELES	180,961
CAL.	SAN DIEGO	34,862
CAL.	SAN FRANCISCO	32,103
FLA.	MIAMI/FT. LAUDERDALE	12,560
FLA.	TALLAHASSEE	19,259
ILL.	CHICAGO	69,050
IND.	SOUTH BEND	5,202
KY.	LOUISVILLE	8,090
MICH.	DETROIT	36,920
	TOTAL	422,428

The Competitive Report By-Market

SECOND QUARTER 1986

Category
Market

	BRAND	
ALA. BIRMINGHAM	AAA CO.	
	BRAND A	2,850
	BRAND B	3,000
	BBB CO.	
	BRAND A	4,211
	BRAND B	7,500
	BRAND C	7,100
ALA. HUNTSVILLE	AAA CO.	
	BRAND A	3,500
	BRAND B	2,100
	CCC CO.	
	BRAND A	4,217
	BRAND B	3,854
	BRAND C	1,620

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national advertising budgets have been decreasing, because that promotional budget works *their* distribution system and serves as an incentive to dealers and suppliers and wholesalers down along the line.

And I think an involvement with vendor is radio's first step in getting inside that promotional process. And there have been a number of stations across the country that have gotten unusual buys from companies like Procter & Gamble and others that are slight national radio users because they've come up with specialized promotions that have targeted problem markets for these people or have zeroed in on specific brands that are having regional distribution or regional sales problems.

McSorley: I think that is one of the arenas that the unwired or rep networks are starting to enter into where they will go to an advertiser—I think an example is California table grapes—and sell a promotional campaign in handpicked markets and try to take it at least regionally if not nationally. I know that the California table grapes people went to the Interep network and the Katz network I believe this past year and have worked out merchandising a spot campaign across the country.

TV/RA: *What about promotion at the station level, which, historically, is promotion to build audience. But is promotion being used more and more to generate revenue? Or in combination with building audience?*

Maurer: I guess that question depends on how you look at yourself—are you sales driven or product driven? And I think our company is more product driven, and if the promotion satisfies the audience and it can *help* an advertiser, we would do it. But we wouldn't do a promotion because it would get us the sale. That may sound self-serving, and I guess in a way it is, but that's my answer to the question. We would not do it to get an advertiser. If it helps serve our audience's purposes, then we'd do it.

McSorley: I think it has to be mutually beneficial or you have a short-term solution creating a long-term problem in terms of ratings. I mean if your promotion is scaring away or chasing away your audience it's certainly not going to do the advertiser any good nor is it going to do your coming rating period any good.

One of our stations in San Francisco does a very successful promotion with the Safeway chain and Disneyland. And it seems to be mutually beneficial for all parties involved.

Flamberg: Increasingly outside the major markets, it's partly practical and partly philosophical, but radio stations seem to be much more willing to let programming and sales promotion have some kind of a synergy. In the past, there was a very clear demarcation in the minds of people at the radio station—almost the way a newspaper would have a business side and an editorial side. Increasingly the middle and smaller market stations just can't afford to put aside the resources strictly to do an audience promotion. And while they may not offer promotion and merchandising to every single client, they will go out and identify the client or the product that will best fit what they're trying to do on the air and build a synergistic kind of promotion.

And there seems to be a much greater willingness to do that than in the past; and we're hearing a lot less of the stories where the program director and the general sales manager were at each other's throats over a particular buyer or a particular promotion idea and the general manager had to pry them apart and make peace. We're hearing a lot less of those stories these days.

Bieler: I think also, to add to that, program directors are becoming business people. I think for a long period of time they were in a different arena at the radio station. Today the major market program directors are part of the whole scenario. I think from our perspectus we would view the promotion as product-driven, and if we could find something that would be beneficial we would do it. But I don't think we would allow any promotions or anything on the air if there was any chance of any kind of negative impact.

McSorley: It's awful hard to get an advertiser back if you've done an unsuccessful promotion. If nobody came in the door now we have a very quantifiable result and it's hard to say, "Ah, come on, let's advertise again next year."

Maurer: In thinking about the experiences I've had over the years, many times you'll get into a merchandising deal with somebody or you'll do some trade promotion or something and, without exception, nobody ever talks about your schedule. They all talk about that other thing that they either liked or didn't like. And it's just a small part of what they're trying to do. It was never "I sold a lot of product through that thing." It was always, "I didn't like the flyer you sent out to the stores."

Sometimes it seems you're better off just sticking to selling radio time and make your living doing that.

McSorley: That's why, if you can take it back to the retail level and you're selling cost-per-refrigerator to an appliance retailer, then he knows that he sold 11 refrigerators last weekend, and all he had to do was to sell 10 to break even, he's probably going to be on your air next week. But if he has no way of measuring the results—and that seems to happen as we get farther and farther away from the retail process into the agency process where they don't have time. They don't know how many refrigerators rolled out of the Sears and Roebuck store in northern California.

Bieler: Then one step further is you get the buyer sitting in New York who has very little understanding and appreciation of what happens 1,000 miles away at a retail store, which is unfortunate.

Maurer: Although that's not unique to the radio business. That's true of television and everything else.

Bieler: No. I think the problem that we're addressing, though, is trying to elevate the value of radio. If we look at television and newspapers compared to radio, obviously we have a problem, and we're trying to figure out ways to elevate the status and value, to increase our rates, obviously, and to do more business. So, while everybody else might have the same problem, it's a particular problem to us. I would like to see better results on it.

TV/RA: *We talked about local business, and we talked about national business. In between those two extremes is what seems to be a growing regional business, particularly when you're talking about retail outlets. For instance, there are department stores that may be in five states and 40 locations, where the same group 10 years before was maybe in one or two markets, or home improvement chains or whatever it happens to be.*

How are you handling this? Where does it cease to be local and become national? And if it does cease to become local, when do you lose control over something that you used to have a lot of control over?

Bieler: Aside from the physical logistics of whether it's local or national, one thing's for sure—I think that that's where the additional manpower or salespower at the radio station really pays off. If you have people actively going after your regional business you're going to see a return. If you don't have the people there, it's not going to happen.

Maurer: I guess I'm not sure I understand the question enough to really respond to it. I mean if it's a regional piece of business . . .

TV/RA: *Well, let's turn it around. Let's say, as an example, that you are located in Minneapolis. And a retailer who is headquartered in Pittsburgh is expanding northward and opens up some stores in Minneapolis, but the buy is controlled out of Pittsburgh. How would you best capitalize on that kind of situation?*

Maurer: Well, I guess we'd use two or three people. We'd probably want the rep to call on the account in Pittsburgh; we'd try to work the local contact through a local salesperson; and maybe, between all of those forces, we could make something happen.

McSorley: I think it's a matter of geography and probably to a certain degree it's going to depend on your relationship with your national rep and who can actually get the business. If you can get it locally, I don't see why your rep would object to your taking it locally since he's not getting it anyway; and if he can get it nationally and that's your arrangement with your rep, it's probably his due.

TV/RA: *Most people talk about vendor-supported promotions as though somehow it's different from co-op. Is it because it doesn't come under Robinson-Patman? Is there any change in the way the government oversees Robinson-Patman?*

Are things easing up, or are they the same as they ever were? Many years ago they used to be rather strict about the principles of Robinson-Patman in proportional advertising allowances and the like. But you hear a lot of talk about vendor-supported promotions as if it's not quite the same as co-op, as if there's a little more leeway there. Is that a fact?

McSorley: I don't think there's been any relaxation in the Robinson-Patman Act. I think that we're still playing under the same rules. No, I just think we're talking semantics, actually. The beers used to have what they referred to as key markets where 80 per cent of the beer would be sold to 20 per cent of the market, so they'd develop additional dollars for promotion in those markets. I guess I really can't comment on the fine definition between vendor and co-op and market development and new product development as far as the manufacturer or retailer is concerned.

Maurer: Robinson-Patman is what makes vendor possible. I don't think the rules have changed at all.

TV/RA: *If a manufacturer has a co-op plan, then of course he's required under law, under Robinson-Patman, to make that plan available to all of his accounts. But if a store or a retailer comes up with a promotional idea and goes to his vendors and the idea originates with the retailer, then isn't it true that it's not incumbent upon the vendors that retailer contacts to go out and offer the same thing to all of his accounts?*

McSorley: You mean it would now be who originates the idea.

TV/RA: *Well, for instance, you come up with a promotion that May is National Barbeque Month and you go to Gristede's or whomever and you say, "Okay, we'll set up a barbeque headquarters and we'll help you promote it." So Gristede's goes to its accounts and says, "I have this idea."*

It's not co-op because it's an idea that originated with the retailer and the money doesn't come out of a co-op budget—it comes out of promotion, or whatever.

Flamberg: That's what the definition seems to be. The vendor seems to be much more targets of opportunity generated by the retailer rather than the co-op. I mean the co-op is very specific, it's brand specific. There are accruals; there are all kinds of rules. Some of the rules for the brands are as thick as the phone book. While you might not have to buy so much merchandise, you can imagine that a retailer that's stocking a bigger inventory from a particular vendor is going to get a little fairer shake in evaluating his target of opportunity than somebody who's not loaded up on the guy's inventory.

TV/RA: *We've been sort of dancing around national business in the context of talking about local business. But, from your perspective, what's wrong with the national spot marketplace other than the economy; and how do you explain the sluggish national spot business at the same time that network radio seems to be going through the roof?*

Maurer: There has to be some connection there between the thing Jack talked about earlier—the difficulty of buying 9,000 radio stations and the ease of buying network radio. I think that's *some* of where our national business is going. Would anybody argue with that?

McSorley: Well, the business is certainly up, and it's easier to buy and it's, to a large degree, more efficient if just on paper. Whether it's more effective or not is an arguable point. I haven't heard a clear-cut definition of what's wrong with national business this year. I think that the recent mega-mergers in the agencies have got to have affected the flow of money from clients, and the economy's not very good. Television's not enjoying a good year. I think there are a lot of factors involved. I don't know that, based on the dollar's strength, that importers are spending as much money this year as they were spending last year.

Maurer: Another problem is, what we believe are network [TV] standalone 15s, creating more network inventory, and if our pecking order is correct, radio follows network television, spot television, and we're like third or fourth in line. And unless those guys fill up, we're not going to get our share. So if there's more inventory at the top, there's going to be less for us at the bottom.

TV/RA: *Would you like to see the reps doing more in the area of developing new-to-radio business?*

McSorley: Absolutely.

TV/RA: *Have you talked to them about it?*

McSorley: Absolutely.

TV/RA: *What was the response?*

Maurer: Why don't you have a roundtable of reps and have them answer that question?

McSorley: I know that Katz is working to that end. I know that Interep is. I think Blair is. I think it's important. For instance, habitually radio's had a tough time in the first quarter, at least the first eight to 10 weeks of the year. And I don't think we ought to wait until between Christmas and New Year's to address that. I mean we know it's going to come. We ought to be out there drumming up business now to affect the first quarter of '87.

And there are things that happen that affect advertising dollars. I think with the heat up in the Middle East, obviously people stopped going to Western Europe to vacation this summer. Well, all of those people are going to spend their money somewhere else, and were I the Hawaiian or Californian or Alaskan visitors and convention bureau, I would have tried to be on radio the next day. And somebody has got to go out and tell our story to those people because, as Warren says, that's where we have the reputation of being an instant medium and we ought to be able to call a guy up and say, "Harry, they just dropped a bomb in northern Africa. It's time for you to take those dollars that Pan Am's spending for people to go to Western Europe and revert them to western United States or Mexico or wherever people are going to vacation.

TV/RA: *Danny, there was an active group—supported by SRA [Station Representatives Association] and RAB . . .*

Flamberg: I was going to say that I feel duty bound to say that the National Radio Marketing Group, which is a combination of the Radio Development Committee of the SRA and the RAB, is working in this area.

Travel and tourism and airlines have been one of the target industries that they've been working in this year—with some success. But this is a long-term kind of development thing.

The reps have probably made their biggest allocations to business development in the last couple of years. But this is a long-term kind of thing, and we're still pulling out the weeds and making the furrows and planting the seeds and watering them. And while some are coming to fruit, we're still fairly early on in the process.

I think the other question, of course is, on the national businesses. I think a lot of it is *not* being spent. I think mega-mergers have directly affected these big giant companies—we've got R. J. Reynolds merging with Nabisco and all these other kinds of things happening. But there've been some temporary stalls in the system. Some people think that there's going to be a big shakeout, that these next couple of years are going to be a transition and that national spot which is, at least mathematically, inherently inefficient, is going to take a hard shake.

But when you look at the pool of dollars—network radio did about $325 to $328 million last year and even at a 15 or 16 per cent clip, they're still going to do $368 to $370 this year. There was $1.4 billion in the spot pool in '85. And there will be probably pretty close to that by the time we close out the year. We'll probably come in maybe a point or two above where we were.

So, it's still happening, and I think one of the things we've got to keep in mind is that we've had dramatic growth in the last four years—we've had double digits. I mean if this was a Communist country we would have had banner year after banner year, and we would be awarding medals to people.

And one of the things is we've become so used to that when we don't have the same rate of growth that we've had, we get much more anxious than perhaps we would if we were in an industry that didn't have dramatic growth and then a quick slowdown.

McSorley: I agree with that. And I think that in an economy that's just experienced some 30-odd months of 4 per cent inflation, I don't know how we as radio stations can expect to continue double-digit growth. It just doesn't seem to be in the cards.

Flamberg: And at this point, we're running—when you take all the different parts of the radio industry—we're running at about 7½ to 8 per cent above.

So we're better than double the rate of growth of the GNP and better than double the rate of growth in retail sales, which we expect to close out the year at about 3 per cent overall. So, relative to the whole economy and the guys who are dying in the oil and gas business, we're riding fairly high in a pretty rotten economy.

I think one of *our* biggest problems is our own expectations versus what we're doing, more than what we're doing versus the general state of the economy.

Maurer: Gee, I feel better.

TV/RA: *Thank you all for coming.* □

Local meter *(from page 53)*

revenues of $105.8 million. The growth from 1981 to 1985 was 35.2 per cent. McCann-Erickson figures for the entire U.S. show a growth of 60.2 per cent for spot TV during that five-year period and a 69.7 per cent growth for local.

The Frazier, Gross & Kadlec figure for '85 shows $103 million for Pittsburgh in non-network time sales, which, while the FG&L estimates may be low, compares with FG&K levels of $142 million for Denver, the 19th ADI and DMA; $173 million for Miami, the 14th ADI and 16th DMA and $149 million for Seattle-Tacoma, the 13th ADI and 14th DMA, all smaller markets than Pittsburgh.

The only willing customer for metering in Pittsburgh is Meredith's independent, WPGH-TV, which had the leading household share in the May Arbitron sweep—a 5, sign-on to sign-off. (The only other independent, WPCB-TV, is a non-profit, religious station.)

Willard Saltzgiver, vice president and general manager of the Meredith outlet, says, "I would like [metering] done, but no one else wants it." He feels that the revenue base of the market could be a factor in the resistance to metering Pittsburgh but not the basic reason. Moreover, it's clear to Saltzgiver that the affiliates, owned by Group W, Hearst and Cox, have little incentive to buy a meter service, given the expectation of their losing audience shares.

Hence, it appears that, with the prospect of three subscribers to a meter service, much less two meter services, quite dim, Pittsburgh will remain a diary market for the near term.

St. Louis scenario

A somewhat similar situation to Pittsburgh exists in St. Louis, with two commercial independents—Koplar's KPLR-TV and Cox's KDNL-TV—plus an evangelistic station. Arbitron pitched the market August 19 and among the options discussed was the possibility of the two indies picking up the tab, in effect, for a third station.

The cost of this extra bite was said to be about $1.5 million over the seven-year term, with the two indies sharing this cost. However, the premium would be dropped, of course, if another subscriber took the Arbitron service.

The basic cost of the Arbitron service in St. Louis, with a 400-household meter sample, would be, for each station, around $2.5 million over seven years, starting as low as $250,000 the first year and rising to $450,000 in the final year.

Needless to say, neither KPLR-TV and KDNL-TV are chomping at the bit to get started. Barry Baker, senior vice president and director of the Koplar broadcast division, and the point man in the negotiations with Arbitron, says his company wants a metered service in St. Louis, but the cost is giving him pause. He also questions whether the market would support more than one metered service. So far, there's been no Nielsen proposal.

At KDNL-TV, William Viands, vice president and general manager, expressed disappointment with the proposed sample size. He finds a 400-household meter sample too small for a market with over 1 million homes. Also, the cost was described as extremely burdensome. "It would be an increase for us of $1 million a year (for two services) after five years in comparison with what we're now paying."

While agreeing that the indies will probably benefit from meters, Viands still adds: "There's no guarantee (the ratings) would go up. They don't always." The Cox station manager saw little likelihood at the present time of any affiliates coming aboard as subscribers. He notes that, regarding the Times Mirror outlet in St. Louis, KTVI(TV), an ABC affiliate, it was, in particular, not a good candidate, since TM's Dallas-Ft. Worth station, KDFW-TV, does not subscribe to a meter service. (The other affiliates are owned by Multimedia and Viacom.)

Another market where uncertainty rules is Minneapolis-St. Paul, where, reportedly, there are metered proposals "on the table." Nielsen's Traylor says that while there have been discussions in that market, no contracts from his company have been sent.

Robert Fransen, vice president and general manager of KITN(TV), owned by Nationwide Communications, says that both Arbitron and Nielsen have made proposals and that he "would expect to subscribe." There are three other indies in the market, but only one had a measured sign-on to sign-off audience in the May Arbitrons. That was United Television's KMSP-TV, which posted a 13 share in May and is a logical candidate for metering. However, their current position on metering in the market could not be learned.

One market where the indies have asked for metering but which has apparently been put aside for the moment by the rating services is Sacramento-Stockton, Number 20 TV market. Both Koplar's KRBK-TV and Camellia City's KTXL(TV) are anxious to sign up. Again, the problem is where the third station will come from. A third independent, KCSO(TV) in Modesto, is a Spanish-language outlet and a fourth, KSCH-TV just went on the air in April. It did not show up in the May Arbitron book. □

Ken Gorman *of Viacom endorses transition team at MTV, sees no consolidation with firm's other cable properties. He gives no hint as to who will replace Pittman.*

change. We can never be mainstream, or we will fail. . . You have to kind of reinvent yourself and not allow yourself to get stale.

"We've changed a lot of the creative personnel. The soul of MTV has got to be like a real rock 'n' roll, young 20s kids, really in touch—no guys in suits," Freston remarks, fingering his own business attire for emphasis. "And when you bring in a couple of new people with the old people, it actually changes the old people who are already there."

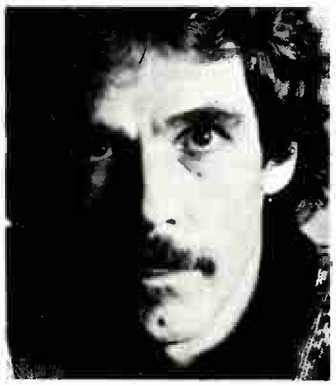
Mitchell Rowen, publisher of the *CVC Video* Report, has no doubt that MTV will successfully adapt to the new reality, and continue to prosper.

Staying power

"If you're 13, 14, 15, you've been watching MTV for five years, and your whole musical universe is tied to MTV. There are millions of kids out there who never remember a time when there *wasn't* MTV. It's a lot easier for an older person to say it's a fad. But the kids won't let it go away."

Continues Rowen, "It's true that MTV doesn't have the newness value it once had. When it first hit, there was a snowball effect, and the hype never matched the impact. People won't turn on their sets now and just watch it because it's music video; it has to be programmed. It's very popular these days to say MTV is dying. But this is really just an industry going through some changes."

As Les Garland puts it: "The word 'rock 'n' roll' reflects change. That's a 30-year-old word that doesn't mean what it meant in 1955. And as rock 'n' roll changes, MTV must change." □



Ken Walz, *producer of hit videos, says the "giveaway" economics of music video has led to reduced output at some labels, which can't justify cost of production for as many artists.*

Comedy/game (*from page 49*)

stations trying *Hollywood Squares* as a counter move, there are no new programming formats out. *Entertainment Tonight* and *PM Magazine* will be returning, as will game shows and court shows on some stations. There will be no new ground turned over in access this fall, and *Wheel* will be as strong as it has been. This fall may not be a carbon copy of the 1985–86 season, but you won't see any tremendously new innovations."

The May '86 Nielsen ratings data for affiliates in the top 100 market during the access time period show *Wheel* with a 35 share average on 94 stations, up 2 share points from the previous Nielsen May report, and ranking Number 1 with women 18–49. *Jeopardy*! ranked second, was up 3 points to 29 over May, 1985, on 47 stations. On the other hand, *PM Magazine*, on 32 affiliates, was down to a 22 share, a loss of 2 points from the 24 in May, 1985, while *Entertainment Tonight* had a 52-station lineup, dropping 1 point to a 17 share.

Checkerboarding alternative

Meanwhile, one alternative being planned vs. *Wheel* and/or other game shows and other established strips are first-run weekly sitcoms in the form of checkerboarding. At least two affiliates, KCRA-TV Sacramento/Stockton, and KOCO-TV Oklahoma City, are planning to shift to a checkerboard lineup for access beginning this fall (as originally reported in TV/RADIO AGE, May 26). At KCRA-TV, an NBC affiliate, Don Saraceno, general manager, says that the access schedule will consist of Colex's *The New Gidget*, Lorimar-Telepictures' *One Big Family*, L-T's *Mama's Family*, Worldvision's *Throb* and L-T's *It's a Living*, from Monday through Friday, respectively. Three of the five, *One Big Family*, *Mama's Family* and *Living*, will begin on September 22, a week later than the preview of the other two first-run programs, says Saraceno, because these shows aren't available for delivery until that time. *Living*, already on the air, was acquired from KOVR(TV) ABC affiliate, which was airing it in a Sunday afternoon time slot.

Saraceno says each sitcom has been selected for a specific night based on its match-up with the network show following it. For example, he points out, *Gidget* was chosen for Mondays because it is deemed compatible in young demos to *Alf*, the 8 p.m. network new series. All-in-all, KCRA-TV expects to attract younger demos with the sitcoms than *Evening Magazine*, longtime access occupant which the station dropped on August 1. Meanwhile, as an experiment, KCRA-TV will test-run repeats of the best of the *Donahue* in 7–8 p.m. slot, in the six weeks leading into the checkerboard shows, says Saraceno, as a back-up for possible use down the road.

Not only does Saraceno expect good results on the demo side from checkerboarding, but he believes that the sitcoms represent a positive programming alternative to the competitors' fare. KOVR carries the *New Price Is Right* at 7:30, which of course will have to be replaced in the fall. The station was recently acquired by Narraganset TV Co. of California, of which Ed Pfeiffer, (former general manager of WDVM-TV Washington) is a part owner and general manager. Pfeiffer notes that the station's new 7:30 p.m. show for the fall has not yet been determined. At this point, KOVR has the license for five game shows, three of which will probably be used in the 6:30–8 p.m. block. Two, *$1,000,000 Chance of a Lifetime*, and the *New Newlywed Game* are running at present, at 6:30 and at 7 p.m., respectively. The CBS affiliate in the market, KXTV(TV), runs the heavy-hitting combination of *Wheel* at 7, followed, by *Jeopardy*!, which is the 7:30 share leader.

KOCO-TV's checkerboard schedule for access will consist of Taffner's *The Ted Knight Show* on Monday, *Throb* on Tuesday, *One Big Family* on Wednesday, *Mama's Family* on Thursday, and 20th Century Fox's *Small Wonder* on Friday, according to Michael Palmer, vice president of programming at the Gannett station. The station has been third in the time period, playing the *New Price Is Right* in access since last September vs. *Wheel*, which is on CBS affiliate KWTV(TV) and *PM Magazine* on KTVY-TV, the NBC station.

Palmer's rationale in going with a sitcom checkerboard format is that "we weren't comfortable in putting up another game show against *Wheel* and because it is an alternative to the strip, which is dominant in the time period."

Just how far sitcom checkerboarding in access will go as a concept is hard to measure at this time.

NBC stations' plans

One checkerboard move that probably will not take place before fall '87 but which will also be closely watched is being explored at the NBC-owned television stations. Wes Harris, vice president of programs, says that before the owned-stations group gives a green light to checkerboarding it will ascertain what the universe will be regarding available weekly sitcom properties. "We are at the point where a number of studios, syndicators and advertisers—or combinations thereof—are moving properties into pilot form. Most of these are being produced or being prepared for availability in September," he notes, "so we are prepared to make fairly early commitments if enough of these properties—five of them—meet our satisfaction. In particular regard to sitcoms, suppliers are going to need as much lead time as possible prior to next year's NATPE to find out what the national acceptance is. So our game plan is to sort out these shows early on during this fall. (Meanwhile, L.A. indie, KTLA, is going ahead with checkerboarding this fall. See separate story, opposite page).

"These could be five or six shows if they work well, and then we would see how the marketing pulls." Harris notes that the NBC group will buy programs on a cash-plus basis only, and is not interested in back-end deals. The group is prepared to allow as much as one-and-a-half [barter] minutes in advertising in each half hour, says Harris.

Regarding specific types of shows, Harris says he's looking for programs which have appeal similar to a *Gimme a Break* or *Facts of Life*. "We are not interested in bubble-gum shows." In explaining one of the major reasons behind the group's plan to checkerboard sitcoms, Harris says the appetite for comedies has been revitalized, with all three networks showing a dramatic increase in scheduling sitcoms in primetime for the upcoming season.

Also, he continues, sitcoms provide a "very appealing demographic. It's a fair assumption that a sitcom will provide a more attractive demo profile than a game show. Historically, the game shows tend to skew a litle old, while sitcoms tend to skew young."

Katz study

But checkerboarding doesn't automatically mean smooth sailing, point out the reps interviewed. At Katz, von Soosten notes that there is no certainty at this juncture that the form will succeed in access. He points out that a Katz study of the six stations currently using checkerboarding in access—KVVU-TV Las Vegas, KSHB-TV Kansas City, KADN-TV Lafayette, La., KCIK-TV El Paso, WQRF-TV Rockford and KSAS-TV Wichita (all indies)—shows that only one, KVVU, is working well in ratings.

However, continues von Soosten, none of the stations are checkerboarding all first-run sitcoms. "Some are checkerboarding off-network sitcoms or hours or other types of shows, so we don't know what will happen with first-run sitcoms in access." Shapiro at MMT notes that while KVVU-TV is doing all right with its checkerboarding in access, the station does very well ordinarily and shouldn't be judged as a model by other outlets.

He feels both promotion and barter are two problems which confront affiliates in checkerboarding. Almost all the weekly first-run sitcoms are going the barter route, he points out, so stations will have to give away almost half their access inventory to get the programs. "You can't assume that all the shows will work, and a station may have a problem in replacing the ones that don't. Promotion, obviously, will have to be greater on the checkerboard shows than on game shows or strips," Shapiro says.

Katz's von Soosten, while seeing sitcom checkerboarding as an unknown factor, is recommending that affiliates in the top 50 markets acquire as many first-run weekly sitcoms as possible to run initially in weekend slots—where competition is not as sharp as on weekdays—as a test of their strength. If some do well, he continues, and if a station is not on top in ratings in access in the next book, it may behoove the affiliate to then use sitcom checkerboarding in access. He points out that even affiliates which have *Wheel* could utilize first-run sitcoms as an insurance policy down the road. "*Wheel* won't last forever, and if a station doesn't have an adequate replacement for 1988–89, sitcoms may be the answer."

KTLA's checkerboard

While the NBC-owned stations are looking at checkerboarding in access, which involves KNBC(TV) Los Angeles, the Tribune indie in Los Angeles, KTLA(TV), has announced it will go that route in the fall, making the station the first in the city to use first-run checkerboarding and the first station in the top 20 markets to do so.

The Monday–Friday schedule will contain first-run, half-hour sitcoms, with several either coproductions of Tribune or shows in which Tribune is involved in the profits. Starting on Mondays at 7:30, the fall schedule is as follows: *Charles in Charge*, MCA TV Tribune co-production, which will go on the air in January with new episodes. *Charles* initially was broadcast during the 1984–85 season on CBS. *Square Pegs*, which aired on CBS in 1982–83, will be used until the *Charles* debut.

Tuesdays: *The New Gidget*, from Colex Productions, with repeats Saturdays at 9:30 a.m.

Wednesdays: *What a Country!*, from The Viacom-Tribune Entertainment Group, which will have a repeat on Sundays at 9:30 p.m.

Thursdays: *One Big Family*, being distributed by Lorimar-Telepictures, with Tribune getting a piece of the action on the program. Danny Thomas stars in the Witt/Thomas-produced show.

Fridays: *What's Happening Now*, from Columbia Pictures Television, which returns for its second year in the access time slot. The off-network *What's Happening* has been used by KTLA on a Monday–Thursday basis, while the first-run show has been run on Fridays. Repeats of *What's Happening Now* will run at 9:30 a.m., Sundays. All the repeats are being sold together with the originals on a barter basis. Each show has a two-year commitment from KTLA.

'Wheel' defection

Meanwhile, despite *Wheel*'s overall continuing dominance, one station, ABC affiliate WNEP-TV Wilkes Barre-Scranton, has dropped it and has replaced it with the new game show strip, *The New Crosswits*, in access.

According to Elden Hale Jr., executive vice president and general manager of the station, the move was made because King World, distributor of *Wheel*, was seeking a five-fold increase in fees beginning in the fall and also because it "wanted us to buy its other shows."

WNEP-TV made the change on July 7, although the station's license for *Wheel* runs until September. Hale says that its replacement, *Crosswits*, is doing extremely well and adds that an Orbis Communications-commissioned coincidental, taken by Nielsen the week of July 14, shows the strip beating the affiliates' competition. According to estimates from Orbis, which sells the barter time in *Crosswits*, the game show delivered a 12/28 average, vs. the *New Newlywed Game*, which got a 5/13 on WBRE-TV, NBC affiliate, and vs. *Jeopardy!*, shown at 7:30 on CBS affiliate WDAU-TV, which wrapped up a 7/18 for the surveyed week.

In an obvious strategic ploy, Hale points out, designed to impair *Crosswits*' ratings, WDAU-TV flip-flopped *Love Connection*, the past 7:30 occupant, and *Jeopardy!*, which began doing battle against *Crosswits* the same day that WNEP-TV began showing the latter strip. About one-third of the affiliates in the top 50 markets licensed for *Crosswits* will air it in access. Present coverage is 62 per cent of the U.S., including eight of the top 10.

Jeopardy! is also distributed by King World, so the confrontation is not simply one of numbers. Also, the rivalry between both affiliates is bound to heat even more because *Wheel* has been picked up by WDAU-TV, which is expected to air the program during the 7–8 p.m. time period.

If *Wheel* goes into the present *Jeopardy!* slot, *Jeopardy!* will return to its former 7 p.m. time period, according to Kenny Gonzalez, WDAU-TV program director.

Gonzalez says the station has acquired the other new King World product as well, including *The Oprah Winfrey Show* and *True Confessions*. Regarding *Jeopardy!*, Gonzalez says that the strip has already dented the old numbers on *Wheel*, which was getting shares in the mid-40's on WNEP—TV. But in addition he expects coincidentals, which were to be taken at presstime, to show a closing of the gap between both shows. He feels that a coincidental at this point will reflect the show's value more realistically than at the beginning of its run because *Crosswits* benefits from the audience built by *Wheel*.

Change in status

The NBC station in Wilkes Barre-Scranton, WBRE-TV, has been airing *The Million Dollar Chance of a Lifetime* and the *New Newlywed Game* in the 7–8 p.m. period, but is understood to be planning to show the off-network *M*A*S*H* in the opening half-hour

(*continued on page 96*)

Access* schedules—network TV affiliates, top 50 ADIs, fall, 1986 *(continued)*

	Market	ABC	CBS	NBC
11	Cleveland	WEWS Wheel of Fortune Jeopardy!	WJW-TV News PM Magazine	WKYC-TV News Entertainment Tonight
12	Pittsburgh	WTAE-TV News $1,000,000 Chance of a Lifetime	KDKA-TV News Evening Magazine	WPXI-TV Entertainment Tonight Jackpot Bingo
13	Seattle-Tacoma	KOMO-TV News Jeopardy!	KIRO-TV New Newlywed Game All New Dating Game	KING-TV Entertainment Tonight PM Magazine
14	Miami	WPLG News New Hollywood Squares	WTVJ News Card Sharks	WSVN News Entertainment Tonight
15	Atlanta	WSB-TV News Entertainment Tonight	WAGA-TV News $1,000,000 Chance of a Lifetime	WXIA-TV News Wheel of Fortune
16	Minneapolis-St. Paul (6:00)	KSTP-TV News New Hollywood Squares	WCCO-TV News Wheel of Fortune	KARE-TV News $1,000,000 Chance of a Lifetime
17	Tampa-St. Petersburg	WTSP-TV News Wheel of Fortune	WTVT News Entertainment Tonight	WXFL Jeopardy! New Hollywood Squares
18	St. Louis (6:00)	KTVI News Undetermined at presstime	KMOV-TV News New Newlywed Game	KSDK News Wheel of Fortune
19	Denver (6:00)	KUSA-TV News Wheel of Fortune	KMGH-TV News Entertainment Tonight	KCNC-TV News Colorado Evening News
20	Sacramento-Stockton	KOVR New Newlywed Game Undetermined at presstime	KXTV Wheel of Fortune Jeopardy!	KCRA-TV Entertainment Tonight Checkerboard**
21	Baltimore	WJZ-TV News Evening Magazine	WBAL-TV New Newlywed Game All New Dating Game	WMAR-TV Wheel of Fortune Jeopardy!
22	Phoenix (6:00)	KTVK News New Newlywed Game	KTSP-TV News Wheel of Fortune	KPNX-TV News New Hollywood Squares
23	Indianapolis	WRTV News Entertainment Tonight	WISH-TV News $1,000,000 Chance of a Lifetime	WTHR Jeopardy! Wheel of Fortune

Access* schedules—network TV affiliates, top 50 ADIs, fall, 1986 *(continued)*

	Market	ABC	CBS	NBC
24	Hartford-New Haven	WTNH-TV News Jeopardy!	WFSB-TV News PM Magazine	WVIT $100,000 Pyramid New Newlywed Game
25	Portland	KATU New Hollywood Squares All New Dating Game	KOIN-TV Wheel of Fortune Jeopardy!	KGW-TV Entertainment Tonight PM Magazine
26	San Diego	KGTV Entertainment Tonight New Newlywed Game	KFMB-TV San Diego At Large PM Magazine	KGST-TV Wheel of Fortune Jeopardy!
27	Orlando-D. B.-Melb.	WFTV Jeopardy! Wheel of Fortune	WCPX-TV PM Magazine Undetermined at presstime	WESH-TV $100,000 Pyramid Entertainment Tonight
28	Milwaukee (6:00)	WISN-TV News New Hollywood Squares	WITI-TV News Card Sharks	WTMJ-TV News Wheel of Fortune
29	Cincinnati	WKRC-TV News Entertainment Tonight	WCPO-TV Wheel of Fortune Jeopardy!	WLWT New Newlywed Game Undetermined at presstime
30	Kansas City (6:00)	KMBC-TV News New Newlywed Game	KCTV News Wheel of Fortune	WDAF-TV News Entertainment Tonight
31	Nashville (6:00)	WKRN-TV New Newlywed Game All New Dating Game	WTVF News Card Sharks	WSMV News News
32	Charlotte	WSOC-TV News Entertainment Tonight	WBTV News PM Magazine	WPCQ-TV All New Dating Game New Newlywed Game
33	Columbus	WTVN-TV Entertainment Tonight New Newlywed Game	WBNS-TV News Wheel of Fortune	WCMH-TV Undetermined at presstime PM Magazine
34	New Orleans (6:00)	WVUE News New Newlywed Game	WWI-TV News Wheel of Fortune	WDSU-TV News Entertainment Tonight
35	Buffalo	WKBW-TV Wheel of Fortune Jeopardy!	WIVB-TV New Newlywed Game $100,000 Pyramid	WGRZ-TV PM Magazine Undetermined at presstime
36	Oklahoma Cy. (6:00)	KOCO-TV News Checkerboard***	KWTV News Wheel of Fortune	KTVY News PM Magazine
37	Greenville-Spart.-Ash.	WLOS Wheel of Fortune Jeopardy!	WSPA-TV Entertainment Tonight New Hollywood Squares	WYFF-TV News PM Magazine
38	Raleigh-Durham	WRAL-TV News PM Magazine	WTVD Jeopardy! Wheel of Fortune	WPTF-TV All New Dating Game New Newlywed Game
39	Salt Lake City (6:00)	KTVX Wheel of Fortune Jeopardy!	KSL-TV News Prime Time Access (local)	KUTV News PM Magazine
40	Memphis (6:00)	WHBQ-TV News New Newlywed Game	WREG-TV News Entertainment Tonight	WMC-TV News Wheel of Fortune

(continued on following page)

Comedy/game (*from page 93*)

and keeping *Newlywed* in the 7:30 time period. (Because the market was ranked number 50, affiliates in Wilkes Barre-Scranton have been prohibited from airing off-network product in access. However, the FCC has lowered the market's ranking to below that, beginning in the fall. The FCC uses two consecutive February books of Arbitron to determine rankings of markets, and reviews them every three years).

Meanwhile, because of the departure of *The Price is Right*, as noted previously, affiliates have replaced or are planning to substitute the show with strips such as *Squares*, *Lifetime*, and *Newlywed Game* in access. Actually, *Price* began losing appeal soon after the February syndicated books showed that the program was not faring as well in access as expected. In the February Nielsen, *Right* had a 16 share on 31 affiliates in the top 100 markets, down a point from the November share. In the past May book, there was no change, but was down 3 points from its lead-in show, and was tied for Number 21 with several other programs.

In several instances, affiliates shifted the program to early fringe in February, the reps point out. Fentress at Petry says that at present, *Right* is being played in access on only three or four of stations in the top 20 markets. He speculates that Program Televisions Source's dropping of the show centered on cost factors. "I'm guessing that their licensing fee was predicated on a certain number of prime access clearances. And without those, of course, the income is considerably less and not enough to pay the nut."

In several cases, *Right* was flip-flopped with *Newlywed Game*, which had been the early-fringe fare on these stations, moving into access. Aired on 59 stations in the top 100 markets, *Game* is doing a respectable 9/18, up 3 points over last year's occupant. As to *Lifetime*, Chislett at Katz calls it "a bit of a surprise," in that "it is the first non-network game show without prior exposure to make any kind of statement either in early fringe or access. However, we have seen only two books, so we will see what happens in November."

Lifetime had a May access lineup of 20 affiliate stations and did an 8/16, according to the Nielsen report of the top 100 markets. At NBC-owned WKYC-TV Cleveland, *Price Is Right* had been the 7:30 p.m. occupant, up against *Jeopardy!* on ABC affiliate

Access* schedules—network TV affiliates, top 50 ADIs, fall, 1986 (*continued*)

	Market	ABC	CBS	NBC
41	Grand Rap.-Kal. B.C.	WZZM-TV Wheel of Fortune Jeopardy!	WKZO Entertainment Tonight New Hollywood Squares	WOTV New Newlywed Game All New Dating Game
42	Providence-N.B.	WPRI-TV Wheel of Fortune Jeopardy!	WLNE Superior Court Love Connection	WJAR-TV PM Magazine Entertainment Tonight
43	Charleston-Hunting.	WOWK-TV Wheel of Fortune Jeopardy!	WCHS-TV People's Court The Judge	WSAZ-TV PM Magazine New Newlywed Game
44	Harrisburg-York-Lan.-Leb.	WHTM New Newlywed Game New Hollywood Squares	WHP-TV Wheel of Fortune Jeopardy!	WGAL-TV News PM Magazine
45	San Antonio (6:00)	KSAT-TV News New Hollywood Squares	KENS-TV News Entertainment Tonight	KMOL-TV Wheel of Fortune Jeopardy!
46	Norfolk-Port-Newport News	WVEC-TV Wheel of Fortune Jeopardy!	WTKR-TV New Newlywed Game All New Dating Game	WAVY-TV Entertainment Tonight New Hollywood Squares
47	Birmingham (6:00)	WBRC-TV News Wheel of Fortune	WBMG Card Sharks New Hollywood Squares	WVTM News New Newlywed Game
48	Dayton	WDTN New Newlywed Game All New Dating Game	WHIO-TV News Entertainment Tonight	WKEF Wheel of Fortune Jeopardy!
49	Louisville	WLKY-TV Wheel of Fortune New Hollywood Squares	WHAS-TV PM Magazine Entertainment Tonight	WAVE-TV News $1,000,000 Chance of a Lifetime
50	Greensboro-Wins. Sal.	WGHP-TV Wheel of Fortune Jeopardy!	WFMY-TV News PM Magazine	WXII Entertainment Tonight New Hollywood Squares

No distinction is made between national and local news in this listing.
* *7–8 p.m., unless noted*
** *The New Gidget, One Big Family, Mama's Family, Throb, It's a Living*
*** *The Ted Knight Show, Throb, One Big Family, Mama's Family, Small Wonder*

In splitting its local news WKYC-TV Cleveland wants to attract workers who come home late.

WEWS(TV) and *PM Magazine* on WJW-TV, CBS affiliate; *Price* came in third in May among the affiliates. But beginning September 8, WKYC-TV will air *Entertainment Tonight* in access, taking it from WJW-TV, which had been playing the show at 11:30 p.m., says John Llewellyn, general manager of WKYC-TV.

Llewellyn is looking for *ET* as a match-up with the news and information block that was revamped on August 18. Local news runs at 6 p.m. and at 7, with NBC Nightly News sandwiched between. Previously, the station aired local news from 6–7, with Nightly News at 7. The station, in splitting up the local news, is looking to attract workers who come home late and prefer local news over the ABC network news and *Wheel of Fortune* on WEWS. *Price Is Right* got an 8/14, vs. *PM Magazine's* 9/16 and *Jeopardy's* whopping 23/41 in the May book.

Price has already been dropped by WAVE-TV Louisville, and was replaced by *Chance of a Lifetime* in the 7:30 slot. A battle looms in the market, not only in access but in early fringe as well, with all three affiliates posting strong lineups, according to Harold Culver, program director at WAVE-TV, NBC affiliate. WAVE-TV has not only made a 7:30 shift, but in the fall will go with *Gimme a Break* at 4, followed by two game shows back to back, *The All New Dating Game* and the *New Newlywed Game*, over its previous tenant from 4:30–5:30, *Hart to Hart*. *People's Court* stays at 5:30, as does the hour-and-a-half of news that follows.

However, WKLY-TV, the ABC affiliate, is making several shifts, taking *Jeopardy*! from its present 7 p.m. slot and placing it as the 5:30 p.m. lead-in to its local news. *Wheel*, which had been the 7:30 p.m. show, is being moved to 7 as *Jeopardy*'s replacement, and *The New Hollywood Squares* will occupy *Wheel*'s former berth. The 6–6:30 fare, *CNN Headline News*, will be dumped from the schedule. The schedule at WHAS-TV, CBS affiliate, remains basically status-quo with *PM Magazine* and *Entertainment Tonight* in the 7–8 p.m. slot. □

Oldie TV *(from page 58)*

Meanwhile, with comedy as the king of the vintage shows, one station that has a heavy sitcom schedule practically throughout the day and in the daytime on Saturdays is KITN-TV Minneapolis-St. Paul. The station, according to Mel House, program director, is Number 1 with women on Saturdays in the 9–10 a.m. time period, when it airs *The New Dick Van Dyke Show* and *I Love Lucy*, respectively. During the week, not only does it use a daytime mixture of fare such as *Emergency*!, *Beverly Hillbillies* and *The F Troop* leading into early fringe oldies, but the station uses *Perry Mason* in the 7–8 p.m. slot, and after the 8 p.m. movie, repeats *Van Dyke* and *Lucy* for the late-night schedule.

The 7 p.m. *Mason* will be moved this fall, says House, to a noon strip, but will keep its Sunday slot, when it plays at 9 p.m.

KWGN-TV Denver did quite well with a golden oldie lineup last Novem-

Current off-network 'oldies' *(continued)*

Program	Distributor	Episodes
Half hours		
Flying Nun	Colex	82
Gentle Ben	Heritage Ent/Rogers Org.	56
Get Smart	Republic	138
*Gidget	Colex	32
Gilligan's Island	MGM	98
Gomer Pyle	Viacom	150
Green Acres	Orion	170
Hogan's Heroes	Viacom	168
Honeymooners	Viacom	39
I Dream of Jeannie	DFS	139
I Love Lucy	Viacom	179
*Jack Benny	MCA-TV	104
Laurel & Hardy	Janus	74
Leave it to Beaver	MCA-TV	234
Love American Style	Paramount	224
Lucy Show	Paramount	156
McHale's Navy	MCA-TV	138
Mothers-in-Law	Goldwyn	54
Munsters	MCA-TV	70
My Favorite Martian	Lorimar-Telepictures	107
Partridge Family	DFS	96
Petticoat Junction	Viacom	148
Phil Silvers	Viacom	138
*Please Don't Eat the Daisies	MGM	58
Rat Patrol	MGM	58
*Room 222	20th Century Fox	113
Superman	Warner Brothers	104
Three Stooges	Columbia	180
Twilight Zone	Viacom	134
Very Best of Groucho	W.W. Entertainment	130

*Source: Pre-1976 off-network product from Katz Television's listing of all current off-network shows. *indicates that program is not listed in May, 1986, ARB syndicated program analysis report*

Program	Distributor	Episodes
Hours		
Alfred Hitchcock	MCA-TV	93
Avengers	ITC	83
Ben Casey	Worldvision	153
Big Valley	Four Star	119
*Bold Ones, The	MCA-TV	98
Bonanza	Republic	310
*Bracken's World	20th Century Fox	41

ber in the noon–1:30 p.m. time block on Saturdays, points out Marc Schacher, program director. For the week of the 6th, the noon show, *Adams Family*, did a Nielsen 24 share; while *Gilligan's Island* and *Leave it to Beaver*, the 12:30 and 1 p.m. programs, respectively, garnered a 23 and an 18. In the Nielsen weekly metered report beginning July 26, the three programs racked up a 26 share, a 24 and a 17 in their respective time period.

The Tribune indie will be getting some oldie competition again from NBC affiliate, KCNC-TV, which will return *Star Trek* to its 10:30–11:30 a.m. slot on Saturdays, after cooling it off for the summer. Another oldie, *Black Sheep Squadron*, was running in the 10:30–11 p.m. at KWGN-TV a lead-in to action/adventure movies. But this fall, according to Schacher, the station's strategy is to take *Squadron* off from its strip berth and use the series on Saturdays at 4 p.m. and at 10 p.m., and on Sundays at 10:30 p.m.

Stressing comedies

WOIO(TV) Cleveland, a station which has aired a slew of golden oldies since it came on the air in May, 1985, started off its oldie programming schedule with action-adventure shows, such as *Have Gun Will Travel* and *Peter Gunn*, and has since changed the format to emphasize comedies. One of its blocks, notes Bob Affe, program director, which airs on Saturdays from noon to 3 p.m., consists at present of goodies such as *My Favorite Martian*, *I Love Lucy* and *Bob Newhart*.

Affe says that, for the most part, the station tries to restrict its golden oldie playing during the week. Airing oldies all over the lot, he feels, could be detrimental. This fall, Affe will make some changes in the weekend slot, replacing the present lineup with *Highway Patrol* and *Car 54, Where Are You?*, among other programs. One of the reasons for acquiring *Car 54*, he points out, is because it has not been offered in Cleveland since it went off-network some 25–30 years ago. "So even if it is an old show, it's still new to the market," says the WOIO exec.

KDFI-TV Dallas-Fort Worth, had been using two oldies as part of its 7–8 p.m. lineup, as part of a checkerboarding concept, but this fall will modify the form by using wrestling three times a week. On the other two nights, KDFI-TV will air *The Invaders* on Tuesdays, and *The Avengers* on Wednesdays, according to McKay. Last season the station aired *The Prisoner* on Tuesdays and *The Avengers* on Fridays, as part of a checkerboard lineup. □

Current off-network 'oldies' *(continued)*

Program	Distributor	Episodes
Hours		
*Cheyenne	Warner Brothers	107
Combat	Worldvision	152
Daktari	MGM	89
Daniel Boone	20th Century Fox	136
*Defenders	Paramount	132
*Dr. Kildare	MGM	142
*FBI	Warner Brothers	234
Fugitive, The	Worldvision	120
*Grizzly Adams	Viacom	35
Gunsmoke	Viacom	226
*Here Come the Bride	Columbia	52
High Chaparral	Republic	98
I Spy	Republic	82
Invaders	Worldvision	43
Ironside	MCA-TV	198
It Takes a Thief	MCA-TV	65
Lancer	20th Century Fox	51
*Land of the Giants	20th Century Fox	51
*Laramie	Republic	124
Laredo	Republic	56
Lost in Space	20th Century Fox	112
Major Adams	MCA-TV	138
*Man from Atlantis	Worldvision	20
*Marcus Welby, M.D.	MCA-TV	172
Maverick	Warner Brothers	124
Medical Center	MGM	170
Mission Impossible	Paramount	171
*Mod Squad	Worldvision	124
Night Gallery	MCA-TV	97
Outer Limits	MGM	49
Perry Mason	Viacom	245
Rawhide	Viacom	192
Rookies, The	Viacom	198
Saint/Return of the Saint	ITC	136
*Secret Agent	ITC	45
*77 Sunset Strip	Warner Brothers	149
*Space 1999	ITC	48
Star Trek	Paramount	79
Tarzan	Warner Brothers	57
Thriller	MCA-TV	37
12 O'Clock High	20th Century Fox	78
Untouchables	Paramount	118
Voyage to Bottom/Sea	20th Century Fox	110
Wild, Wild West	Viacom	104

*Source: Pre-1976 off-network product from Katz Television's listing of all current off-network shows. * indicates that program is not listed in May, 1986, ARB syndicated program analysis report*

In the Picture

Richard J. Matullo

Media chief at N W Ayer/Chicago and one of the early pioneers in the organization of agency regional spot buying operations, the new chairman of the Radio Advertising Bureau's Chicago Media Directors Advisory Council describes the group's goals and work in progress to get there.

Matullo's goal: educating media people about radio's flexibility, demo targeting

Richard Matullo, senior vice president, director of media services at N W Ayer/Chicago and new chairman of the Radio Advertising Bureau's Chicago Media Directors Advisory Council, says the Council's objective, "is to educate our younger media people—and older ones, too, if they haven't had sufficient experience with radio—about radio's characteristics, how to plan radio, and when to use radio."

Among the characteristics of radio that Matullo wants more entry-level media people to be familiar with, he says, are its flexibility and its ability to target specific demographic segments by the formats each audience segment prefers: "We want our people to be able to determine in the planning stage when radio should be recommended and under what circumstances radio might be inappropriate for the job at hand."

Matullo says that the Council is currently planning seminars to provide "a basic education in radio. And though it's up to each agency to train its own media beginners, we believe that by pooling the combined experience of our council members from a number of agencies, we can put together a series of seminars that can reach a lot more people from many agencies and reach them at one time, to give them a better understanding of what radio can do and can't do. Collectively, our members have a lot to offer."

He says the first seminar, scheduled for this fall, is being designed to introduce those attending to these radio basics, "probably by leaning at least to some degree on a product case history approach." This, he adds, "could include a sketch of the campaign's creative direction and goals, as well as the target listener demographics and, where appropriate, we'd like to back up the specifics with some audio visual aids."

And while, at first, the council plans to concentrate on passing radio's basics along to those agency media people who need them, Matullo says that, "Down the road we may expand our seminars to include creative and account management people. There's much to be said for the argument that radio would most likely be used more often by more clients, if more creative people had the same appreciation of radio's potential that experienced media people have."

And, again down the road, he adds, "Once more agencies have succeeded in making more of their own people more familiar with the job radio can do for their clients when it's used right, one result should be more new-to-radio advertisers persuaded to try the medium, because more of the people at their agencies will be converts."

Role of RAB

Matullo is unsparing of the praise he lavishes on George Walthius, vice president, sales and marketing at RAB/Chicago, and on his staff. Says Matullo: "They all do a super job of helping turn our plans into action. They have a mountain of research material available for us to draw from in putting together our seminars, and they handle the mailing lists and send out the reminders to bring our students into the tent."

He also credits Major Market Radio and the agency advisory councils the rep firm has organized in each of the major buying centers with promoting education of neophyte agency buyers in the techniques of buying radio, "showing them at what point in the planning process the buyers should enter the picture, both internally, within their own agencies, and when it makes sense to confer with somebody at the client—and who at the client and within the agency are the most appropriate people to work with."

As things worked out, says Matullo, "What MMR is doing and what our RAB Council is doing don't overlap. Instead, they tend to reinforce each other, as the MMR people work to educate the buyers and we work on the planners. But the two efforts offer an opportunity for both groups to learn from each other, and somewhere down the road we might hold some joint meetings."

Matullo observes that while it can prove practical for buyers to specialize in a particular area like radio or network buying or print, "Planners should have a good working knowledge of all media if we're going to expect them to be able to put together the most effective mix."

He recalls that "When Warren Bahr and Joe Ostrow [the top media executives at Young & Rubicam at the time] started regional buying groups at Y&R, I was picked as one of the first six regional supervisors and transferred to Chicago to head spot buying in the Midwest. What we were doing apparently worked pretty well, because now a lot of agencies are doing it from a lot of regional buying centers, and it's all over the country."

But unfortunately, he adds, after the regional operation was set up in Chicago and running smoothly, Y&R wanted to bring Matullo back to New York. "But my wife and I liked living in Chicago so much, we wanted to stay where we were."

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Inside the FCC

Dr. Beverly J. Chain

Director of the Office of Communication of the United Church of Christ, which in tandem with Action for Children's Television and the Legal Defense and Education Fund of the National Organization of Women, has petitioned the FCC to reinstitute its anti-trafficking rule, which was repealed in November, 1982

Trafficking of broadcast properties is not consistent with the public interest

The commission stressed in its 1982 action the importance of allowing a station to be sold at any time in order to go to its "higher valued use." First, we point out that there is no question here of fostering the rescue of financially ailing stations. Licensees experiencing economic difficulties were never prevented from selling by the prior three-year rule. Rather, the issue is whether it is consistent with the public interest to permit parties to buy broadcast stations with the view to reselling them at the highest obtainable profit as soon as practicable.

If the "higher or highest valued use" were the governing standard, it would have been embodied in the act long ago. Congress knows how to auction scarce federal privileges, and it could readily have prescribed that all broadcast channels are to be auctioned because that promotes the "highest valued use" and thus the public interest. But as the commission well knows, Congress chose an entirely different approach: The license is to be awarded without an auction but on the condition that the licensee act as a public trustee or fiduciary.

In it for the money

The commission in its 1982 action has thus fused together the notion of trafficking in licenses and serving the public interest. The trafficker, by definition, is not seeking to act as a public trustee; he is in broadcasting for the money—period. There is, thus, no long-term commitment to either broadcasting or the community—the only commitment is to "max" the dollars from this investment and to move on to the next.

The trafficker is thus the least likely candidate to become a leader in the broadcast field—to take risks such as engaging in first-run syndicated programming or trying ad hoc networks. The commission need only contrast KKR [Kohlberg, Kravis, Roberts & Co.]—quickly in and out of broadcasting properties with a substantial profit—with Fox Television, seeking to establish a fourth network. Further, the trafficker is the least likely entity to act fully and faithfully as a public trustee in his community.

The commission cannot seriously believe that promoting trafficking in licenses is consistent with its duty to promote community issue-oriented programming . . . A great deal of such programming does not garner higher ratings and thus reduces the return of the broadcaster. For example, most public affairs programs are much lower rated than entertainment or news programs in the same time period.

A recent Mass Media Bureau study "revealed that only 25 per cent of 4,359 broadcast station sales occurring between December 14, 1982—when the FCC dropped the anti-trafficking rule requiring broadcasters to hold stations for three years before selling—and May, 1986, involved stations held fewer than three years." The use of the adverb "only" is extraordinary in these circumstances: one-quarter of all recent transactions raise a trafficking issue—involve sales that would not have been permissible under the prior anti-trafficking process.

More than $30 billions in broadcast deals were made last year. Some involved taking over broadcast companies, with the purpose of dismembering them for profit—trafficking pure and simple. Others now involve media blind trusts—"blind pool" funds to purchase and resell stations at a profit.

Leads to instability

The commission's present policy leads to great instability in the broadcast industry. But stability has always been a desirable element in the public interest equation. Thus, in the comparative renewal context, the commission has emphasized the need for stability and has therefore afforded a substantial "renewal expectancy" for a broadcaster's meritorious past record. But if stability is no longer a relevant concern, the commission should adopt a policy favoring and promoting comparative renewal challenges: After all, the challenger may well put the station to a higher valued use, and is willing to expend great time and resources to do so. Further, we suggest that the commission seek legislation allowing it to auction broadcast licenses at renewal so that they go to the highest valued use. While we recognize that none of these proposals will be seriously considered by the commission, the underlying point is a serious one: Stability is a relevant factor, and the commission's policy on anti-trafficking is wholly at odds with its policy in the comparative renewal field.

Broadcast stations are, of course, alienable. But the transfers must be consistent with the public interest. Trafficking clearly is not consistent with that standard. The commission's present policy enriches incumbent broadcasters and their stockholders, but as the court has stressed, the commission must act ". . . for the benefit of the public, not for incumbent broadcasters."

Rep. Al Swift

Democratic congressman from Washington ignited current debate over trafficking earlier this summer when he introduced anti-trafficking legislation in the House of Representatives.

Broadcast stations as commodities—trading licenses only for profit

A year ago if you were asked, how is a broadcast station like a pork belly, you would have thought the questioner was crazy. Today there is a strong and disturbing similarity. Both are being treated as mere commodities, and the special responsibilities that go with a broadcast license are increasingly being ignored by traders who have no interest in being in the broadcast business, but only an interest in trading licenses for profit.

The Committee on Energy and Commerce, on which I serve, has spent considerable time looking at the important issues raised by mergers, buyouts and takeovers in the broadcast industry. Conclusions, though, have not been easy to draw, since there are both good and bad aspects in the way the market has been working. One issue that I believe must be addressed, however, is the proliferation in the trading of broadcast licenses by people who are not primarily interested in assuming the responsibilities that go with operating a radio or television station.

More than $30 billion in deals involving broadcast stations were made last year. In part, this was due to the interaction of three FCC changes in rules. First, the FCC loosened its rules on station ownership to allow one person to own up to 12 TV stations and 24 radio stations. Second, they have liberalized the attribution rules so that a person can own a larger share of a station without being counted as an owner. Third, the FCC no longer requires an owner to hold his license for a full term.

Fast buck artists

This last change, more than any other, has encouraged the entry of what Commissioner [James] Quello has called the fast buck artist—a properties trader more interested in short-term profits than in serving the public.

U.S. policy regarding broadcast licenses has always recognized the appropriateness of making a profit, even a very large profit, from operating broadcast facilities so long as the licensee meets his special responsibility to serve "in the public interest, convenience and necessity." Over the decades the industry has, by and large, done an exemplary job of meeting this public interest requirement while pursuing its entrepreneurial goals. There is, in fact, a ready acceptance among professionals in the field of these special responsibilities. Public interest groups and broadcasters have disagreed from time to time on whether the public service programming is of the right kind, of adequate quality or quantity, and so forth. But there has never been disagreement that the public interest responsibility is real and a major consideration for anyone who chooses to go into the broadcasting business.

This industry has always accepted its special responsibilities, but this national policy is being severely endangered by a new attitude which asserts that a broadcast station is just another commodity whose purpose for existence is to be traded for a profit, that owning a broadcast station carries with it no more social responsibilty than owning a pork belly.

The impact is not limited only to reduced public service to communities of license. Another equally insidious effect grows out of this new practice. Now that licenses are treated as commodities, station prices are being driven to incredible heights. That forces all buyers, even those who are willing to accept the special responsibilities of public service to go along with a license and wish to operate a station rather than merely trade it, to take on more debt than, in fact, can be serviced if the station is to spend the necessary and even usual sums that are required for effective local public service.

CBS executive Thomas Leahy recently saw serious threats to the broadcast industry caused by takeovers and the buying and selling of stations for short-term profits.

He said, "It seems to me that the character of our industry is changing. . . .

"If what we see today continues to accelerate, broadcast properties could become mere commodities to be traded as beans and cotton futures. And, somehow, that notion is at great variance with what we have always felt about the essential character of broadcasting." (See *Feedback!*, page 50)

An issue for Congress

Clearly, this is an issue Congress should consider. There are special problems and issues raised by trafficking in broadcast licenses and, today, I am introducing legislation that will address concerns raised about this practice.

This legislation will reinstate the so-called anti-trafficking rule that says we expect a licensee to hold his or her license for a full license term of three years. It will not interfere with the normal course of business for any licensee. It will not affect routine license transfers, pro forma changes, or assignment of boosters and translators.

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