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September 29, 1986


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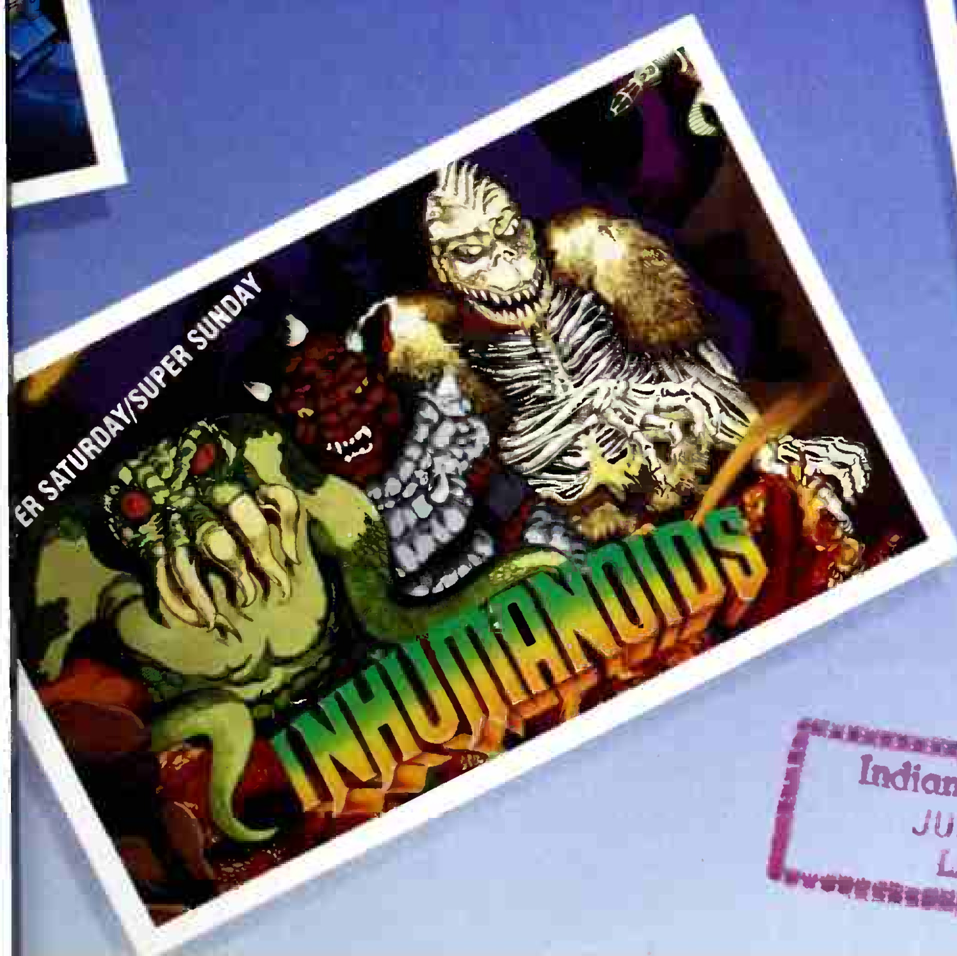

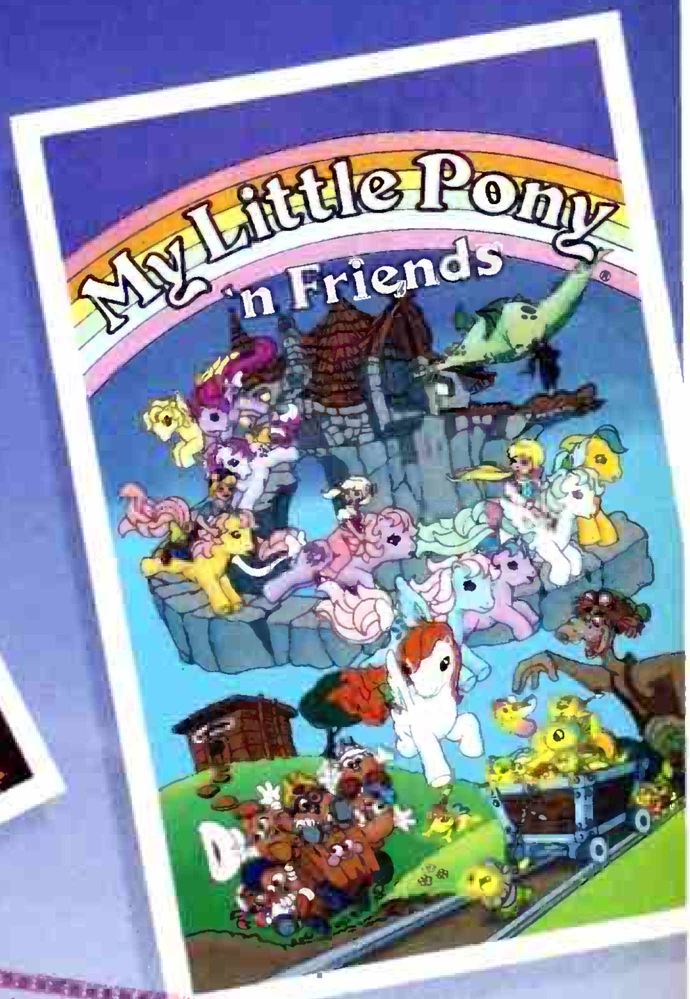

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Television/Radio Age

September 29, 1986 — Volume XXXIV, No. 5

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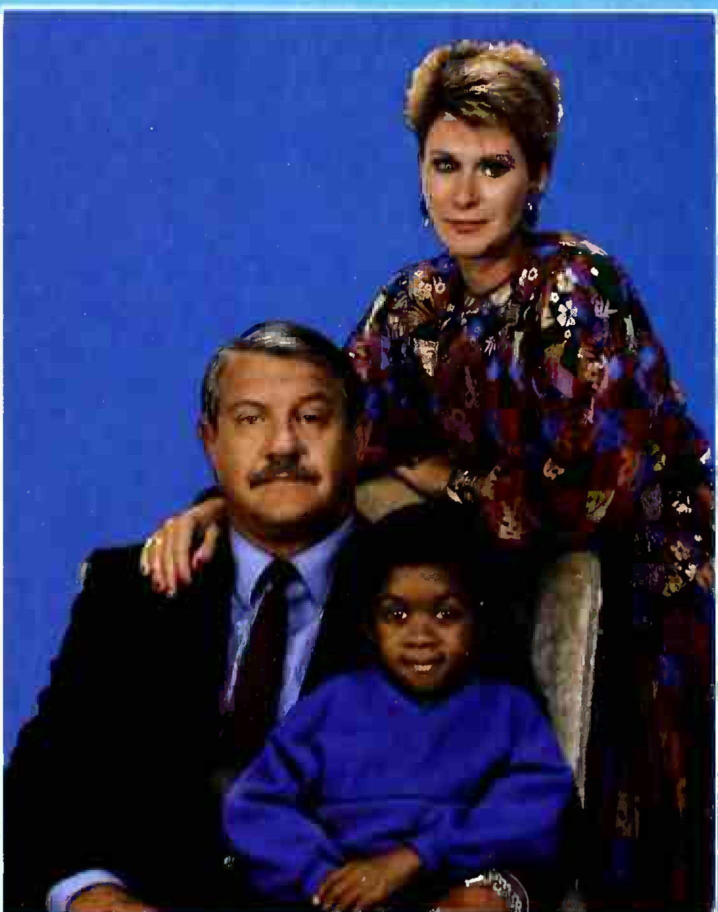

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DOMESTIC TELEVISION AND VIDEO PROGRAMMING

Publisher's Letter

Tv webs facing financial realities, while affiliates rev up sales efforts

In 1986, the TV networks faced the financial realities of the business cycle. Nineteen-eighty-six is the year that Capital Cities took over a much larger entity, the American Broadcasting Co. Nineteen-eighty-six will be remembered as the year that CBS changed direction with a newly-introduced personality at the helm—Laurence Tisch. It will also be remembered as the year that General Electric, a $28 billion company, swallowed up RCA-NBC in a $6 billion transaction. And if this wasn't enough, a total of several billion dollars of station sales were consummated.

The battle for control of CBS attracted the most attention since it involved present and past titans. Cover stories in *Time* and *Newsweek*, front page stories in *The New York Times*, *Washington Post*, and *Los Angeles Times* delineated the debacle and the departure of Thomas Wyman. What is particularly fascinating in observing the battle from the hillside on Avenue of the Americas (similar to ancient Greeks watching the battles of their own armies), is that the affiliates, the backbone of any network, were never a factor in these transactions.

More competition. But the affiliates have changed, too. The networks are getting more competition from several areas—cable, barter syndication, VCRs and independents. Some advertiser/agency executives are predicting that by 1990, the three-network share of audience will have dropped to about 50 per cent of the total.

What affiliates are doing is going after business more aggressively. According to TV/RADIO AGE projections of *Business Barometer* data, local business is expected to surpass national in 1989. TvB's Roger Rice has estimated that local has topped national spot billings during the first six months of this year. However, Rice has noted that another reason for the sizable climb in local billings figures this year "is that national advertising agencies are increasingly using regional offices to place business." 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.

More stories. This emphasis on local is the reason you will see more stories on local business in TV/RADIO AGE. After many years, stations and reps have still not determined a formula for commission arrangement on local/national accounts, such as Sears Roebuck, J.C. Penney, and other national-local advertisers. But as the business becomes more competitive, that, too, will be solved.

The networks are fully aware that the stronger the affiliate, the stronger the network. CBS, for example, has just made available to its affiliates a new marketing tool called CAP-MATRIX (see page 66). The system weights sex-age data from Arbitron viewing information with product usage and geodemographic data.

The fact remains that the great potential in this business is in the local area. Last year, newspapers grossed $21.8 billion in local revenues, according to McCann-Erickson. Television local revenue according to TV/RADIO AGE's *Business Barometer* in 1985, was $4.65 billion. Television, with greater audience and penetration, grosses only one-fourth as much as newspapers in local revenues. However, there is no doubt that this ratio will narrow (further) as time goes on. This will come from retailers' growing knowledge about TV's effectiveness and TV stations' growing knowledge about retail marketing and operations.

These Stations Have the...

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DETROIT	WXON	SALT LAKE CITY	KOOG	HUNTSVILLE	WTRT
WASHINGTON D.C.	WFTY	GRAND RAPIDS	WXMI	LINCOLN-HASTINGS	KBGT
DALLAS-FT. WORTH	KDFI	PROVIDENCE	WSTG	EVANSVILLE	WTVW
CLEVELAND	WCLQ	HARRISBURG/YORK	WPMT	FT. WAYNE	WFFT
HOUSTON	KTHT	SAN ANTONIO	KABB	LAS VEGAS	KRLR
PITTSBURGH	WPTT	NORFOLK-PORTSMOUTH	WYAH	COLORADO SPRINGS	KXRM
ATLANTA	WATL	ALBANY	WUSV	PEORIA	WYZZ
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TAMPA	WXLT	LITTLE ROCK	KJTM	FARGO	KVRR
MIAMI	WBFS	FLINT-SAGINAW	WSMH	CHARLESTON, SC	WTAT
MINNEAPOLIS	KTMA	SHREVEPORT	KMSS	SAVANNAH	WTGS
ST. LOUIS	KDNL	MOBILE-PENSACOLA	WPMI	WAUSAU	WAEO
DENVER	KDVR	WICHITA-HUTCHINSON	KSAS	MACON	WMAZ
BALTIMORE	WBFF	TOLEDO	WUPW	ODESSA-MIDLAND	KPEJ
INDIANAPOLIS	WTTV	FRESNO	KAIL	CASPER-RIVERTON	KXWY
HARTFORD-NEW HAVEN	WTNH	JACKSONVILLE	WNFT	JACKSON, TN	WJWT
PORTLAND, OREGON	KPDX	ALBUQUERQUE	KGSW	BOWLING GREEN	WGRB
ORLANDO	WMOD	SYRACUSE	WSTM	ANCHORAGE	KTBY
CINCINNATI	WIII	GREEN BAY	WGBA	VINEYARD	WCVX
MILWAUKEE	WCGV	ROANOKE-LYNCHBURG	WJPR	WENATCHEE	KCWT
		CEDAR RAPIDS	KDUB		

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Letters

Children's programming

I wanted to take a moment to salute you on your August 4th story on children's television (*Web kid schedules set out to sidestep syndie macho action*).

It is so seldom one can rave about an interview about which one is the subject. But you indeed captured the total picture of my communication, quoted me very accurately . . . a rarity I have learned . . . and presented a very well written clarification of the children's television industry today.

Congratulations.

SQUIRE D. RUSHNELL
Vice president,
Long Range Planning and
Children's Television,
ABC Entertainment,
New York

Good job

I thought you did an excellent job on the MTV article (*MTV, at age five, keeps itself 'hip' with fresh concepts*, September 1). Keep up the good work!

KENNETH F. GORMAN
Executive vice president,
Viacom International,
New York

Short takes

With her mention of a three-second condensation of the National Anthem (*Letters*, "15-second spots," September 1), Josephine Cummings [executive vice president, executive creative director, Tracy-Locke, Dallas] stirs some amusing memories of the difficulties of creating very brief commercial music tracks. The late British composer, Eric Siday, was master of the genre. In the early 1960s—using the newly-developed music synthesizer—he created a famous three-second Maxwell House "percolator top" electronic signature for Ogilvy & Mather.

Then he went on to utilize the first seven of the final 13 notes of "The Star-Spangled Banner" for an even briefer two-and-a-half second sound logo that served the agency's American Express client loyally for many, many years. As I said, Eric was British; I will never forget his first question after he had played the demo for me over the phone. "Linc," he asked nervously, "will I be arrested?"

LINCOLN DIAMANT
President,
Spots Alive Consultants, Inc.
New York

Spot rebound

The broadcast business has historically run in cycles. Let's hope that your optimistic report on spot TV sales in the August 18 issue (*Spot Report*, "Reps see signs of third quarter spot rebound") means that cycle is ready for an upswing.

LLOYD VENARD
San Diego

Revised figures

Arbitron has made available minor revisions in the ADI listings for 1986–'87, shown on pages 113–116 in the September 15 issue:

Denver TV households have been reduced slightly, from 1,029,700 to 1,025,000. Its rank remains 19th.

Birmingham TV households have been reduced slightly, from 555,500 to 550,700. Its rank remains 43rd.

Montgomery-Selma TV households have been increased from 196,400 to 209,500, and its rank moved up from 112th to 108th. Consequently, Charleston, S.C., moves from 108th to 109th ADI, Savannah moves from 109th to 110th ADI, Salinas-Monterey moves from 110th to 111th ADI, and Lafayette, La., moves from 111th to 112th ADI.

Meridian TV households have been reduced from 75,200 to 66,900 and its rank moved down from 174th to 177th.

Consequently, Ardmore-Ada moves from 175th to 174th ADI, Grand Junction-Durango moves from 176th to 175th ADI and Jonesboro moves from 177th to 176th ADI.

Cheyenne-Scottsbluff TV households have been increased from 45,400 to 50,100 and its ADI rank moved up from 192nd to 188th. Consequently, Butte moves down from 188th to 189th ADI, St. Joseph moves down from 189th to 190th ADI, San Angelo moves down from 190th to 191st ADI and Jackson, Tenn., moves down from 191st to 192nd ADI.

Correction

The story on major market news in the August 18 issue included WRGB(TV) Albany-Schenectady-Troy as among the affiliates which had reduced its early evening news from an hour to a half hour. This was an error, due to incorrect information from a special Nielsen tabulation.

WRGB still has an hour of early evening news.

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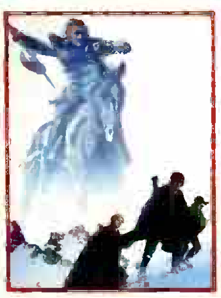
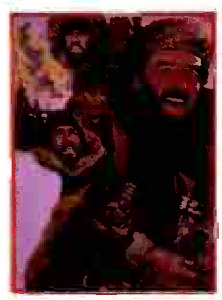

Across The Great Divide


WILDERNESS FAMILY PART 2


Sacred Ground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Sidelights

Aid in using AID

Arbitron calls its Target AID computer runs, "a powerful marketing tool" that can show advertisers and broadcasters "how consumers live, what they buy, and how you can reach them and get their attention."

Robyn R. Ross agrees, with enthusiasm but also with reservations. Ross is corporate research director of Century Broadcasting, and her enthusiasm for Target AID as a marketing tool has led her to create a special presentation to educate radio buyers about how to use it to multiply radio's power to sell their customers.

But AID can do its job, warns Ross, only when it's used right. Ross says it's important to warn buyers—and stations, too—if they don't realize the booby traps and how easy it is for a station to misuse AID, either unintentionally or otherwise.

Says Ross: "If AID is used to mislead buyers, buyers will come to mistrust it, even when it's used right.

She explains that Donnelley's ClusterPlus (one of the sources on which AID is based) is a demo-geographic clustering system based on U.S. Census data and broken out by zip code and constantly updated. "And since Arbitron knows what zip codes its diaries come from, AID can combine ratings and ClusterPlus and Simmons to rank stations by their listening among, say, professionals, or among skilled blue collar workers, or frequent airline flyers, or among heavy users of any one of over 750 Simmons-tracked products and services and more than 3,500 brands."

'Headline labels.' But Ross complains that because Arbitron's promotional brochure breaks out AID's clusters by "47 headline labels like 'upscale suburbanites with children in the home,' or groups of half a dozen clusters with labels like 'Younger mobile upscale families, children, new homes,' there are a whole slew of stations in Chicago or any other major market with huge numbers of listeners that fall into that cluster group."

"Since dozens of stations look great in a category like that, all it does is confuse busy buyers who don't have time to cope with a lot of needless confusion. They won't even bother looking at another AID run once they've been burned and made suspicious about a tool with some really great potential when it's used properly. I don't want to see radio lose that tool through misuse and the resulting mistrust."

What can be done about it? "There *are* ways to make sure AID is used right," Ross contends.

Century Broadcasting's *Robyn Ross has some suggestions for using Arbitron's Target AID computer runs the "right" way.*

One way, she says, is to make sure a cluster with the word "professional" in its label, for example, "actually has at least 35 per cent professionals, since the national average for all zip areas is 22.7 per cent. We have to look very carefully at what the Census says are the national averages, because these can be used in misleading ways, too."

She points to the example of the $47,303 median value of U.S. homes and the $17,094 median household income, according to the 1980 Census. "Theoretically," says Ross, "this puts any house worth over $50,000 in a zip area of 'above average home value,' which is total nonsense to anyone who stops and thinks what's happened to real estate prices in the last six years. And it's just as meaningless to classify an area as 'high income, based on the 1980 Census, which considers $30,000 'high,' when we look at today's two wage earner couples. They make $30,000 look like peanuts."

Long-term integrity. And "above all," adds Ross, "stations should be thorough. Instead of using AID just to get itself in on a buy one time, even if it doesn't have a format that makes sense for that client, a station should use AID only when its format fits and it can do a real sales job and make the client want to come back for repeat business. Stations should try to protect the long-term integrity of a good research tool.

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PHILADELPHIA	WPHL	PROVIDENCE	WSTG	BURLINGTON	WNNE
SAN FRANCISCO	KGO	SAN ANTONIO	KENS II	LAS VEGAS	KTNV
BOSTON	WCVB	CHARLESTON-HUNT	WCHS	EL PASO	KCIK
WASHINGTON D.C.	WFTY	ALBANY	WUSV	SIOUX FALLS	KTTW
DALLAS-FT. WORTH	KDFI	DAYTON	WIIX	WACO-TEMPLE	KXXV
CLEVELAND	WOIO	TULSA	KGCT	LANSING	WIHT
HOUSTON	KTHT	LITTLE ROCK	KRZB	FARGO	KVRR
PITTSBURGH	WPGH	RICHMOND	WVRN	MADISON	WMSN
ATLANTA	WVEU	SHREVEPORT	KMSS	CHARLESTON, SC	WTAT
SEATTLE	KTZZ	WEST PALM BEACH	WPEC	FT. MEYERS	WFTX
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INDIANAPOLIS	WXIN	OMAHA	KETV	GREAT FALLS	KTGF
HARTFORD-NEW HAVEN	WHCT	ROANOKE-LYNCHBURG	WJPR	CASPER-RIVERTON	KXWY
PORTLAND, OREGON	KECH	PORTLAND, MAINE	WMTW	JACKSON, TN	WJWT
SAN DIEGO	KTTY	CEDAR RAPIDS	KDUB	BOWLING GREEN	WGRB
CINCINNATI	WIII	PADUCAH	WCEE	VICTORIA	KVCT
MILWAUKEE	WISN	SPOKANE	KSKN	ANCHORAGE	KIMO
NASHVILLE	WZTV	LEXINGTON	WDKY	CONCORD	WNHT
NEW ORLEANS	WDSU	JOHNSTOWN-ALTOONA	WFAT	VINEYARD	WCVX
GREENVILLE-SP-ASHE	WAXA	CHATTANOOGA	WDSI	WENATCHEE	KCWT
OKLAHOMA CITY	KOCO	TUCSON	KPOL	ATLANTIC CITY	WOCC
BIRMINGHAM	WDBB	SPRINGFIELD, MO	KDEB	NEW LONDON	WTWS

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Sidelights *(continued)*

Because if the advertising doesn't work, the client not only loses confidence in AID. We all risk that client also losing confidence in radio's ability to sell his product."

Attacks phony polls

A network news program asked whether the United Nations should remain in the U.S., inviting viewers to call a "900" number to state their opinions. With 186,000 calling in, 67 per cent wanted it out of the U.S. But a scientific survey showed 72 per cent wanted it to remain in the U.S.

This is one example given by the Advertising Research Foundation in a position paper, "Phony or Misleading Polls." In addressing such phone-in polls, it labels them misleading because the population has not been selected in accordance with scientific statistical principles. As a result, it states, these polls can produce information which is a serious distortion of actual sentiment.

As for phony polls, the paper concerns itself with telephone and other surveys which are merely lead-ins to sales pitches. It points out that, while the Federal Trade Commission, has ruled against using research as a door opener, the practice has far from disappeared.

The paper, which offers a number of examples of phony or misleading polls, was prepared under the direction of ARF's Research Quality Council and its chairman, Gale Metzger, and the council's Ad Hoc Subcommittee, directed by Nicholas Schiavone.

ARF states, "Improper surveys are both bad for business and harmful to society because they violate the basic trust that is at the root of our economy, our government and professional research practice." As a solution, it suggests self regulation as a supplement to limited government regulation.

ARF points out, "Current legislation is not sufficient to solve the present industry problems, while additional legislation could be too restrictive for legitimate research activities. Self regulation, although more difficult, is more effective. Further, it puts regulation into the hands of the research professionals themselves."

Creative 'claptrap'

The "creative environment" that agencies boast of may be riddled with misconceptions, according to Norman C. Berry, president, New York and head of creative services at Ogilvy & Mather Worldwide. In a recently issued pamphlet, he holds that such an environment cannot be seen as creating an environment for the creative department to the exclusion of all others.

"I do not believe that you create such an environment by giving parties and going around telling everyone they're great, or, indeed, as a *first* priority, concerning yourself with staff morale."

Unfashionable as it may be, he relates, he believes managers at many agencies have a voice inside them saying, "What's all this claptrap about creative environment anyway? We're in business, aren't we? We're here to make money, aren't we? Creative environment, my fanny. You know what the clients want as well as I do—they want service. And that is what we are—a service business. So let's get on with it."

Berry holds that creative philsophy and company philosophy cannot be separated if the agency is to create an environment in which outstanding creative work can flourish across all business. He says client needs cannot be addressed "by simply buying up a few 'hot creative people' and putting together a sort of creative boutique within the walls of a company whose business philosophy is alien to everything you may try to do."

He urges creative management to manage more: "There is nothing more frustrating to the people who work for us than to be 'given full rein' without direction—only to have to start again when someone comes along later and turns down those efforts as ill-directed. It is our responsibility to give direction.

"The creative director who presents his whole group's work—good or bad—because he does not wish to hurt the feelings of those who developed the work is a lousy creative director."

Giving heirs the air

Warren Buffett, 56, who helped finance the Capital Cities acquisition of ABC, doesn't plan to leave much of his personal wealth of some $1.5 billion to his three children. R. E. Turner, Jr. went to great lengths not to leave his outdoor advertising business to his rebellious son, Ted. Meanwhile, the heirs of Katherine Graham, 69, apparently can look forward to the good life.

The fates of such fortunes appear in the cover story of the September 29 issue of *Fortune*, "Should you leave it all to the children?" The article describes the leaning of many U.S. tycoons toward finding recipients for their wealth other than their children. It also gives examples of lives wasted due to inheritances.

Buffett, chairman and guiding genius of Berkshire Hathaway, the article states, does not believe it wise to bequeath great wealth to his children and plans to give most of his money to charitable foundations. It adds, "Having put his two sons and a daughter through college, the Omaha investor contents himself with giving them several thousand dollars each at Christmas.

"Buffett is not cutting his children out of his fortune because they are wastrels or wantons or refuse to go into the family business. . .Says he: 'My kids are going to carve out their own place in this world, and they know I'm for them whatever they want to do.'

"But he believes that setting up his heirs with 'a lifetime supply of food stamps just because they came out of the right womb' can be 'harmful' for them and is 'an antisocial act.' To him the perfect amount to leave children is 'enough money so that they would feel they could do anything, but no so much that they could do nothing.' For a college graduate, Buffett reckons, 'a few hundred thousand dollars' sounds about right."

The article also notes that Buffett doesn't believe it is necessary to keep management of a company in the family, quoting him as saying, "Would anyone say the best way to pick a championship Olympic team is to select the sons and daughters of those who won 20 years ago?"

This perspective was brought to a more extreme conclusion by the father of Turner Broadcasting's Ted Turner. Anticipating his 1963 suicide, the article says, the more senior Turner arranged the sale of his billboard business to Curt Carlson, who is quoted as saying, "He told me he wanted to have some money to leave his wife when he died, but that everything he had was tied up in the business. He said he was sure if Ted got his hands on the business, he would run it into the ground." But the younger Turner's mother persuaded Carlson to sell the business back to the 24-year-old as "his one chance to get going in life."

As for Katherine Graham's $350 million, the head of Washington Post Co.

Sidelights *(continued)*

is quoted, "My instinct would be to just pass the money on and hope that in doing so you also pass on your values—how to use it, the life to lead, the standards to have."

Second Wouk in works

Dan Curtis, producer and director of ABC's miniseries version of Herman Wouk's *Winds of War* is now about a third of the way through shooting *Winds'* sequel, *War and Remembrance*, and he's returned to the scene of some of *Winds'* location shooting as well as of ABC's coverage of 1984's Winter Olympics: Yugoslavia.

Yugoslavia—as well as Italy, Poland, Pearl Harbor and California—is also the scene of location shooting for this even more ambitious miniseries (30 hours for *War and Remembrance*, vs. a total of 18 for *Winds*) again starring the steely-eyed Robert Mitchum as World War II Navy captain and presidential observer Victor "Pug" Henry.

But there are others besides Curtis who point to the advantages of making films in Yugoslavia.

One of them is Arnold Fishman, who with partner Paul Lichtman, runs Incovent, Inc., North American rep for Jadran Films, Yugoslavia's government owned but worker-managed operation that Fishman claims is "the third largest film studio in Western Europe," where location shooting was also done for such films as *Sophie's Choice*, *Mussolini*, with George C. Scott, *High Road to China* and *Arthur the King*.

Fishman says that shooting *War and Remembrance* will come to some $90 million, but that even at that, which he says makes this ABC mini "the most expensive film ever shot for television," the cost "would have been twice that if shot here in the U.S."

Camera operator, *Beppe Maccari, l., above, and executive producer/director Dan Curtis on set of "War and Remembrance; below, old town square of Osijek, Yugoslavia.*

Bargain prices. He describes Jadran as "providing the lowest prices in Western Europe, or about 50 to 60 per cent of U.S. film making costs," and calls Yugoslavia "the land of seven continents" because "almost any type of location can be found within its borders."

In most cases, he says, the U.S. producer usually supplies his own stars, camera crew including sound technicians, and script people. Jadran provides everything else: extras, props, both Allied and German army tanks and uniforms, and "above all, terrific locations, from rugged mountains to coast line, forests and city settings including port facilities."

In the case of *War and Remembrance*, Fishman says ABC is paying American dollars for Jadran's services, "but it doesn't have to be this way. We can arrange a counter-trade deal."

Thus, he explains, if a U.S. manufacturer wanted to sell tractors in Yugoslavia, "The government may approve it only if they can buy something of equal value from Yugoslavia, so that they don't have to part with hard-to-come-by U.S. dollars. Maybe they can sell the manufacturer axles or some other tractor parts. It's a kind of barter that allows them to pay for the U.S.-made tractors in their own local currency. But deals like this do take time to set up because they require approval from various government officials."

Collectivized system. Fishman says that Jadran is not a state-managed company of the kind common in most Eastern-bloc nations. He describes it as "under a collectivized system in which the employees' shares permit them to share in the decisions of running the company. But the workers can't sell their shares and get money for them. They're shares in the management of the company—not shares in its plant and equipment."

And while there's no U.S. "co-production treaty" with Yugoslavia, Canada (and Fishman says Australia, France and West Germany, too have similar arrangements) has a co-production agreement that permits Canadian producers to shoot in Yugoslavia and qualify under Canadian law for a tax subsidy "as if the film were shot at home, in Canada."

Meanwhile a spokesman for Incovent says that as a key officer of Incovent, Fishman "was instrumental in bringing to Jadran for production" both *Winds* and *Remembrance* as well as *Sophie's Choice*, *Wallenberg*, *Mussolini* and *High Road to China*. Fishman has been involved in the film business for seven years, and in marketing research for 20 years.

Tele-scope

Nielsen's people meter problems: sample, AGB

The signing of CBS-TV by AGB Television Research for its national people meter service is not the only problem the A. C. Nielsen Co. faces in launching its national people meter service. In addition to the possibility that the other two networks will sign on with AGB, Nielsen must contend with the concern among the three webs about the data coming out of Nielsen's growing people meter sample. Nielsen's household numbers from the people meter sample are different (in general, lower) than the household numbers coming out of its existing NTI household meter.

In signing a letter of agreement with AGB, CBS took a five-year deal. This calls for the payment of $2 million for the '87–'88 season, which will kick off with a 2,000 household sample (a little over 5,000 persons) and $3.5 million for each of the years two through five. During the latter four years, AGB is committed to a 5,000 household sample (about 13,000 persons). David Poltrack, CBS/Broadcast Group research vice president, said the contract will not be iron-clad, that is, it would include a number of escape clauses.

Marvin Mord, vice president, marketing and research services, at ABC Television, welcomed the CBS agreement, but said his company was not ready to make a decision on its network rating service. What pleased Mord, among other things, was the provision for a broadcast network voice as AGB builds its national people meter service. Up to now, the only subscribers to AGB's PeopleMeter Service, other than the MTV (cable) Networks, have been seven ad agencies accounting for 30 per cent of network TV billings. They are N W Ayer, Ted Bates, BBDO, DMB&B, Grey, Scali, McCabe, Sloves and Y&R. Mord also declared that the AGB service is a serious option and "affords us a tremendous cost advantage in the long haul."

William Rubens, research vice president for NBC, indicated the network had an open mind about AGB but made clear the company would not dump Nielsen lightly. Rubens, who said he was a strong believer in continuity, stated that to "turn off" the Nielsen service after 35 years would be irresponsible unless there were compelling reasons to do so. Nevertheless, he maintains that Nielsen has an obligation to explain the differences in audience data between its people meter and household meter samples.

'Dramatic' differences. Mord feels the differences are "dramatic" and said, as did the other network research chiefs,that there should be practically no difference between the two sets of data, except for the statistical error. He tempered this criticism somewhat by pointing out that the Nielsen people meter sample was growing in size while being compared with the established meter sample.

All three network research heads noted that Nielsen had not made any proposal as yet on its national people meter sample, including a decision on whether it would go ahead on a "conformed" or "integrated" sample. A conformed sample would employ the existing "passive" meter for household data and the people meter for persons data, which presumably would be adjusted by the household viewing levels. An integrated sample would use the people meter technology for both household and persons data.

While a conformed sample would cost more, the networks appear to prefer it for the moment, while the ad agencies seem to prefer the integrated sample. The networks are currently paying Nielsen $3.5 million each for the NTI service, plus $464,000 additional to keep the diary sample going this coming season.

CONTAM research. Other research being factored into the AGB-Nielsen battle is the research the networks are sponsoring on the two Nielsen samples via the Committee on Network Television Audience Measurement (CONTAM). This is being conducted by Statistical Research, Inc. (SRI), via what's considered a high-quality telephone coincidental study.

SRI has already completed a study of daytime viewing, but the results are considered inconclusive. It was considered experimental and only measured broad dayparts. An upcoming SRI study on prime-time viewing in October and November will get down to actual program ratings, which means large overall samples and considerable expense for the networks.

None of the research chiefs have firm opinions on why the two Nielsen samples don't agree. Poltrack feels a possible reason may be the difference in cooperation rates. Nielsen's existing meter sample has a cooperation rate of about 60 per cent. Its people meter sample rate is about 50 percent.

NBC's news study

NBC's concerns about the impact of the growth of TV affiliate newsgathering and alternate news sources on network news and statements about the decline in relative importance of web newscasts appear to be eased by a recent NBC study on the subject. Conducted by phone from July 8 to August 3 among 1,626 adults in 30 randomly selected markets, the study showed:

- Most viewers of early evening news watch both local and network news.
- An overwhelming majority prefer separate local and network news.
- Network newscasts are valued for national and international expertise and local newscasts are valued for local expertise.
- Viewers see network and local news as complementary, not competitive.

The cited preference for separate local and network news came out of a question which posed a hypothetical situation in which all news would be aired through local newscasters, with the networks performing as do wire services. When asked whether they would prefer expanded local newscasts or separate local and network newscasts, 84 per cent of the respondents picked the latter.

NewCity Communications, Inc.

has acquired

Katz Broadcasting Company, Inc.

The undersigned acted as financial advisor to NewCity Communications, Inc. in this transaction.

MORGAN STANLEY & CO.
Incorporated

August 9, 1986

This announcement appears as a matter of record only.

NewCity Communications, Inc.

$35,000,000
Subordinated Discount Notes Due 1996

The undersigned arranged for the private placement of the Notes.

MORGAN STANLEY & CO.
Incorporated

August 9, 1986

The study also found that few non-viewers of network news cited prior viewing of local news as a reason for not watching network news.

Fickle on newscasters

If Herb Altman Communications Research is correct, the public has a fickle attitude toward TV newscasters. A comparison of the appeal scores among the top 10 newscasters in the top 50 TV markets for '86 vs. '85 shows that only four of the top 10 last year appeared in the leading rankings this year (see table below).

The data is based on the News Talent Search survey of Altman's research firm and covers affiliate anchors and reporters in the top 50 markets and independent anchors and reporters in the top 10 markets (see *Tele-scope*, August 18 issue). The appeal scores are similar to those of TvQ, which are based on the percentage of those characterizing personalities as "one of my favorites." Base for calculating the score is those who are aware of the personality. Research for both studies was conducted in the late spring and early summer of both years.

Top 10 newscasters by appeal scores, top 50 markets, '86 vs. '85

Rank '86	Rank '85	Newscaster	Market	Station
1	2	Dan Miller	Nashville	WSMV
2	3	Jerry Turner	Baltimore	WJZ-TV
3	5	Ron Stone	Houston	KPRC-TV
4	12	Don Wayne	Dayton	WHIO-TV
5	4	Jim Gardner	Philadelphia	WPVI-TV
6	18	Bree Walker	San Diego	KGTV
7	32	Natalie Jacobson	Boston	WCVB-TV
8	14	Dick Nourse	Salt Lake City	KSL-TV
9	33	Diana Morgan	Norfolk-Portsmouth-Newp News-Hamp.	WAVY-TV
10	30	Ed Sardella	Denver	KUSA-TV

Among the top 10 last year who did not appear on this year's list was Stan Atkinson of KCRA-TV Sacramento-Stockton. He ranked sixth in '85, but 51 this year. Smaller dips, but still sizable, affected Pam Huff of WVTM(TV) Birmingham and John Criswell of WFAA-TV Dallas-Ft. Worth. Researcher Altman himself has not analyzed the reasons for the ups and downs in the appeal scores, but cautions about simplistic conclusions. He points out that the appeal scores depend not only on the individual newscaster's appeal, but the station's entire news team.

Benedek doubles stations

A. Richard Benedek, owner of Benedek Broadcasting, doubled his number of TV stations, acquiring three stations recently from Worrell Newspapers, Inc. just a week after acquiring KHQA-TV Quincy, Ill. from Lee Enterprises for $13 million in cash. Both deals were handled through New York broker Howard Stark.

The three stations acquired from Worrell, for a total of $40 million in cash, are ABC affiliate WHSV-TV Harrisonburg, Va., and CBS affiliates WIFR-TV Rockford, Ill., and WBNB-TV Charlotte Amalie, Virgin Islands. This brings Benedek to eight stations from the four in Duluth, Minn.; Parkersburg, Va.; Youngstown, Ohio and Bowling Green, Ky.

Reeves/ABC-Nichols pact

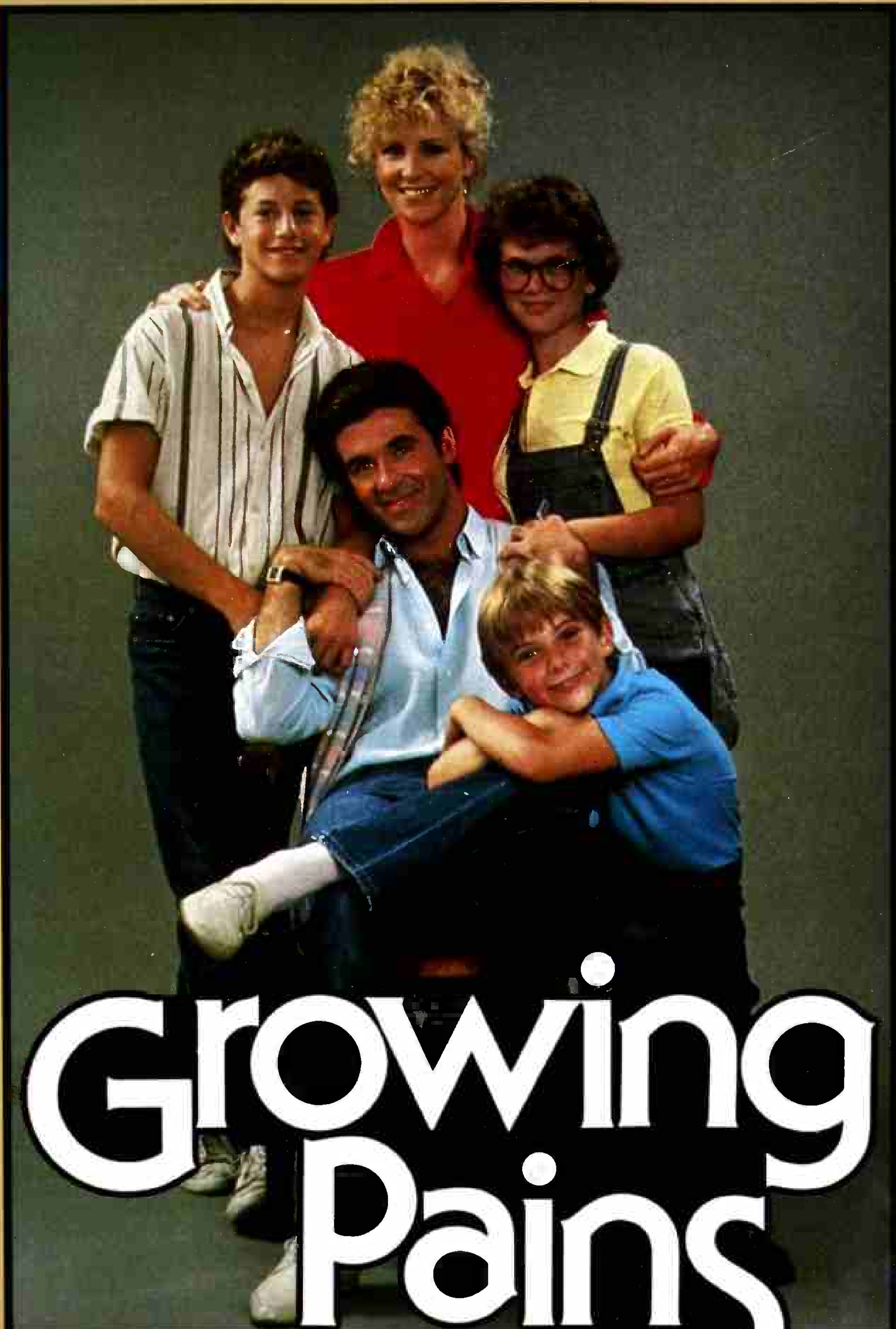
Reeves Entertainment Group and ABC Entertainment have signed Mike Nichols to an exclusive agreement whereby Nichols will develop and serve as executive producer of TV programs. Two half-hour series are already confirmed for ABC, with the initial series planned for the fall, 1987. The new deal marks the second time that Nichols has been involved in a TV series. Back in 1976, Nichols was producer of *Family*, weekly dramatic series on ABC, in association with Spelling-Goldberg Productions. *Family* is syndicated by LBS Communications. However, in his tenure with Reeves and ABC, it's likely that future series will be in the comedy vein, says Merrill Grant, chairman of REG. REG has two primetime series on the networks: *Kate & Allie*, on CBS; *Gimme a Break*, on NBC. *Late Bloomer*, starring Lindsay Wagner, will premier in January, 1987, on CBS. Nichols has won seven Tony Awards, an Emmy, The New York Film Critics Award and has directed Broadway hits such as *The Odd Couple*, *Luv*, *The Real Thing* and *The Gin Game*. Also, he produced *Annie*, which won seven Tonys.

ASTA steps mapped

The Advertiser Syndicated Television Association has embarked on two initial steps designed to make it full-time voice of the ad-supported syndication industry, according to Dan Cosgrove, president of ASTA and vice president, media, Group W Productions.

The first step will involve an immediate search for a full-time executive director. To begin duties in January, "the executive director will be responsible for stewardship of all projects, coordinate research efforts, make agency and client presentations, meet with the press and stations groups, and be an ongoing presence to represent the interests of ASTA members." And in the spring, 1987, the organization will host a major conference in New York City, to show its ad-supported shows that are distributed during the 1987-88 season.

The ASTA conference will coincide with the fall preview presentations conducted by the networks and will give the advertiser community a concurrent look at what is happening in the syndication marketplace, says Cosgrove.



Growing Pains

WARNER BROS. TELEVISION DISTRIBUTION
A Warner Communications Company

Gillette's watershed buy

The Gillette Co.'s recent tri-continental advertising buy on TV properties controlled by Rupert Murdoch—engineered in New York by agency BBDO and officials of Murdoch's Fox Broadcasting Co.—is clearly being regarded as something of a watershed event.

What's seen as significant isn't the size of the buy or the audience it will deliver, but the economics implicit in a "one-stop shopping," single-source multinational deal.

In sum, a deal cut in New York City between BBDO, which handles Gillette in 59 countries, and Murdoch's Fox Broadcasting sales office puts Gillette commercials on the air in 17 nations on three continents. TV properties include the new Fox Broadcasting Co. (specifically, the new *Late Show Starring Joan Rivers*); Sky Channel, Murdoch's pan-European satellite channel, and Australia's Network Ten. Part of the buy calls for Gillette to become a major sponsor of Net Ten's coverage of the America's Cup yachting event, which runs from this September through February, 1987.

As noted by Arnie Semsky, BBDO executive vice president and director of media and programming services, BBDO often negotiates international deals. But this is the first to be negotiated through a single source, the Murdoch organization; and it's by far the largest (although neither the agency nor the client would divulge the numbers).

Said Semsky, "The keys to this buy were cooperation, coordination and communication—true networking. It establishes Gillette and BBDD as operating on the cutting edge in the global marketplace, while cementing our relationship with a worldwide media powerhouse, Rupert Murdoch."

Gillette vice president, international, Rodney S. Mills, noted that the deal allows each geographic area involved considerable flexibility in scheduling and commercial content. But he said the economics of single-source multinational media buying "make good sense for a company whose products are sold in more than 200 countries."

Even other agencies tipped their hat to BBDO. "It's a unique buy; similar things have been done, but not at one stop," remarked Barry Kaplan, senior vice president of new media at Ted Bates. Kaplan noted that the buy certainly is a small part of a much larger media strategy. "But it's a precedent," he said, "and it's probably cheaper than negotiating country-by-country."

Beam to buy 2 stations

Beam Communications has agreed to acquire KNDO(TV) Yakima, Wash., and its satellite station, KNDU(TV) Richland, from Hugh E. Davis. The purchase price for the NBC affiliates was not disclosed.

Beam, headquartered in Key Biscayne, Fla., owns five other television stations. All are NBC affiliates except WCFT-TV Tuscaloosa, Ala., which is affiliated with CBS. The others are: KYEL-TV El Centro, Calif.-Yuma, Ariz.; WPBN-TV Traverse City-Cadillac, Mich., and its satellite, WTOM-TV Cheboygan; and WDAM-TV Laurel-Hattiesburg, Miss.

Staniar to new post

Burton B. Staniar, former president and chief operating officer of Group W Cable, Inc., has been named senior executive vice president for Westinghouse Broadcasting Co., a new position. According to Daniel L. Ritchie, chairman and chief executive officer, Staniar will be responsible for supervising a number of areas, including strategic planning, human resources, government affairs and corporate communications. He will also assist Ritchie in management of the company's various businesses.

Group W Cable was sold in June for $1.7 billion. Staniar had joined the company in 1980 as senior vice president of marketing and programming, becoming president in December, 1982. In the mid-'70s he had run his own direct sales company, Artcraft, which he sold to C.H. Stuart Co.

Endicott heads WTTG

Betty Endicott, news director at Fox Television's WTTG (TV) Washington, has been named vice president, general manager of the station. She replaces Robert O'Connor who has resigned. Derk Zimmerman, president and chief operating officer of Fox Television Stations Inc., says that under Endicott's direction, WTTG's *Ten O'Clock News* "has experienced a dramatic ratings increase and won a 1984 Emmy for best newscast."

Before coming to WTTG Endicott was news director at WDVM-TV Washington, now WUSA-TV.

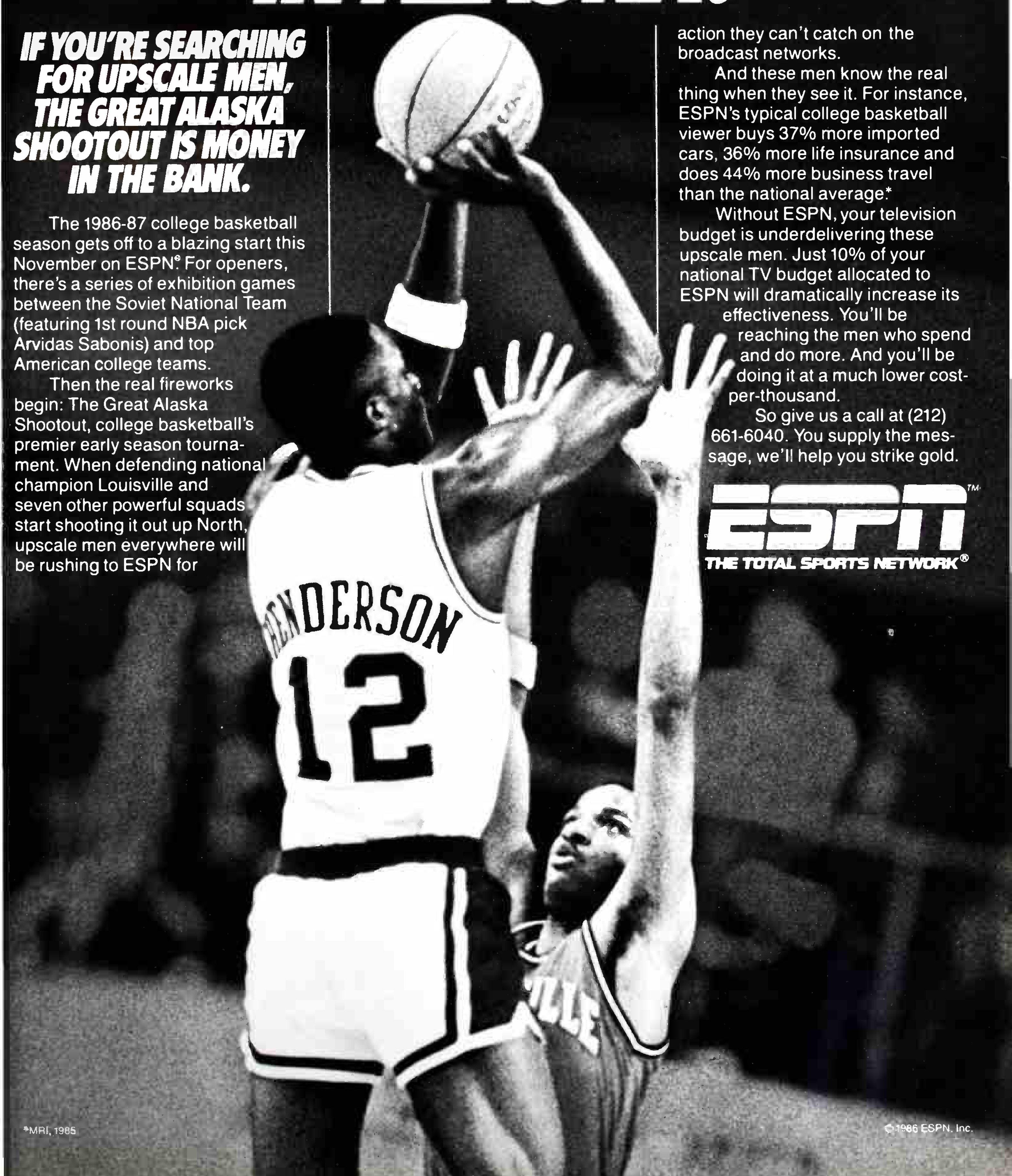
Supermarket spending gains

Food stores increased their television expenditures 19 per cent in the first half of this year, compared with the equivalent 1985 period, according to Television Bureau of Advertising, based on Broadcast Advertisers Reports. Most of this is spot TV, with only Kroger and Winn-Dixie advertising on network TV. Kroger, which had not used network in the first half of '85, put $1.5 million into the medium this time.

Theme parks spend more

Amusement parks and fairs a category that includes trade and hobby shows and sports centers, invested $110.9 million in television advertising last year, up from $59.8 million in 1981. And for this year's first half, the category placed $66.7 million on TV, 21 per

STRIKE GOLD IN ALASKA.



IF YOU'RE SEARCHING FOR UPSCALE MEN, THE GREAT ALASKA SHOOTOUT IS MONEY IN THE BANK.

The 1986-87 college basketball season gets off to a blazing start this November on ESPN.® For openers, there's a series of exhibition games between the Soviet National Team (featuring 1st round NBA pick Arvidas Sabonis) and top American college teams.

Then the real fireworks begin: The Great Alaska Shootout, college basketball's premier early season tournament. When defending national champion Louisville and seven other powerful squads start shooting it out up North, upscale men everywhere will be rushing to ESPN for action they can't catch on the broadcast networks.

And these men know the real thing when they see it. For instance, ESPN's typical college basketball viewer buys 37% more imported cars, 36% more life insurance and does 44% more business travel than the national average.*

Without ESPN, your television budget is underdelivering these upscale men. Just 10% of your national TV budget allocated to ESPN will dramatically increase its effectiveness. You'll be reaching the men who spend and do more. And you'll be doing it at a much lower cost-per-thousand.

So give us a call at (212) 661-6040. You supply the message, we'll help you strike gold.

ESPN™
THE TOTAL SPORTS NETWORK®

*MRI, 1985

cent more than the $54.9 million these advertisers put into TV for the first six months of '85, according to figures from Broadcast Advertisers Reports released by the Television Bureau of Advertising.

Largest first half percentage jumps were recorded for Wrather Corp., whose $473,600 TV investment was 239 per cent more than it placed during first half '85; MCA Inc., 147 per cent more with a first half expenditure of $732,500; Capital Cities/ABC Inc. with $342,500 in TV, or 97 per cent more than for first half '85; and Cedar Point Amusement Park. Latter placed $1.5 million on TV, 76 per cent more than during last year's first six months.

Largest dollar investment for the recent first half was made by Walt Disney Productions, backing Walt Disney World and Disneyland with $15.2 million in network and spot television, up 30 per cent from 1985's first half. Second place dollar volume came from Anheuser-Busch, which put $5.5 million on television behind Busch Gardens, Adventure Island, Sesame Place and the Budweiser Music Festival, for a 24 per cent boost over its first half '85 expenditure.

Inflation curtailed: BJK&E

The "runaway inflation" in advertising costs has been brought to a halt by a sluggish ad marketplace and the growth in new media, according to the latest *Media Directions*, an annual report by Bozell, Jacobs, Kenyon & Eckhardt. The ad agency predicted overall media costs would increase 5 per cent next year, compared to an 8 per cent increase this year. Network TV costs are seen rising 3 per cent, radio, 4–5 per cent, national magazines, 5 per cent, and newspapers, 6 per cent.

Among other predictions: cable penetration would rise to 50 per cent by the end of next year, compared to 47 per cent currently; VCR penetration, now at 35 per cent, will rise to 60 per cent by 1990; 15-second commercials will represent as much as 30–35 per cent of network units next year, compared to 10 per cent this year; and "people meters will soon become the standard of broadcast measurement, more properly documenting audience size and composition."

NBC takes 19 Emmys

Led by *Golden Girls*, NBC racked up 19 of the 31 Emmy awards given by the National Academy of Television Arts and Sciences. CBS took 10 awards, which included four for *Cagney & Lacey*. ABC and PBS took one award each. Sharon Gless of *Cagney & Lacey*, won for best actress in a drama series. Betty White of *Golden Girls* won as best actress in a comedy series. Marlo Thomas won as best actress in a special or miniseries for *Nobody's Child*, and Dustin Hoffman took actor honors for *Death of a Salesman*, both on CBS. *Peter the Great* was best miniseries and *Love is Never Silent* was best special. Michael J. Fox won for best actor in a comedy series for *Family Ties*. William Daniels took the drama series actor award for *St. Elsewhere*, while Rhea Perlman of *Cheers* and John Larroquette of *Night Court* collected Emmys as supporting performers in a comedy series.

VCR sales up in August

Some 880,000 video tape recorders were sold to dealers in August, a 7 per cent improvement over the same month a year ago, while 7.4 million VCRs were sold for the first eight months, a 14 per cent expansion relative to the same period last year. That's according to Electronic Industries Association's marketing services department, which notes that sales of home video products increased across the board in August. Nearly 1.4 million color TV sets were sold to dealers, bringing the year-to-date total to 10.7 million units, up 6 per cent over the same period in 1985. Black-and-white TV sets enjoyed a dramatic growth of 44 per cent, up from 203,689 in August, 1985, to 292,934 this past month.

P&G back in first place

Procter & Gamble was back in first place in monthly network spending in July after yielding to the Philip Morris Cos. in June (see *Tele-scope*, August 18). P&G invested $36.3 million compared with Philip Morris' $32.1 million during the first month of the third quarter, according to BAR data. In addition, P&G remains ahead of Philip Morris in the seven month totals (see table).

Eight of the top 10 in July are in the top 10 for the seven months. The other two are General Motors, with expenditures of $116.7 million, and Ford, whose BAR-estimated spending is $113.1 million. Not in the seven-month top 10 are Johnson & Johnson and General Mills. Chrysler is a poor third in auto spending for the seven months with $47.1 million ($3.7 million for July).

Top 10 network TV clients, July

Parent company	*Estimated expenditures*	*Year-to-date expenditures*
Procter & Gamble	$36,304,100	$251,336,300
Philip Morris Cos.	32,055,800	218,793,700
Anheuser-Busch	18,735,100	89,462,200
RJR Nabisco	13,874,900	113,882,700
Unilever	13,694,100	94,246,300
McDonalds	13,627,500	115,894,600
Johnson & Johnson	13,578,400	83,825,000
American Home Pdts.	13,039,100	114,045,300
General Mills	12,788,300	69,994,600
Kellogg	11,966,900	96,417,100

TV Business Barometer

Local billings up 7.5% during July

July local TV business echoed the spot situation with a marked slowdown in growth. It was not the lowest month in local growth, but not far from it, and among smaller stations there was an actual decline in billings year-to-year.

The local increase in the first month of the third quarter was 7.5 per cent. The only lower month was April, when local moved up over the year before by only 7.3 per cent. Still, the local percentage growth was better than twice the figure for spot.

Local billings in July were $383.5 million, just $4.1 million less than those in June, but substantially less than the peak month of May, when local business reached a record high of $532.8 million. The local figure in July was also some $92 million less than the spot level.

The seven-month total for local TV billings comes to $2,823.3 million vs. $2,528.6 million during the same period last year. That brings the increase down to 11.7 per cent, which compares with the 12.3 per cent increase registered at the end of six months. The increase in local time sales for the first quarter was 10.9 per cent, to make one comparison, while the rise during the second quarter was 13.5 per cent.

In the meantime, network compensation continued its snail's pace with a 2.7 per cent increase in July. The amount of the station take was $37.5 million and the seven-month figure amounted to $264.3 million, which is 2.0 per cent higher than last year's seven-month total.

The first monthly minus sign for local business appeared during July, reflecting a slowdown among the smaller-billing stations: those with annual revenues of less than $7 million. This sub-sample of the *Business Barometer* sample showed a drop of 2.5 per cent in July local business vs. the previous July. This was in sharp contrast to the increase of 13.5 per cent in June for the smaller stations.

In contrast to this performance, the medium-size stations (those billing between $7 and $15 million) showed a 10.2 per cent increase in July, while the larger stations ($15 million-plus) increased their local business 8.0 per cent in July vs. '85. Overall billings from TV station advertising in July were $897.2 million, up 5.2 per cent over '85; this includes spot and local time sales plus network comp.

7 months: +9.2%

For the seven months to date, the overall ad billings total was $6,242.5 million vs. $5,716.0 million last year. The increase amounts to 9.2 per cent. If this holds for the remainder of the year, TV stations would have little to complain about. However, spot has slowed since the beginning of the year and it would have to speed up in the third and fourth quarters to retain the seven-month average.

July

Local business +7.5%

(millions)

1985: $356.7 **1986: $383.5**

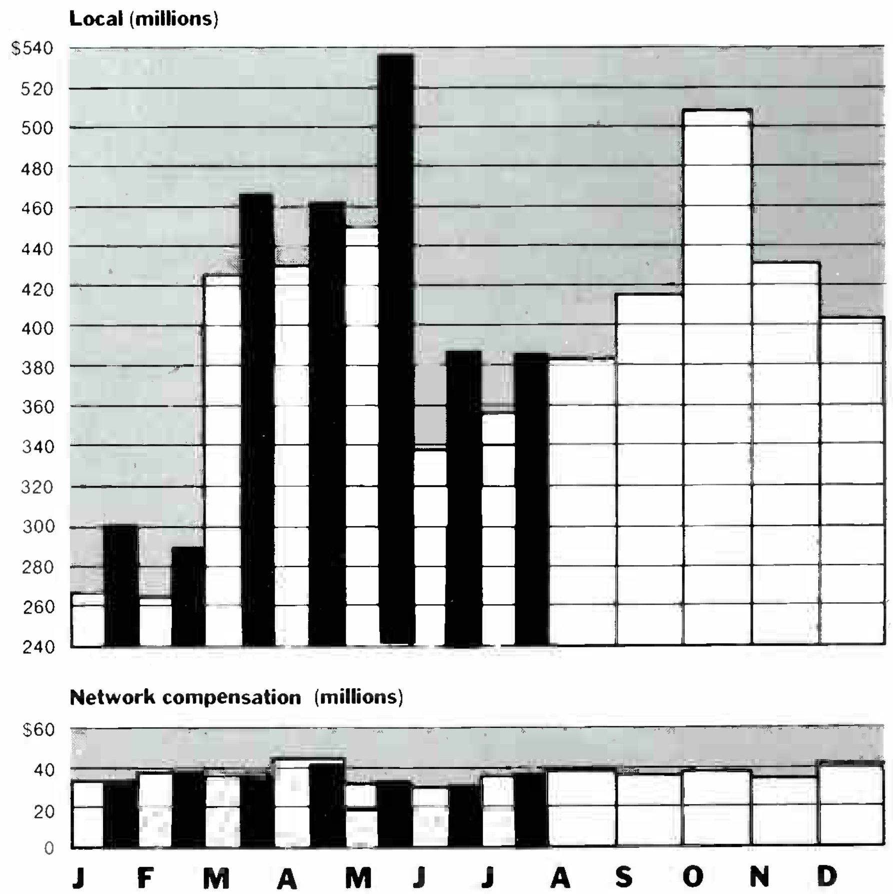
Changes by annual station revenue	
Under $7 million	−2.5%
$7–15 million	+10.2%
$15 million up	+8.0%

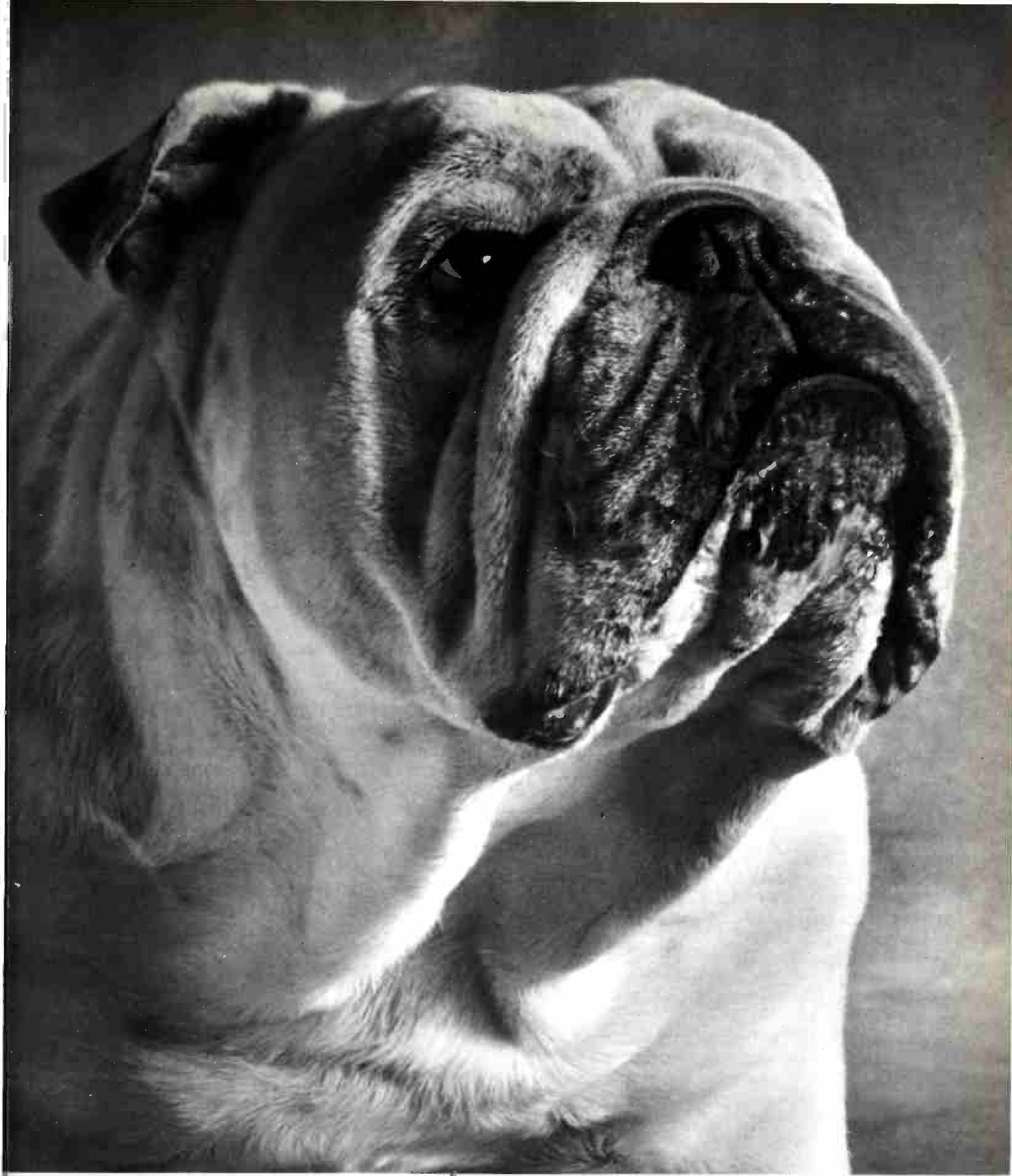
Network compensation +2.7%

(millions)

1985: $36.5 **1986: $37.5**

Changes by annual station revenue	
Under $7 million	+0.2%
$7–15 million	+7.5%
$15 million up	+1.8%





Cable Report

Growth flat, study shows

When the Cable Television Administration and Marketing Society (CTAM) commissioned A.C. Nielsen 18 months ago to create an industrywide database tracking levels of subcribership to pay and basic cable, the intent was to gauge national trends, helping system management respond to the marketplace.

The first results of the Nielsen effort are in, covering second-quarter performance in 79 systems representing 1.4 million subscribers. According to preliminary results, the trends are troubling—flat growth in both basic and pay subscriber levels, and a disturbing decline in the number of a key market segment, single-pay customers, due to downgrading of service to basic only.

CTAM and Nielsen officials cautioned that the initial results constituted a "dry run" rather than a full-scale launch; the next quarterly report will cover 200 systems, giving more comprehensive results. Even so, a Nielsen official said it was "probably the largest survey ever done" of the cable industry and is statistically valid.

Summer slump? Charles Townsend, CTAM head and president of Colony Communications, noted that the study covers the beginning of summer, when cable subscription levels traditionally fall. But he noted the results still may be a "red flag" to the industry.

According to the results, both pay and basic growth in the sample were a scant 0.26 per cent. The number of disconnects almost equalled the number of installs, for a net gain of only 0.3 per cent. Basic–only subscriptions were up 0.5 per cent, but single-pay units were down 0.6 per cent. Multi-pay subscriptions were up a mere 0.1 per cent.

Ajit Dalvi, senior marketing vice president at Cox Cable, saw the multi-pay results as the sole encouraging word in the study; two-thirds of all pay units in the sample continued to be multi-pay. But on the downside, the drop in single-pay units wasn't due to a disproportionately large number of basic-only new installs, but to a genuine drop-off in single-pay customers.

Dalvi said the cable industy should take this as a warning against sharp escalation of subscription rates. Many MSOs are pondering rate restructuring, since remaining federal rate regulation of basic rates ends with the new year.

The study only reflects trends, and doesn't offer explanations. But Dalvi said the drop in single-pay units may be due to VCR tape rentals, theorizing that the single-pay customer finds it easier to replace a single premium service with tape rentals.

Trying to find a silver lining in the cloudy results, Dalvi remarked, "The fact that pay units were flat and not nose-diving is encouraging." But, he added, "The study would make me more cautious about rating my rates. It shows that a single-pay customer is not a secure customer."

How cable helps economy

The benefits of the cable industry to the national economy are enumerated in a newly-released study commissioned by the cable MSO, Daniels & Associates, and conducted by Browne, Bortz & Coddington, both of Denver.

Highlights of the 27-page report:

- Cable contributes about $25 billion to the Gross National Product, providing 441,000 jobs, and generates income of $11.5 billion.
- Cable programmers should contribute just over $1 billion to the motion picture industry this year alone, an amount equalling 10 per cent of cable operators' gross revenue.
- Cable industry suppliers, with aggregate revenues of $6 billion, employ 57,000 people in related industry jobs, with total compensation exceeding $1.8 billion.
- Cable operator expenditures on personnel and goods and services indirectly result in an additional 307,000 jobs.

The report also summarizes industry growth. It says the industry accounted for 2 per cent of all net new jobs generated by the U.S. economy in the past five years. During that period, cable operator revenues increased an average of 27 per cent a year, triple the 9 per cent average annual increase of the GNP from 1980 through this year. In comparison, total motion picture theatrical revenues (including videocassette revenues) were up just over 15 per cent. Network TV grew at a 10 per cent clip.

A breakdown on cable's contribution to Hollywood: Pay services, $590 million; basic services, $280 million (including copyright payments); pay-per-view, $25 million. Also, some 11,000 jobs in the motion picture production/distribution sector can be attributed to cable, representing some $250 million in employee compensation.

The study also states that while cable is "increasingly dominated by MSOs, it remains, in essence, a distinctly local business, customized to meet the needs of subscribers in specific communities." That means the economic benefits of the industry are spread throughout the nation.

For a more detailed look at the study, see Inside the FCC, page 89.

Estimated cable spending, July, 1986

Parent co.	Est. spending	year-to-date
1. Procter & Gamble	$2,246,617	16,722,096
2. Time Inc.	2,202,099	9,470,163
3. Anheuser-Busch	2,013,835	11,246,319
4. Philip Morris	1,546,829	14,083,550
5. Mars	1,487,379	9,950,616
6. General Mills	1,315,448	6,982,493
7. RJR Nabisco	854,782	5,476,953
8. Gillette	743,348	5,015,604
9. Coca-Cola	622,201	3,777,396
10. Clorox	548,652	2,640,500

Source: Broadcast Advertisers Reports
Note: BAR monitors only six cable networks: CBN, CNN, ESPN, MTV, USA, WTBS.)

Cable academy checks in

The first luncheon program of the National Academy of Cable Programming earlier this month drew a blue-chip crowd of cable system and programming service officials. They received reassuring predictions of long-term success from a panel of industry luminaries.

Most heartening to the cable crowd was a prognostication by Marvin Koslow, senior vice president of Bristol-Myers, that 24-hour broadcast network share in cable homes will continue to fall, hitting 50 per cent in 1990. "And I don't see it stopping," he added. Koslow attributed continued network erosion to increased audience share gleaned by cable, independents, and videocassette viewing.

Fred Pierce, former president of ABC-TV and a member of the Capital Cities/ABC board, noted that primetime share would diminish at a lesser rate, to 66 per cent, in 1990; but he said "I don't disagree" with the 50 per cent figure for 24 hours. According to Nielsen figures for the first quarter of 1986, 24-hour network share in cable homes was 56 per cent; primetime network share from September, 1985, through May, 1986, was 76 per cent, down from 82 per cent in the 1981–82 season.

Programming involvement. A continuing theme was the desire of cable multiple system operators to get more involved, financially and creatively, in programming. John Malone, chairman of largest-MSO, Tele-Communications Inc., again repeated his call for MSOs to underwrite the cost of programming "proprietary to cable." But he stopped short of advocating, as he has in the past, the creation of a new cable "superchannel." Instead, he spoke of programmers and MSOs "putting together management and capital."

It's unclear how fast the industry will be able to unite on the programming issue, said Malone, whose company has become an equity holder in several programming ventures, including Black Entertainment Network, American Movie Classics and The Discovery Channel.

Malone also noted that the distinctions between pay and basic services are blurring as the industry recognizes a need to fund original programming out of subscriber dollars as well as ad revenues. He maintained that cable MSOs could match the combined programming budgets of the broadcast networks with 5 per cent across-the-board rate increase.

Executives of several programming services privately express doubts that MSOs will get behind a cable "superchannel." Instead, several of them predict greater financial investment by MSOs in existing services—perhaps in the form of an increase in carriage fees specifically earmarked for programming.

Terrence Elkes, president and CEO of Viacom International and leader of an attempted leveraged buyout of the company, suggested that cable operators are "beginning to learn how to market" by promoting both specific programming and the viewing options that the typical 35- to 54 channels of service provides.

"We are not the new kid on the block," Elkes said, advising that the cable industry must stress its programming benefits in the face of competition for viewers' time from such TV alternatives as VCRs and independent stations.

Merchandising job. Echoing Elkes, TCI's Malone remarked that the cable industry "has been fascinated with capital formation and technology," to the detriment of programming development. "As we leave the neophyte stage," said Malone, "we will be able to do a very effective merchandising job" in selling the value of cable programming. Industry management must stop acting like "feudal warlords fighting against each other for turf," and concentrate on "exploiting the markets we have created," added Malone.

That comment struck some as ironic, in that TCI is arguably the most aggressive MSO in acquiring smaller cable concerns.

Despite the passage two years ago of the federal cable deregulation act, issues such as must-carry, copyright and compulsory license continue to pose a threat, according to Malone: "If there's an area investors have to watch, it's government meddling." he said.

Another recurring subject was Rupert Murdoch's incipient Fox Broadcasting Co. and its prospects for success. While Malone said "I hope FBC makes it, because Rupert needs the money," Fred Pierce said the continuing soft broadcast advertising climate may make FBC "hard-pressed" to find advertising support in primetime. Bristol-Myers' Koslow, however, said the network possesses a sound concept and good management, and has a chance at success—if Murdoch spends sufficient dollars on quality programming.


John Malone


Marvin Koslow

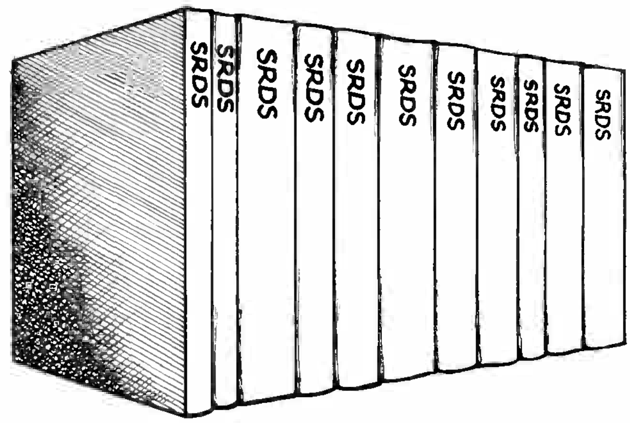

Fred Pierce


Terrence Elkes

Write the caption and win your choice.

"   "

This set...or this set.



We've seen your versions of our SRDS cartoons on office walls from NY to LA. We know you've been itching for this chance.

At left is a Booth illustration of an SRDS user. All you have to do is write the most humorous, most incisive, most pertinent caption and we'll make you rich and famous. (For the record, these are relative terms.)

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The rules and details follow. However, should the winner choose the set of SRDS, recognizing our responsibility as an advertising institution, we would seriously consider having the winner institutionalized.

** Yes, that game! (It would cost more to mention its name than it costs to send you.)*

RULES: Contest is open to persons 18 years or older in agencies or advertiser companies who are involved in planning, creating, producing or approving advertising for any medium. To enter, neatly print your caption under the drawing on the page at left. Use more space if necessary. Fill in the coupon completely, staple it to your entry and mail to the coupon address. Entries must be postmarked no later than November 15, 1986. Entries will be judged on the basis of originality, humor and relevance to SRDS. The winner will receive his or her choice of a) one full set of SRDS catalogs, FOB Wilmette, IL or b) four tickets to the National Football League's Championship Game, January 25, 1987 in Pasadena, CA plus round trip airfare and hotel accommodations for three nights. The winner relinquishes all rights to his or her entry without further compensation. All entries become the property of SRDS, Inc. and cannot be returned. Employees of Macmillan, Inc., SRDS, Inc., their Agencies and their families are not eligible.

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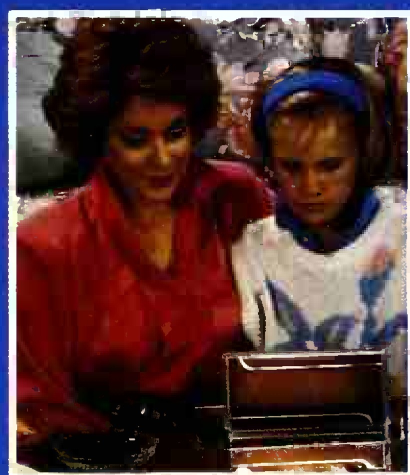
TVRA-86



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PILOT READY FOR SCREENING.

A&S throws wrench in NAB Task Force pilot test plans

Two of the three finalists in the drive by NAB's Radio Audience Measurement Task Force to come up with an "alternative" rating service are poised for the pilot tests next month that were promulgated as part of the search procedure. But the third has balked at the test and says it will, instead, turn in a complete report to the Task Force in November, upsetting the NAB.

The reluctant research group is Audits & Surveys, which participated about eight years ago in a major aborted effort to find an alternative and competitor to Arbitron. Richard Lysacker, A&S president, says his company's methodology is proven, is in wide use and doesn't need another test. Another one of the finalists, Birch Radio, which is also considered "proven," will go ahead with its test, anyway. Some sources say the test market, which is being kept secret by the parties involved, might be measured by Birch anyway. Also planning to go ahead with its part in the pilot test is McNair Anderson, an Australian rating service owned by AGB Research, the same U.K. company that owns AGB Television Research in the U.S., now contending with Nielsen for acceptance as a national people meter TV service.

McNair Anderson is an Australian industry-supported radio rating service, the only one in that country. It employs a personally-placed and personally-retrieved weekly diary which measures all persons in the sample household 10 years and older. While the technique of personal placement and retrieval of diaries has been employed in the U.S. by Arbitron in certain instances, it is not regularly used.

Embarrassing result. Since the NAB had initially announced it was looking for innovative audience measurement techniques, the three finalists are considered by a number of research people as an embarrassment for the NAB. However, it is widely believed that the basic drive behind the RAMTF is to encourage competition against Arbitron, whose prices have long irritated the radio industry.

Because of U.S. anti-trust laws, the RAMTF, under Ken McDonald, chairman of MacDonald Broadcasting, Saginaw, Mich., has been careful to avoid the appearance of favoring any particular service. The Task Force and NAB have been wrestling recently with the problem of how to handle the pilot tests in terms of approval (or disapproval) when they are completed. So far, there is no decision.

Arbitron alters DST criteria

Effective with the fall survey, Arbitron will start selecting metro markets for black or Hispanic Differential Survey Treatment if the metro population, 12 or over, includes at least 10 per cent blacks or Hispanics, or if the metro has 150,000 or more blacks or Hispanics 12-plus. At the same time, Arbitron will also change the way it identifies respondents' ethnic classification.

Now, questions asked in the diary placement phone call will follow those used by the Census. Arbitron interviewers will ask prospective diary keepers: "Would you classify your household as black, white or other?", in markets designated for black ethnic control, and, "Is your household of Spanish or Hispanic origin or descent?", in markets with special Hispanic controls.

For the fall survey 18 more markets will be designated for ethnic controls. New DST markets for Hispanics will be Abilene and Killeen-Temple, Texas; Naples-Marco Island, Fla; Yakima, Wash.; and San Diego, San Diego North, Anaheim-Santa Ana and Santa Barbara, all California.

New black DST markets will be Daytona Beach, Fort Pierce and Panama City, Fla.; Ann Arbor and Muskegon, Mich.; Charlottesville, Va.; Lawton, Okla.; Lufkin-Nacogdoches, Texas; Wilmington, Del.; and Youngstown-Warren, Ohio. Altogether the total number of radio markets designated by Arbitron for DST will now add up to 127.

Hispanic listening pilot

The Chicago pilot study of Hispanic radio listening, to be conducted by Information & Analysis for the Spanish Ratings Advisory Council, will test three metodologies: in-house personal interviews, use of "listening logs," and telephone interviews. The survey is scheduled for a late October start and will run for approximately one month. The sample size will range from 120 households to 420 households depending on methodology.

Peter Roslow, vice president, general manager of I&A, explains that Chicago was selected as the pilot market ADI because of its cultural balance. The Hispanic population there includes Mexicans, Cubans, Puerto Ricans and Hispanics from Central and South America, thus reflecting "a more accurate cross-section of the total Hispanic population in the U.S. than most other large markets." Also, says Roslow, Chicago's Hispanic population is "multi-generational for many of these different nationality groups, making Chicago both culturally and demographically comparable to other U.S. Hispanic markets." And that, he adds, should make the test results "more informative and helpful" in determining methodologies for other major U.S. Hispanic markets.

The SRAC was formed over a year ago at the suggestion of Eduardo Caballero, president of Caballero Spanish Media. Its purpose is to create a new Spanish radio ratings service to conduct more accurate measurements of Hispanic radio audiences. Membership includes advertiser and agency executives as well as Spanish-language radio broadcasters.

Chairman of the Council is Abbot Wool, senior vice president, director of media research at Saatchi & Saatchi Compton.

August spot: up 6.8%

Spot radio had its best '86 month in August, according to Radio Expenditure Reports, which collects data on commissionable billings from reps. After adjusting for the Standard Broadcast Month (SBM), the data show an increase of 6.8 per cent. The best previous month this year was May, when spot billings rose 4.9 per cent.

August spot time sales were $94,046,600, compared to $70,448,100 during the previous August, representing an increase of 33.5 per cent. However, August, '86, was a five-week SBM, while August, '85, was four weeks, representing the first time this year, there was a year-to-year difference in SBMs. The adjustment (making '85 data equivalent to five weeks) pushed last year's figure up to $88,060,100. Hence, the adjusted 6.8 per cent figure.

Spot radio billings through August this year came to $600,313,000, up an adjusted 1.6 per cent. By market size, the adjusted increases were: markets 1–10, up 5.2 per cent; markets 11–25, up 3.1 per cent; markets 26–50, up 8.7 per cent; markets 51-plus, up 11.8 per cent.

Chase appoints Bremkamp

Richard P. Bremkamp has been named by Chase Communications Corp., Hartford, as general manager of KGLD/KWK St. Louis. His appointment will be effective upon approval of the purchase of the stations from Robinson Broadcasting of Missouri by the Federal Communications Commission.

Bremkamp, who will report to Chase vice president of radio stations Robert Dunn, has had over 21 years in management positions in Cleveland, Detroit and Hartford.

Transtar 41's impact

Transtar Radio Network's Transtar 41 soft contemporary format (aimed at listeners with a median age of 41) has had such an impact on the market that Blair Radio decided to analyse its Arbitron ratings performance both for stations that program it and those that compete against it.

The format signed on in 1984 at WJQY(FM) Miami, and, according to Blair, now is carried via satellite by 85 stations in both large and small markets.

Here are some samplings of the Blair research:

■ Detroit—WLTI(FM) took on Format 41 in April, 1985, and has gone from a 1.8 share (average quarter hour, all persons 12-plus, Sunday–Monday, 6 a.m.–midnight) in spring '85 to a 2.5 in spring '86. According to Blair's Lori Adelsberg, "The adult contemporary and easy listening stations are affected by WLTI's growth, especially AC, WOMC, which gained audience when WLTI declined, and vice versa."

■ Providence—WWLI(FM) had a 3.2 share in spring '85, signed on with Format 41 in July, 1985, and zoomed to a 7.2 in fall '85 and a 7.4 in spring '86. Says Adelsberg: "There is heavy competition from beautiful music, WLKW(FM). WLKW has experienced some decline in audience since debut, but it remains Number 2 in the market.

"FM ACs, WMYS and WSNE are declining, and both rank 10th or below."

Lin to sell stations

Lin Broadcasting Corp. is putting its radio stations up for sale in order to focus its concentration on television stations and cellular telephone operations.

According to the company, the 10 stations it now owns account for less than 10 per cent of its media operating income. The stations are: WFIL/WUSL(FM) Philadelphia, KILT AM-FM Houston, WIL AM-FM St. Louis, WEMP/WMYX(FM) Milwaukee and WBBF/WMJQ(FM) Rochester, N.Y.

Wertheim & Co. has been retained by Lin to advise it with respect to the divestiture.

The 10 stations, according to industry sources, could fetch in the neighborhood of $100 million.

Sears top July web client

Sears Roebuck led the list of network radio advertisers in July with expenditures of $5.1 million and continued to lead in the seven-month totals, with spending of $27.2 million, according to BAR data. Proctor & Gamble, a heavy TV advertiser that radio people never stop hoping will move some of that money into the audio medium, ranked eighth in July and ninth for the year to date. Clients not in the July top 10, but included in the top 10 for the seven months so far measured, are Cotter & Co., with $5.7 million and A. G. Bayer, with $8.4 million.

General Motors was the only auto advertiser in the July top 10, with expenditures of $1.7 million. The next biggest auto client in July was Ford, which spent a little over half a million dollars and $4.6 million for the seven months.

Top 10 network radio clients—July

Parent company	Estimated expenditures	Year-to-date expenditures
Sears Roebuck	5,113,569	27,155,041
AT&T	3,115,455	16,099,504
Anheuser-Busch	2,012,406	7,366,874
General Motors	1,722,346	11,046,991
Schering-Plough	1,691,622	7,216,004
Greyhound	1,619,698	11,144,726
Philip Morris Cos.	1,611,040	5,575,155
Proctor & Gamble	1,445,822	5,821,358
K Mart	1,309,305	3,197,110
Warner-Lambert	1,110,122	13,657,257

Radio Business Barometer

Web radio billings up 37% in August

The blockbuster numbers displayed by network radio during the first month of the summer quarter carried over into the second month, according to the latest figures from the Radio Network Association.

August network radio revenue levels were up 37 per cent over the corresponding month last year, the RNA reported. This follows a 32 per cent hike during July. Both numbers set monthly percentage growth records for 1986.

July and August were also record months in revenues, with the former slightly ahead of the latest month in billings. August revenues came to $36,907,686, while the July total topped that at $36,950,434.

Through the eight months to date, total radio revenues were up 20 per cent to $250,632,725. The comparable figure for '85 was $208,528,428. If this level of increase holds, the '86 total would come to $394,450,450.

All four sales territories reported by RNA showed sizeable increases in August, as might be expected. But the rises were not spread evenly. Detroit was way up, Los Angeles was up above average, New York was up about average, while Chicago was up below average.

Fueled by automotive blurbs, the Detroit figure for August climbed no less than 119 per cent over the year before. Revenues were $2,775,293 this year vs. $1,264,390 last year.

Los Angeles showed a 48 per cent rise this August, with revenues of $2,631,681 vs. $1,780,740 last August.

New York, with almost two thirds of network radio billings registered an August increase of 35 per cent. The total in billings ws $23,555,464 vs. $17,413,651 in '85.

As for Chicago, with 22 per cent of the total billings, it was up 21 per cent, a sizeable increase in other circumstances, but ho-hum this past summer.

The 119 per cent rise for Detroit sales in August was not the only big jump in network radio billings for the Motor City. In July, revenues were up 70 per cent and in May, 59 per cent. For the year through August, Detroit business was up 41 per cent to $20,376,805.

Los Angeles sales were marked by both ups and downs. Three of the eight reported months for network radio showed actual declines in billings—July, down 11 per cent; June, also down 11 per cent, and March, down 6 per cent. For the eight months, however, Los Angeles sales were up 15 per cent to $15,814,072.

New York sales

New York had been relatively modest in monthly increases during the first half, three of the months showing single digit increases. The eight month total of $150,610,856 is 17 per cent ahead of 1985.

As for Chicago, there were some marked roller coaster patterns in the monthly tally of sales. The range was from minus one to plus 55 per cent, the latter scored in July. For the eight months, Chicago billings were up 24 per cent.

Network **+37%**

(millions) **1985: $27.0** **1986: $36.9**

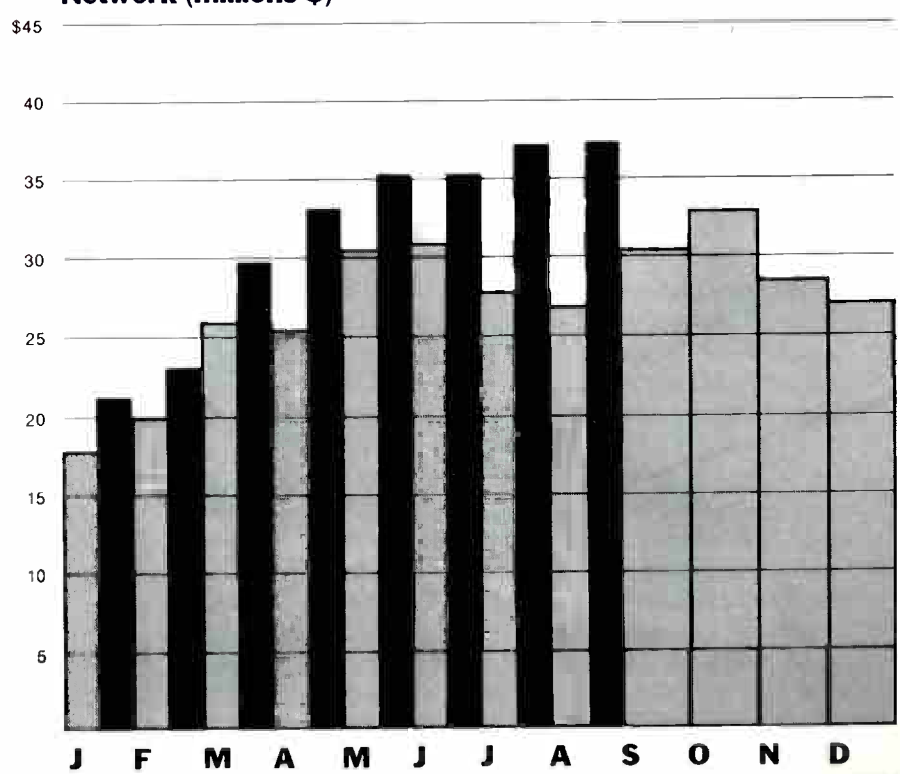
Changes by territories

Territory	*Billings (000)*	*% chg. 86–85*
New York	$23,555,464	+35%
Chicago	7,945,248	+21
Detroit	2,775,293	+119
Los Angeles	2,631,681	+48

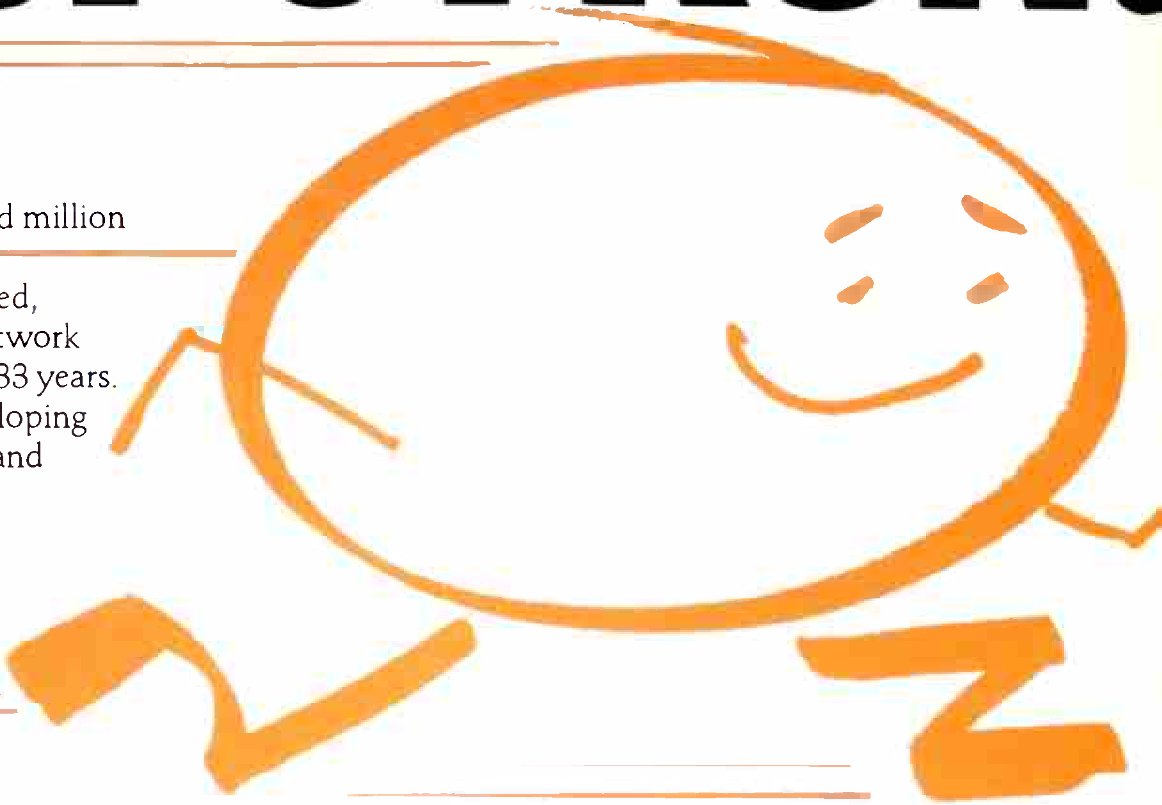
Source: Radio Network Association

August

Network (millions $)



SEE SPOT RUN!



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Growth could be restrained by narrowing of web price gap

Barter now viewed as 'major' element in many media plans

By GEORGE SWISSHELM

"A few years ago," says John Weems, vice president, entertainment and marketing services at Mattel, Inc., "there was no viable national advertising alternative to the networks in the kids' area. Today, national syndication is very much a major alternative and a major part of our media plans."

Syndication, adds Mike Drexler, executive vice president, national media director, at Bozell, Jacobs, Kenyon & Eckhardt, "has come into its own. It's no longer in a situation of having to sit back and wait for leftover network dollars."

There's no question that barter syndication has come a long way in a short time. That's evident from testimonials like the preceding by a wide range of agencies and national advertisers. And more credibility has been added now that barter's progress is being charted by Broadcast Advertisers Reports, which, in its first-ever study of the ad medium, reported that 237 clients invested nearly $260 million on 117 syndicated shows during the first six months of 1986 (*Tele-scope*, September 1).

The BAR figures also record, however, that syndication spending in the second quarter dipped nearly 12 percent from the first quarter tally. And media executives from both agencies and clients, while expecting barter to continue to grow, point to some market conditions that may slow down its pace in the months ahead. Among them:

- The price gap between network TV and syndication has narrowed.
- The proliferation of ad-supported syndication product may saturate the market and make clearances more difficult.
- The leveling off of independent TV station growth could soften demand.

Clare Simpson, vice president, director of Coca Cola national broadcast at McCann-Erickson/New York, for instance, expects barter syndication to "continue to grow," but adds that this growth "is likely to slow down, just as the growth of other media like network and cable slowed down since their initial spurts."

Frames from Crystal Light ads

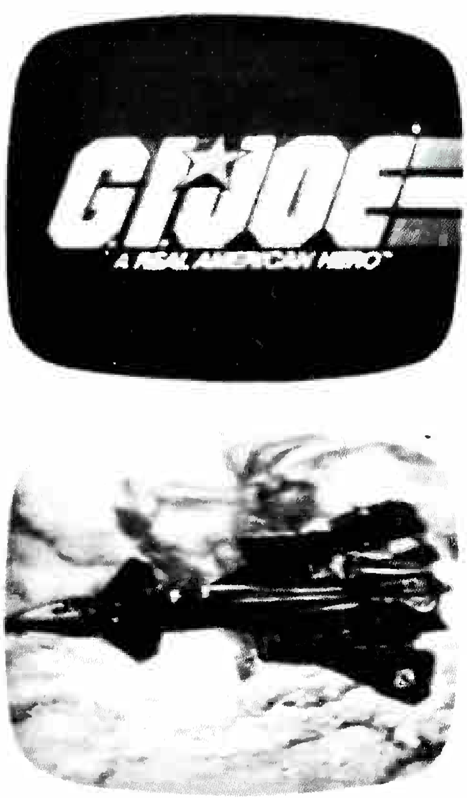
Advertisers feel proliferation of product may saturate the market, making clearances more difficult.

Les Towne, chief executive officer of Towne, Silverstein, Rotter, Inc., adds that barter's growth "can't continue at the tremendous rate we've seen in the past couple of years."

Rino Scanzoni, vice president, associate director of national broadcast on brands for General Foods and Richardson Vicks at D'Arcy Masius Benton & Bowles, expects use of barter syndication to "continue to grow to a point. But there's only so much time available on a limited number of stations. So the increase is likely to flatten out. Next spring, for instance, if Ruppert Murdoch goes through with his fourth network idea, five hours of new programming could be eliminating, or at least bumping a lot of current barter syndicated product into other dayparts."

Dick Hobbs, vice president, media director at Leo Burnett Co., says that while his clients' use of barter syndication "will continue to be significant, I'm not sure how much more room for growth there might be, for two reasons. One is that there are so many producers in syndication now that I'm not sure they can keep clearing long enough station lineups to accommodate a lot more new product. There are too many programs competing for the same most desirable time periods."

The other limitation, in Hobbs' view: "One reason the syndication route has been so attractive has been the gap between its pricing and that of comparable network offerings. Short term at



Hasbro Bradley G. I. Joe spot

Griffin Bacal is satisfied with barter "because it's a mutually beneficial arrangement."

least, that gap has closed up somewhat as network prices have come down a bit. That's taken some of the gleam off of syndication's attractiveness."

BJK&E's Drexler notes that another factor contributing to the growth of barter syndication to this point "has been the recent increase in numbers of new independent stations. But we now expect this growth to level off. This could lead to more syndication for cash and/or cash-plus barter and less straight barter. This, in turn could mean fewer national minutes available for sale by the barter distributors, and limitation of supply of national minutes from this source could drive up the pricing."

On the other hand, Drexler also observes that, "Growing interest by more network affiliates and O&Os in good syndicated product should bolster the market for syndication and make up for the slowdown in the numbers of new independents coming on line. And the price of commercial time in syndicated programs is also likely to climb to pay for the improved production values we're seeing."

The upshot is that, "Although syndication must always maintain a price gap between itself and higher network prices in order to remain attractive to advertisers, we will probably see that price gap narrow. But at the same time, an increase in the amount of syndication that's sold for cash could help syndicators hold prices down in relation to what the networks charge, and maintain the necessary gap."

Dave Braun, director of media and program services at General Foods, predicts that barter syndication will grow, "but not at the rates we've seen in the past three years, otherwise it would eventually take over the universe. But it should grow at a reduced rate for awhile, in direct relation to its ability to deliver broad national station lineups in quality time periods at price levels considerably below those of the networks."

Braun adds that CPM levels of syndication "must continue to be substantially discounted because syndication doesn't offer as clean a situation as network television. The networks carry smaller commercial loads, so there's less clutter. But lower syndication prices help compensate for this."

On the other hand, Braun notes that as syndicated product continues to proliferate faster than the availability of quality time periods to carry it, "It will become increasingly difficult to bring off the level of success that some of the syndicated programs have recently enjoyed." (General Foods' Crystal Lite beverages ranked fifth among brands in barter spending in BAR's study).

Quality of new shows

Asked whether he's satisfied with his company's syndication buys to date, Peter J. Spengler, vice president, advertising services at Bristol-Myers, offers an "unqualified yes."

But down the road, he believes that the quality and degree of success enjoyed by the new product coming out of entities such as the Tribune-Viacom combination, Fox Television and Disney "will be a deciding factor in syndication's continued growth. If these programs are successful, growth will continue. But if what comes along turns out to be so much pap, syndication will be stalled in its tracks."

If the new shows do achieve a degree of success, however, Spengler "doubts that we'll see an annual 20 per cent rate of increase in barter syndication, but low, double-digit growth wouldn't surprise me. The base of syndication dollars is still fairly low compared to total network dollars."

"If the networks grow more conservative with regard to their production costs and make a real effort to hold the line," says Bristol-Myers' Peter Spengler, "this could turn into an opportunity for syndicators to become more innovative."

He adds that, "If the networks grow more conservative with regard to their program production costs and make a real effort to hold the line, this could turn into an opportunity for syndicators to become more innovative. After all, the syndicators can look forward to an after-life for their new programs. The networks have to concentrate on today. It should be interesting to watch what develops."

At McCann-Erickson, Simpson also points out that, "Syndicators need to address the problem of clients' need for more up-to-date ratings data. Coca Cola, for instance, needs to know as quickly as possible how the programming it's in is performing. When a brand's in flight, it needs its planned weight *then*—not make-good exposure here and there, after the campaign and all the coordinated support activity that goes with it is history. I think the root of the problem in getting fast feedback on ratings is that each syndicated show has a different station lineup. It's not the kind of standard station list you get with network shows."

Riding high

But whatever its future, right now, barter syndication is riding high. At Number 1 barter advertiser (BAR-first half '86) Procter & Gamble, a spokeswoman says "We like barter syndication because it's a cost efficient alter-

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Pillsbury's pioneering in early days of barter pays off

Leo Burnett vice president, media director Jack Klues recalls that Pillsbury was one of the first of the major national advertisers to enter barter syndication in a significant way "because the prices were favorable in relation to comparable network availabilities.

"Pillsbury wanted more efficient nighttime exposure as a substitute for nighttime primetime on the networks when it started shifting some dollars from daytime network in order to reach the growing numbers of working women who were no longer available to watch daytime television."

Klues adds that, "In the beginning, Pillsbury saw shows like *PM Magazine* and *Entertainment Tonight* as a base we could build on that approached primetime network in terms of audience composition and reasonably high ratings at a more reasonable cost. Then, once we were into syndication and had developed experience with it, Pillsbury's use of it snowballed with the increase in the availability of more early-evening product that met our guidelines in terms of audience efficiencies in programming of comparable quality to what the networks offered."

'Open minds'

As "leaders in using this form of television," says Klues, "syndicators got in the habit of calling on Pillsbury and on Burnett when they knew they had a new program that was up to our standards. They knew our minds were open to first class syndicated opportunities at a time before they had gained the acceptance they enjoy today."

This way, adds Klues, Pillsbury's use of syndication "grew with the boom in syndicated product. We were able to be among the first to benefit from the audience attraction of shows like *Wheel of Fortune*, *Jeopardy*, *New Wedding Game* and the TPE properties. These are the kinds of programming Pillsbury is in—shows with strong track records and good station clearances. There are enough of these good shows available so that we don't have to rely on some of the more risky syndicated product that's also out there."

At BBDO Bruno Crea, senior vice president, associate media director, explains that Leo Burnett handles most of Pillsbury's syndicated programming because it is agency of record for Pillsbury's nighttime syndication and network buying, while BBDO is agency of record for the company's daytime syndicated and network buys. "So while Burnett handles shows like *Wheel of Fortune*, we represent Pillsbury in programs like *Phil Donahue*, *Hour Magazine*, *Oprah Winfrey* and *Sally Jesse Raphael*. We consider these quality programs because they offer intelligent conversation to female audiences, as opposed to, say, some of the game shows.

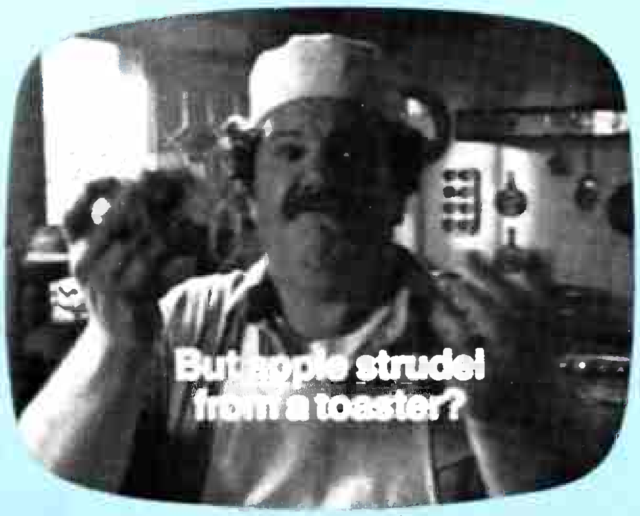
"On the other hand, we learned from the unfortunate experience of Inday, that you don't do too well trying to go head-to-head against the best of the networks' soap operas.

Inday was an ambitious two-hour attempt to change the daytime marketplace, and I think the industry learned its lesson."

For Pillsbury's daytime buys, Crea says national syndication "must have a minimum of 80 per cent clearance. We continue to see syndication as an efficient substitute for network exposure. Ratings of shows like *Donahue* and *Oprah Winfrey* compare favorably to average daytime network programs, and the pricing is more efficient than the networks." □

Pillsbury, says Leo Burnett's Jack Klues, uses barter on shows "with strong track records and good clearances." Daytime buys, adds BBDO's Bruno Crea, "must have a minimum of 80% clearance."

Pillsbury Toaster Strudel spot



native to the television networks. It's significantly less expensive and can deliver a comparable audience. The money for syndication comes from our national network funds."

At Griffin Bacal, whose clients include heavy syndication user Hasbro Bradley (Number 2 brand in BAR's study for its G.I. Joe products), Art Heller, executive vice president, says his agency is satisfied with barter syndication "because it's a mutually beneficial arrangement in which all parties receive value. The syndicator receives advertising income to pay for his program costs, the stations receive quality programming to attract larger audiences, and in our own case, our clients are provided with an excellent program environment in which to reach children."

'Efficient alternative'

At Mattel, the Number 3 brand in barter spending for the first six months of '86 for its Masters of the Universe toys, Weems says: "Our buys have proved an efficient alternative to the networks, and we're satisfied with the results."

Ira Bass, vice president, media director at HBM/Creamer in Pittsburgh, agency for Stouffer frozen foods, likes syndicated programming "because it gives us an alternative form of television with a good flexibility of dayparts, including combinations of both early and late fringe and prime access that offers a broad reach of our target audiences."

Bass says the kinds of syndicated programs used, such as *Entertainment Tonight* and *Life Styles of the Rich and Famous*, "are certainly preferable to the reruns of 10-year old sitcoms in black and white that the independents used to be stuck with. So though syndication won't replace the networks, it will continue to grow, if at a slower pace than we've recently witnessed, because it fills the need advertisers feel for less reliance on the networks. It helps national advertisers control costs because it gives them a less costly vehicle to mix in and add weight to their national buys by overlaying across their network coverage."

And Towne, of Towne, Silverstein, Rotter, notes that while many network shows "are produced for more general, broad audience appeal, a good many syndicated programs are more specific. They're edited to appeal to a more closely targeted viewer group, to allow an advertiser to concentrate on a more specific audience segment."

Towne adds that his agency has "used barter syndication for years for our toy clients. It's proved to be successful enough so that more recently we've extended its use to adult product categories; products like Canandaigua Wine's Sun Country Wine Coolers now also use syndication heavily."

Improved programming

Griffin Bacal's Heller sees growing competition among syndicators "serving as an impetus for improved programming," because "with more product available, stations will be in a better position to pick and choose the best. And because available station time has its limits, it's likely that as the amount of product increases, we'll probably be seeing more cash/barter arrangements and fewer straight barter transactions."

Heller also notes that as the trend to increased use of 15 second messages grows, "I'd expect that to lessen some of the problems stations have with barter." He explains that stations "also need advertising time they can sell for cash. With two 15s to replace more of their 30 second availabilities, stations can continue to make room for a good deal of bartered product and still won't find themselves so likely to run out of time to sell for the cash they need."

DMB&B's Scanzoni says his accounts are "satisfied with what we're

(*continued on page 80*)

Towne, Silverstein, Rotter has extended its use of barter from toys to adult products such as Canandaigua Wine's Sun Country Wine Coolers.

Cathy Lee Crosby for Sun Country

The Four Tops for Sun Country

Creatives mull whether quick cuts add up to a message or camouflage

MTV-look in TV commercials: Is it wearing itself thin?

By EDMOND M. ROSENTHAL

The MTV-look in TV commercials is getting a second look from creative executives at agencies. Some contend that it is being so overused and misused that it is wearing thin. The look is characterized by upbeat music, quick cuts and heavy emphasis on production values, which some say is merely a "smokescreen" to hide lack of talent and originality.

To some extent, veteran creatives have accused the younger set of copy and art directors of greater interest in glitzy production than in selling the product. The important selling tools of emotion and identification with characters are left out in this technique, they contend.

The MTV look, it's said, has firmly established some new terms in the process of campaign presentations. Where photomatics and animatics have been traditional means of demonstrating recommended commercials to clients without actually going into production, more recent terms are "ripomatics" and "stealomatics." In this process, an elaborate, fast-paced look is generated with scenes lifted from films, music videos and the like. The only problem is in reproducing the same look with original production.

Most creatives interviewed, nevertheless, feel there's a place for fast-paced commercials provided that the concept comes before the technique. Some point out the basic approach is far from new but that it has risen to highly conspicuous proportions because of the MTV influence—which some note is now fading.

It's contended that the music sets the pace for these commercials, which, incidentally, are often shown on MTV itself, being that many of the products getting this treatment are youth-directed. It's also noted that the MTV look is most appropriate for parity products with no particular advantages to show and settling for top-of-the-mind positioning.

A measured approach

Bill Appelman, executive vice president and executive creative director at Bozell Jacobs Kenyon & Eckhardt believes in "a more measured approach" in using the technique. He doubts that he would use it to sell analgesics or a new product but contends that it seems to work well for such products as automobiles and jeans.

Appelman cautions, "Where young people coming into the business use the technique versus ideas—that's when it loses effectiveness. It's not a bad idea to speak to young people in their own terms, but it's bad if its used mindlessly in lieu of ideas—as a smokescreen."

To this creative executive, some of the spots currently being aired aren't even good MTV, but merely watered-down imitations. He elaborates, "MTV is becoming more sophisticated. Its videos are more innovative and with bigger budgets—sometimes more than advertisers will put into a 30-second commercial."

This leads to another consideration: He believes that, with "megabudget productions being held down these days" by advertisers, commercials that are more expensive in terms of a great number of scenes—and consequently more shooting time—are less likely to be accepted without good reason.

Discussing the use of "ripomatics" or "stealomatics" to win acceptance for quick-cut commercials, he asserts, "They're selling the client $8 million worth of someone else's film and someone else's music. You can paste it all together, but it's something you can never put together again because of the cost. You may have copies of the trendiest things you've seen on TV; you can't touch Bruce Springsteen, but using his music is beguiling. You find out that what you've sold is a naked emperor."

Appelman notes that some of the commercials proposed in this manner eventually get to the screen but that they're "pale, watered down versions" of what was originally shown, and all concerned are disappointed.

At J. Walter Thompson, Larry Volpi and Darrell Wilks, both vice president-associate creative directors, indicate the pendulum is swinging away from

Fast vignettes and music work, say J. Walter Thompson executives, if they're tied entirely to the product, as in "Sweet Dreams."

"Sweet Dreams": Nestle/J. Walter Thompson

Dippity-Do from Ayer

***W**hen fast cutting adds up to a numerical theme like a range of hair styles, it makes sense, says N W Ayer.*

the MTV look. Says Volpi, "It was initially felt that MTV was making a big noise, and you couldn't help getting caught up in it." But he notes fast music and fast cutting have eliminated emotion from commercials. He says the tendency now is to use music that is more emotional and more identified with the product.

Meanwhile, Wilks adds that there is one positive residual of the MTV-look bandwagon: "The MTV influence is not only fast-paced, but it's also brought a cinematic quality to advertising. The quick-cut aspect does have to change, but the cinematic production values have improved commercials."

Volpi interjects, "There's nothing wrong with having the production values of movies, but it has to be tied to a concept." He concedes that these production values make for greater expense, but, "If you get the best people and get the best look for your product, it will be paid back with interest." Wilks notes that clients are becoming more willing to pay for the added production costs because aesthetics are becoming more important to society in general.

The two note commercials JWT has done for Bounce fabric softener, Listerine and Nestle chocolates have either been fast-paced or had a more cinematic appeal, but, where music is used, it is more emotional. Such is the case for Nestle's "Sweet Dreams" commercial for milk chocolate and Alpine white chocolate candy. Fast vignettes and music, Volpi says, were tied entirely to the product while delivering the impact of high energy.

Wilks adds that the general trend, though, is toward focused spots with realistic dialog.

Parity products

The entertainment value of fast-paced commercials can be a definite asset in selling parity products and non-beneficial ones, according to Harvey Hoffenberg, senior vice president and creative director at BBDO. He asserts, "If the product is not a strong beneficial product, you certainly don't want to bore people. If you can be somewhat entertaining visually, people will remember the product when they're in the store."

Hoffenberg, who has an art director background, believes that visual effects can serve as pnemonic devices that viewers will remember more readily than what is said to them. He contends there is no reason why an entire commercial can't serve as a pnemonic device—not only to help remember the commercial but also the benefits of the product.

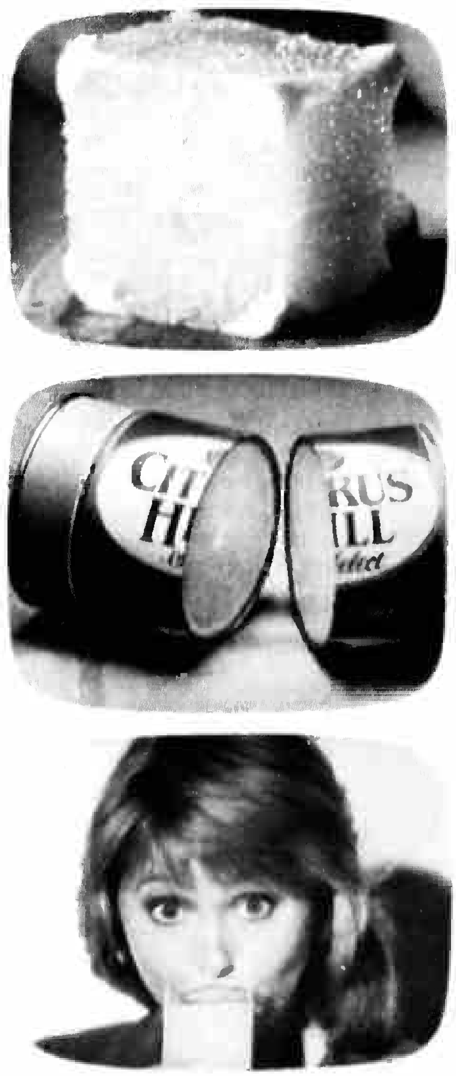
He gives as an example a Diet Pepsi commercial his agency did five years ago, which featured 14 product shots and 10 "end benefit" shots in 30 seconds. He labels it a "cause and non-effect commercial" utilizing the theme, "Now you see it, now you don't." Showing Diet Pepsi and examples of absence of weight gain, it employed a "counterpoint" type of music versus the faster music of today. Hoffenberg notes costs were affected by the fact that only three or four scenes could be shot in a day.

"For something quite serious," he attests, "I don't suppose you would use this technique. But if you're selling a soft drink, fruit juice or candy, you're

(continued on page 84)

***F**ifty-six cuts in 45 seconds all add up to one story, says Cunningham & Walsh: Citrus Hill comes from the orange's heart.*

Heart of the story



Syndicators maintain competition among indies bigger factor than ratings

Metering of markets shows indirect effect on program prices

As more TV markets become metered, the usual strong resultant boost in ratings for independents is appearing to have some effect on the price they're paying for syndicated programming—but an indirect one. It's far from a case of syndicators eying newly metered markets and scientifically revising their asking prices upward, but ratings increases are nevertheless figuring into the proposition.

The dominant factors in pricing still remain the number of stations in the market competing for the product and the local ad sales market. But both of these factors, according to stations and syndicators, can be affected by ratings increases. When the meters come in, the lowest rated stations are often the prime beneficiaries, so a station suddenly achieving the agencies' minimum ratings levels can just as suddenly see sufficient sales potential to justify a newly aggressive bidding stance, which can elevate syndication rates via the supply and demand rule.

Gerald R. Walsh *of WLVI-TV Boston says the Nielsen meter has not worked the same wonders in his market that it has in others and that increases his station has been paying for syndicated programs reflect only the quality of programs.*

Higher bidding by stations because of higher projected revenues may first show up in the first-run syndication market, with its characteristic one-year renewals. Competing stations are expected to be more inclined to get into a bidding war for a hot property after a one-year run in the market if the metered results consistently show daypart dominance.

The only direct result observed from the higher metered ratings, though, is seen in barter syndication. Syndicators say they can definitely ask for higher rates from advertisers for their national time.

Meanwhile, not all stations are benefitting from the meters. For example, independents in Boston didn't see the expected audience increases after metering. And, in some markets where the increases have shown up, independents have still failed to reap the rewards in ad sales. One reason is that stations are primarily selling against demographics and that, although the household information reported by the meters generally tends to lift all demographics, audience composition shown by the local diary method can sometimes counteract the effect.

Currently there are meters in all top 10 markets. Arbitron has 11 markets metered, with two in the works. Nielsen has 12, with three more coming so far.

Effect of competition

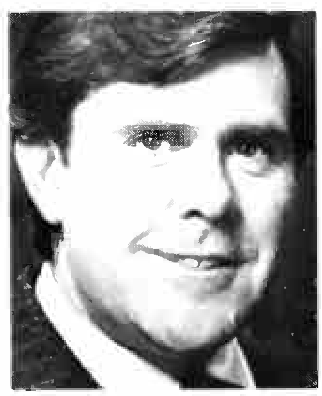
On a general basis, Janeen Bjork, vice president and director of programming at Seltel, sees syndicators making hay from the higher metered ratings on the basis of, "They look for any angle they can find." But she adds that, if there's no competition among stations in a marketplace, the effect will be nil. Where prices will go up is where independents are "getting killed," for example, by *The Newlywed Game*, she says, and it comes up for renewal and these stations are willing to bid high to take it away from a competitor. This is not likely to happen with an off-network product with a four-to-six year run, she adds.

"If the program has not played in the market and has performed well in other markets," she notes, "this gives the syndicator some ammunition, but it only works up to the point of what the market will bear." She gives King World's *Oprah Winfrey* as an example of a program that can be helped in uncommitted markets if its metered market results favor it this fall.

Programs competing with affiliate newscasts are among those benefitting most from metering, she adds, because diary households often tend to fill out diaries at the end of the week, assuming they watched the newscast every day. Also benefitting heavily, she says, is early morning viewing by children, which is often unsupervised.

She adds that the benefits of meters, more often than not, will help independents sufficiently in their sales that, unlike affiliates, they will be quick to support them, even if they expect some pressure on syndication costs as well.

In Miami, which has had the Arbitron meter since 1984 and Nielsen's for almost a year, Harvey Cohen, executive vice president and general manager of WDZL-TV, reports the biggest increases seen were in late fringe "because that's where people are sloppy in filling out



Daniel J. Berkery, *who runs Boston's other leading independent, WSBK-TV, expected 3–5 ratings on movies to go to 5–7 with meters, but the results failed to justify to him the prices currently paid for features.*

Jerry Marcus *of KRIV-TV Houston says higher ratings from Arbitron and Nielsen meters have not generated higher station revenues but have only resulted in agencies lowering cost-per-point for the entire Houston market.*

their diaries." He says he would be willing to pay a higher price for strong-performing product in the time period, but not as much more as for other time periods, because late fringe in itself doesn't have the strong sales potential.

Cohen says that, as one-year deals come up for renewal, syndicators may ask for more based on strong performance, but, "as the demand cycle decreases, you get a sharp decrease in price even if the ratings aren't going down."

Conversely, with or without meters, there can always be another *M*A*S*H*, he adds, "which initially sold too cheaply so that, when they came back at renewal time, there were two guys down the street willing to buy it and they had their hands around your throat." He adds that a situation like this can be compounded with meters when a marginal station whose ratings pick up becomes more aggressive.

"But there's always going to be a certain negotiating range, and a syndicator can always walk out of the market if he can't get what he wants," Cohen says.

Ratings vs. revenue

In Houston, where both Nielsen and Arbitron have had meters for more than a year, independents have scored respectable increases in early and late fringe, with no significant change in primetime, according to Jerry Marcus, vice president and general manager of KRIV-TV. He notes Arbitron has shown somewhat better increases than Nielsen.

But whether this has led to price escalation for syndicated product, he says, depends on the property: "If it's a hot property, you get into almost a bid type of situation." What's surprising, though, is that the higher ratings have not generated higher station revenues. Marcus says they have only resulted in the agencies lowering cost-per-point for the market: "They're saying, 'That's what we feel the market is worth.' It's a matter of supply and demand."

Where the station has benefitted, he says, is where agencies have a minimum rating level for buys and the meter has helped the station achieve that level. But he adds that this level, more and more, is based on demographic vs. household ratings and notes that 85–90 percent of the station's advertising is sold on the basis of demographic points.

Even though the meter tends to raise demographic points across the board, Marcus points out, the local diaries still can work in the other direction where demographics are concerned, and he has seen programs go up in household ratings without certain demographics improving. So he has found the greatest use of the meters, with their overnights, to be in programming decisions.

Marcus says that, where off-network product is generally priced on the basis of network performance, the meters may come into play in the second season, where, with the top 10 markets all metered, the syndicator can look at performance in the major markets. Syndicators can also look at network performance in the particular market if it is metered, he adds.

"But we also look at demographics when we buy a program," he points out. "If we're going to run it in early fringe, we want to be sure it will reach a young audience. Normally the syndicators will come in with more demographic information than household information. They'll generally try to associate the program with a hit—if it's a game show, *Wheel of Fortune*, if it's a comedy, they'll compare it in demographics to *M*A*S*H*. But the meters don't play an important part here because they don't look at demographics."

In making his projections of demographics from meter information, Marcus has a rough formula of his own, where he looks at the demographic appeal of a program and assigns a percentage of the metered rating. For example, in the July Arbitron, he was borne out in estimating *Three's Company* would achieve about 80 per cent of the household rating in women 18–49. With a 10 rating household, it got an 8 in the demographic. The younger-skewed show only did a 4 in 25–54 but matched the 10 household rating in 18–34. "If we had a *Dynasty*," he adds, "it would probably be heavy in 25–54."

Beans in Boston

The metering of Boston about two years ago was a major disappointment to its five independents, reports Daniel J. Berkery, general manager of WSBK-TV. Not only did it fail to show greater viewing for the time periods heavy with syndicated programming, he says, but sports and overall sets in use also failed to improve.

He's hard pressed to figure why Boston has been so uncharacteristic but speculates that one aspect may be that Boston has two "very mature" independents—his own station and WLVI-TV—whose programming had already been well sampled and whose market presence had been strengthened by the Red Sox and Bruins on WSBK-TV and the Celtics on WLVI-TV.

Berkery's chief complaint is in ratings vs. pricing on primetime movies: "We were getting 3s, 4s and 5s prior to the meters,and we figured we'd get 5s, 6s and 7s to justify the high prices we'd been paying for movies." But, he adds, the metered ratings showed no increases, so the station is now reevaluating its posture toward paying high prices for features. Late night programming was another major area of

Harvey Cohen *of WDZL-TV Miami says gains from meters can make marginal stations more aggressive in bidding for product but adds, "There's always going to be a certain negotiating range."*

disappointment, he notes.

With Boston being used as the test market for AGB Television Research's people meter, Berkery is cynical that the people meter will offer any improvement: "I haven't seen anything definitive applying to Boston from the people meter yet."

He says that, if ratings had gone up, he is certain that syndicators would have attempted to make use of it—although it was hardly necessary given the competitiveness among independents in the market.

The other leading independent in Boston, WLVI-TV, is similarly disappointed, according to Gerald R. Walsh, president/general manager. He notes that no one independent can be considered outstanding in the market because the programs are "pretty well spread out." He observes that the Nielsen meter worked wonders for WLVI-TV's Gannett sister station, KUSA-TV Denver [an affiliate] and markets like San Francisco, Philadelphia and Chicago all saw strong independent upsurges. He agrees with Berkery in pointing to the fact that their two independents have been on the air more than 20 years. That and the fact that all five indies are on the UHF band could be factors, he speculates.

Syndicators like Barry Thurston of Embassy find the metered ratings having greatest effect on time sales in barter.

Walsh says his station subscribes to Nielsen only and that its methodology seems satisfactory. He notes that increases his station has been paying for syndicated programming over the past five years reflect the quality of the programming rather than the ratings.

He also complains of prices escalating without ratings justification and says he hesitates to spend more than $50,000 per episode on programs when it doesn't wash out in time sales: "Next year, with *Cheers* and *Family Ties* coming into syndication, this is going to tell whether we can pay those prices and not reap the benefits."

Meanwhile, Robert O'Connor, vice president/general manager of WTTG(TV) Washington, notes he saw his station's ratings go up with the meter in May, 1984, and then down a year

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Veteran syndicator researcher says people meter will open the way for it

Single source seen as 'new kid on block' in TV audience data

By BOB DAVIS

Single source data. Ever hear of it? You're going to. After the local meter revolution simmers down, after people meters take hold, single source data is set to emerge as the new kid on the block.

It's not really a new concept. It's been around for some time in print. Very simply, single source data is the use of the same sample base to marry audience data with marketing data. It's been a natural for magazines. The same interviewing instrument finds out the magazines you read and then ties it to the type person you are and the products you buy. Simmons Market Research Bureau, Mediamark Research, Inc., (MRI) and others have been doing this for some time. Magazines make great marketing use of the results.

It's been tried in television and radio over the years and currently both Simmons and MRI report on television, tying TV viewing to product purchase and special consumer characteristics. The problem, though, is that *their* measurement is not *our* measurement. Our rating base (nationally) is a household meter projected to a parallel diary sample to generate audience composition. Simmons and MRI use personal diaries to produce television numbers. If that were the accepted standard for TV, everything would be fine.

Information Resources, Inc., is another research company that gets into single source data with BehaviorScan. Sampling a number of small markets and cable systems, it is used by advertisers and agencies for test marketing and to measure the effectiveness of television campaigns. This service is now being enhanced and expanded. Also, Nielsen is developing similar services.

Arbitron (and Nielsen to some degree) has done sporadic local reinterviewing of diary homes to obtain product purchase behavior. It's an attempt at single source data, though with clear-cut problems. For starters, buyers aren't looking for this information gathered in this manner, certainly not locally and certainly not on an ad hoc basis.

Single source data has never been attempted nationally by Nielsen for a number of reasons. However, Nielsen isn't giving up and has in place supermarket scanning that could be tied to viewing.

The people meter

With the people meter, and *people* as the viewing base, we suddenly have the potential for a brand new scheme of things. No longer will we have to project to a separate sample to get people numbers. Instead, we will be getting viewing directly from a *real person*—with the opportunity to get ancillary data from this real person.

The question is: What kinds of data? Demographics, of course. They'll be much more on target than ever since they'll emanate from a flesh-and-blood sample viewer.

However, demographics don't begin to give an advertiser the answers he needs to know. In many cases, lumping *all* 18–49 women together is ludicrous. The only thing this group has in common is that they go by the symbol of Ms. or Miss or Mrs. and they were born between 1937 and 1968.

Narrow the age spread down and it still can be ludicrous. Take a 32½-year-old woman. She could be white or black, single or married, working or unemployed, professional or blue collar. And there's lots more. Is she a frequent flier? Does she use a lot of cosmetics? Cook a lot? Own a car? Then there's the bottom line. Do commercials get to her? These are the items the advertiser really needs to know, and demographic tonnage is not the answer.

Arbitron, with its ScanAmerica project, is somewhat on the right track. They plan to use their people meter sample to record product purchase data. It's an heroic effort. But many of us wonder if it will get airborne. Is it risky to burden a people sample with both viewing and product purchase information? And is it as squarely on target as it appears?

I don't think so. Does the advertiser merely want to reach the viewer who is a heavy user of toothpaste or margarine or salad oil or beer or whatever? There's a lot more to it. The advertiser also wants to reach the *buyer who is ripe to change brands*—from Brand X to his brand or from his brand to Brand X—*because of exposure to commercials*. That's the bottom line. And let's never forget it.

Bell ringer

Think about the advertising process. A commercial has to ring a bell. But does it? How many commercials go completely unnoticed, the viewer displaying no interest in the product or what the advertiser has to say? How many commercials flash on the screen—a seemingly endless parade—before a bell rings, before the advertiser is linked to the right prospect, viewing and responding to his message? Maybe one in a 100. Maybe one in a 1,000.

To put it bluntly, most of the audience is zapping us. It's nothing new. But what could be new is that we face up to the problem and address it squarely.

How do we unzap the viewer and get the bell to ring? Certainly not by continuing to look at the *total* world. Yet every time we read a Nielsen rating—or any rating—we are doing just that. A 20 Nielsen rating means the advertiser is reaching 20 per cent of everybody, most of whom can't do a thing for him. A media plan that promises 80 per cent of the country in four weeks, or 25,550,000 18–49 women 4.3 times sounds warm and comforting. But in large part it will include misdirected messages.

All that can change with the people meter and its potential to derive all kinds of information—meaningful information—from its viewer sample. I see fresh and exciting concepts that can be tied to people ratings. They can provide sales departments with a new handle to sell with and, at the same time, make television a more effective and efficient medium.

Here are four concepts and their descriptions: (1) "Switchers" are brand changers; (2) "triers" are buyers of new products and newly-introduced brands; (3) "receptives" are viewers who respond to commercials; (4) "elusives" are light television viewers. Let me briefly describe each of these:

Switchers: In many cases, a family locks itself into one brand. These are the timid buyers who rarely experiment with a strange label. They buy Maxwell House coffee forever. They replace the empty tube of Crest with a fresh tube of Crest. They always buy a Chevrolet. In a sense, these people isolate themselves from advertising.

They're not worth nearly as much as the "switchers," the flexible, almost fickle buyers, who move from one brand to another. Or at least give another brand a chance. It is doubly important to reach the "switchers:" (1) to gain *new* customers, (2) to protect the *current* customer franchise.

Triers: Second cousins to the "switchers" are the "triers," the venturesome consumers who like to be *first* with something new—a fresh idea or label being promoted, the new frozen food specialty, massaging shower head, food processor, stereo VCR, a four-wheel drive car, etc.

Locate these buyers, who not only try and buy, but who can be counted on to spread the word. Then watch the lift-off of a new product or brand.

Four types of targets for TV advertisers

Author Davis proposes a model embracing varieties of viewing behavior

Switchers: Brand changers

Triers: Buyers of new products and newly-introduced brands

Receptives: Viewers who respond to commercials

Elusives: Light TV viewers

Receptives: One sector where advertising generates a near or total blank is that enormous world of consumers who zap commercials. These consumer bodies just don't respond to TV advertising. As many as a hundred or more commercials may parade in front of them—but the message doesn't filter through. It registers near zero awareness nearly every time.

Rather than trying to penetrate these unpenetratables, it makes far more sense to focus on the "receptives," the true persuadables who can be counted on for more than just passive exposure to a commercial. And there are plenty of "receptives" out there—waiting for the advertiser to talk to him and sell him.

Elusives: To some, television is a mighty medium. These are the viewers who watch day and night, television consuming large chunks of their lives. These are the TV gluttons who watch a few games or soaps during the day, then plunk themselves in front of the set for the early news, into three hours of prime and right through to the late news and beyond. Contrast TV's gluttons with the "elusives," the restricted, hard to nab viewers who watch just an hour or two a day, or even less. It'll be a simple task to divide the personal meter sample into three equal groups by heavy, medium and light viewing—and then focus on the *light viewer*. The advertiser seeking broad penetration of his whole market has to hone in on these premium bodies.

Simple approach

To recap, rather than just demos and rather than complex product purchase measures, I forsee a simplified application of single source data to tie in with the people meter. The four concepts I've outlined—which could be altered or added to—will provide useful complements to ratings for both buyers and sellers of television time. The approach will serve up *true prime prospects*, focusing on the quality of each rating point in contrast to simple GRPs.

If this data is spewed out nationally, it can be applied locally as well. If *Cheers* on NBC-TV appeals to "switchers," if *Moonlighting* on ABC-TV is geared to "triers," if CBS-TV's *Newhart* is above average with receptives," if *Cagney & Lacey*, also CBS-TV, wins with elusives," you can be sure the smart station and station rep will get wind of this and start to use it. So will the syndicator.

"On Target" information that I envision will be a positive step for television. We're a mass medium, though not as mass as we used to be. We're moving to fragmentation with target viewing and target media buying more crucial than ever. The television advertiser needs vastly more information about his audience than he has today. Let's give it to him. It's the sure route to increased sales for television: network, barter, spot and local. □

About the author

Bob Davis *is a programming and research consultant, specializing in management study and sales development for TV distributors and stations. He was vice president, research and sales development, for MCA TV where he spent 18 years. Prior to that, he was director, research and sales development, for the CBS Television Stations Group. He taught a course in the application of TV audience measurement for 10 years at the New School For Social Research.*

More cash business abroad is main aim of CBS unit in latest transformaton

CBI: back to basics in syndication sales

CBS Broadcast International, which went through its latest metamorphosis last spring, nailed down the changeover earlier this month in the first sales seminar in CBI's five-year history.

The specific purpose, says Donald D. Wear, senior vice president and general manager of CBI, was to provide a clear sense of the organization's strategic mission—not always clear in the past—and to motivate its people, a function clearly not over-emphasized in the past.

Held in Rye, N.Y., away from the office, but not far away, the seminar was attended by about 30 people, two-thirds of whom were directly involved with sales, but also including observers within the company and certain CBS executives brought in to sketch out the background environment in programming, research and technology.

Wear, who took over the leadership of CBI in May was satisfied that, even before the seminar, the division already had a clear sense of identity and a good organizational structure. Certainly, legitimate questions were raised in the past concerning what CBS' international arm was all about. There is no question about that now, says the GM. It's about syndicated sales. "We're returning to basics," affirms Wear.

This function somehow got lost in the past half decade when CBI, under whatever moniker, took on responsibility for cable and teletext, got enmeshed in barter, looked for home video opportunities and, in its last reincarnation, was consolidated with the CBS Theatrical Films Division (now gone) in a catch-all unit called the CBS Productions Division. Even the international name was submerged.

European shows

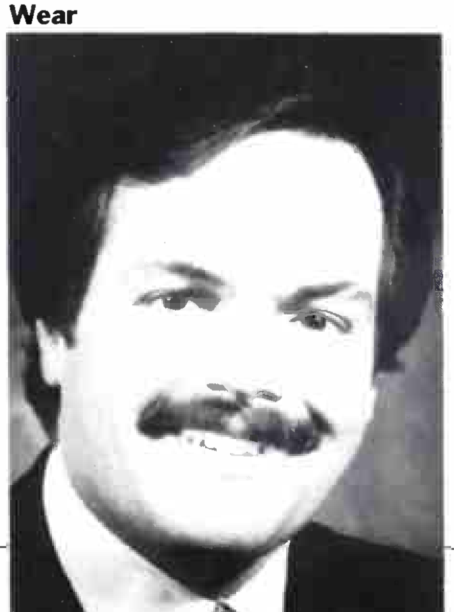
In addition to arousing the troops at the seminar, Wear is now psyching up the salespeople for MIPCOM next month and the London Market early in November. CBI will be showcasing a variety of product for the two events but the lineup will be essentially entertainment oriented. This is partly a function of what's been coming out of CBS, since CBI's biggest area of revenue over its short lifetime has been news.

Heading the showcase list will be the new season's crop of *The Twilight Zone* episodes, the second batch produced by CBS for the network. The series did not exactly achieve blockbuster status in its premiere season under the aegis of CBS. Ending the official season a little below middle rank, with a 13.6 rating and 23 share in 27 telecasts, *The Twilight Zone* has been shifted from an 8 p.m. to a 10 p.m. slot this season and is being counterprogrammed between two crime/adventure series.

Then there's a roster of 12 theatricals produced by the Productions Division when it was under Alan Levin, four *Afterschool Specials*, two animated features in the Charlie Brown genre and an HBO special entitled *Sisters in the Name of Love*, starring Aretha Franklin, Gladys Knight and Dionne Warwick.

In the information vein, MIPCOM attendees will be touted on *Up Front*, an interview show with Greg Jackson, distributed in the U.S. by Syndicast: *Paradise Steamboat Co.*, assembled from travelogue segments shown on *2 On the Town*, local magazine shows produced by two of the CBS O&Os, WCBS-TV New York and KCBS-TV Los Angeles, and the piece de resistance, *60 Minutes* (quite popular overseas), along with a sprinkling of *West 57th*, CBS News' mod magazine show.

Wear



The CBI stress on syndication, i.e., cash sales, is simply because that's where the money is. There was some conviction a few years ago when John Eger was the head of what was then called CBS Worldwide Enterprises (CWE) that opportunities for barter were opening up in a sizable way in both the developed and developing countries.

The seeming opportunities in the industrialized nations were signaled by the growing acceptance of TV advertising, in Europe especially, where there was none before—for a variety of reasons. In the developing countries, barter offered a way of getting programming without paying for it.

China venture

So far, the opportunities have been limited. The most successful CBS effort is with China, where the company's programming is now running in its second year. Says Wear: "We're sold out (of advertising slots) or close to it. It's now established in the minds of clients; there's momentum; there's now less effort in getting renewals."

Among the major advertisers on Chinese TV are Philips, Boeing, Kodak, Colgate, DuPont and Weyerhaeuser.

There are also barter deals with three airlines, which carry news and science reports from CBS. The biggest user by far is American Airlines, with a more modest exchange carried on with Northwest Airlines and Japan Airlines. Pending a French government okay is a barter deal involving news with the STV service, Canal Plus, which carries a non-subscription service as well as its pay service.

But long-drawn-out negotiations with Hungary and India have raised questions about whether the effort is worthwhile. CBS has been trying for two years to get an okay on TV advertis-

(*continued on page 87*)

Donald Wear, CBI general manager, recently ran first sales seminar in division's five-year history to provide a clear sense of the organization's strategic mission.

Dose of jazz proves healthy at AC, rock radio stations

In the spring of 1982, KIFM(FM) San Diego, an adult contemporary radio station, began programming one hour a week of jazz, from 11 p.m.–midnight on Saturdays. Today, the station airs 12 hours of jazz every weeknight—from 6 p.m.–6 a.m.—and continuously through the weekend.

WMGK(FM), the leading adult contemporary station in Philadelphia, this summer expanded its new two-hour Sunday morning jazz show to four hours, "by popular demand."

NBC Radio Entertainment in January launched a two-hour jazz program hosted by popular alto saxophonist David Sanborn. At present, *The Jazz Show* is being carried by 109 stations, some airing it on Sunday mornings, others late on Saturday or Sunday nights.

In addition, jazz cuts are beginning to show up with some regularity in at least one major easy listening format. And one of the handful of existing commercial all-jazz stations, KKGO(FM) Los Angeles, is planning to launch a jazz network in January, 1987, feeding programming to affiliates daily from 7 p.m–6 a.m. Pacific time.

Does this represent the emergence of a viable new format based on music that has traditionally been too esoteric to be commercially successful on the radio? Or will it simply remain a form of special programming, albeit a more popular one than at any time in the recent past?

There is disagreement among programming consultants as to the long-term scope of jazz's appeal. Some, such as Rob Balon, head of Robert E. Balon Associates, and Jhan Hiber, president of Jhan Hiber & Associates, believe the programming will never expand beyond blocks or special segments.

However, Kent Burkhart, chairman of Burkhart/Abrams/Michaels/Douglas, takes a broader view. He feels a blend of jazz and light classic rock, personified by instrumental recordings on the Windham Hill label, could become a format on its own.

"We've pitched it to 50 broadcasters," he says, "but they're afraid of it. It's our belief that it's a competitive format; somebody's going to do it. We call it a new type of beautiful music." He estimates that about 50 major or "semi-major" market stations are currently playing jazz part-time; Balon puts the number somewhere between 40–50

While believing jazz is "incredibly significant," Balon does not agree that it is strong enough to be "a format unto itself." He prefers to classify it as "an adjunct." He calls its part-time use by adult contemporary stations "an interesting marriage of two sounds," adding that jazz's appeal has overcome what had been a psychological barrier at AC stations. They "had been paranoid about block programming," he points out.

Success in San Diego

There is no such paranoia at San Diego's KIFM. Jazz program director Bob O'Connor remembers how it all started. "In March, 1982," he recalls, "there were 11 adult contemporary stations in the market, and we were 11th. Our general manager was skiing in Vail, and he listened to a classic jazz program on an AOR station there." The GM returned from vacation and asked that a one-hour jazz program be tried from 11–midnight on Saturdays. Says O'Connor of the listener reaction: "We got 200–250 phone calls a night." The station expanded to two hours and "we were getting inundated with letters and phone calls."

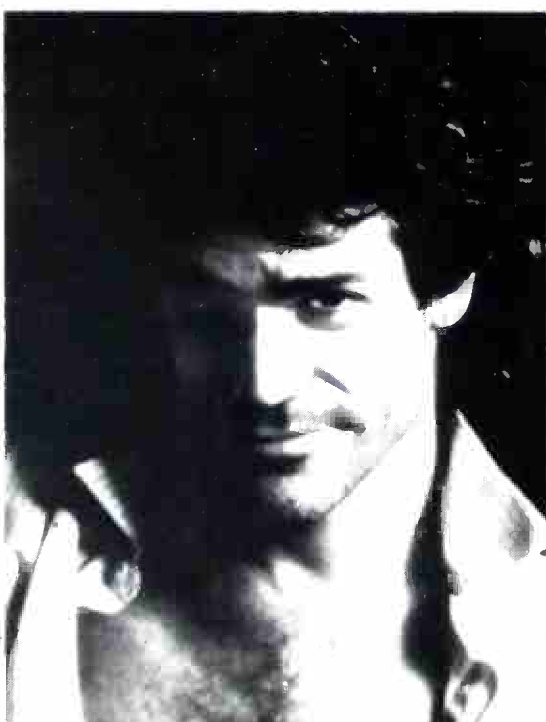
KIFM eventually expanded jazz to cover the entire weekend and added it during the week, from 7 pm. to 1 a.m. This past summer—July 21 to be precise—the six hours during the week were doubled, and the station now airs jazz from 6 p.m.–6 a.m., or half of its broadcast day. In a press release issued at the time of the expansion, the station said that "listener demand for more jazz programming has been overwhelming."

While there are no imminent plans to go to the music full-time, the spring Arbitron rating book confirms its popularity, particularly among key adult demos. For all persons 12-plus, average quarter hour, Monday–Sunday, 6 a.m.–midnight, KIFM is tied for 11th in the market with a 3.1 share; but for the Monday–Friday, 7 p.m.–midnight period the 12-plus share is 5.5, ranking the station sixth. In the adults 25–54 and 25–49 demos for the Monday–Friday, 7 p.m.–midnight daypart, however, KIFM ranks second in the market with 12.1 and 12.5 shares, respectively.

O'Connor believes the jazz programming fits well with the station's adult contemporary offerings during the rest of the day. Describing KIFM as "more

(*continued on page 82*)

Saxophonist Sanborn



Guitarist Klugh

Contemporary jazz artists such as David Sanborn and Earl Klugh play well on AC and adult rock stations.

BLACK RADIO
Why doesn't it get bigger share of national budgets?/57

RETAIL REPORT
Philosophy behind BBDO's Merchants Group/59

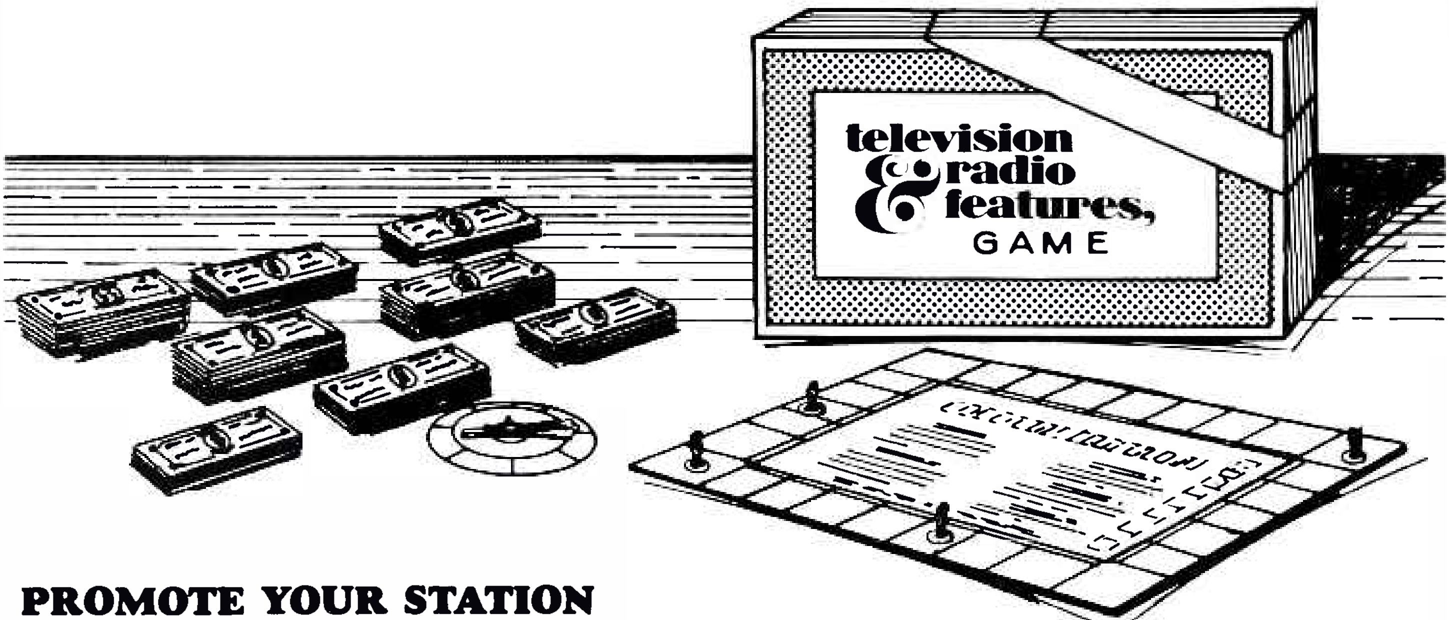
BUYER'S OPINION
The ultimate automated audience measurement tool/61

TELEVISION/RADIO AGE

Spot Report

September 29, 1986

Television & Radio Features the only game in town that offers BRAND NAME PRIZES!!



PROMOTE YOUR STATION
- **Increase your audience**
- **Increase your ratings**
- **Increase your sales**
- **Increase your profit**

RUN YOUR OWN PROMOTION
• Bumper Sticker • Remotes • Write-Ins • Clubs • Trivia • Community Affairs

CLIENT TIE-IN
Tie in with an advertiser and sell a complete package!!!

SPECIAL PROMOTIONS:
• Grocery • Valentine • Easter Candy • Spring Car Care • Mom & Dad's Day • Summer Outdoor • Back-To-School • Halloween Candy • Christmas Toys

SAMPLE CLIENT ROSTER
• DuPont • Textron • Coty • Sheaffer/Eaton • Encyclopaedia Brittanica • Ames Garden Tools • Teledyne-Water Pic • Longine-Wittnauer • Carter Wallace, Inc. • General Electric • Rand McNally • Corning Glass • Houbigant • Syroco • General Mills

Television and Radio Features is the unique promotion service that offers marketing expertise in sales, client relations, community affairs and most important — station promotions. Our computerized system of handling and shipping products will simplify storage hassles and delivery.

And the best part is the merchandise itself. We supply top name-brand merchandise for on-air promotions of all kinds. . .radio or television, big market or small market. We're not a trade operation. We're not a barter house. We have a better way!

If this is your year to aggressively promote on the air, you need us. Call 312-446-2550, or fill in the coupon. Let our prize and professional experience and *your* promotion build some really big numbers for you.

---

television & radio features, inc.

Willow Hill Executive Center
550 Frontage Rd. - Suite 3032
Northfield, IL 60093

We are interested in your promotion and marketing service. . . especially the on-the-air station promotions.

Name ______________________ Phone ____________

Title ______________________ Station ____________

Address ______________________________________

City, State, Zip ________________________________

Spot Report

September 29, 1986

Bias against black media said to permeate agencies

While a multi-trade association committee has been formed to discuss concerns of the National Association of Black Owned Broadcasters (NABOB) about the small share of national advertising placed on black-owned and black-formatted radio stations, James J. Hutchinson, executive vice president, general manager of WYLD AM-FM, New Orleans, has his own methods for dealing with this problem.

Hutchinson, who is also president of InterUrban Broadcasting and a first vice president of NABOB, believes bias against black media extends beyond media buyers "to their supervisors at the agency and above them to the account managers and marketing departments of their clients."

As a result, Hutchinson says his stations "have been more aggressive than some of our colleagues in calling on presidents and chairmen of advertising companies to try to resolve this long standing problem." He believes, for starters, agency marketing and media people should "start doing their homework, instead of operating on assumptions grounded in stereotypes."

The committee, formed at the urging of FCC chairman Mark Fowler, consists of representatives of NABOB, the Association of National Advertisers (ANA) and the 4As.

HRP tracking report

Harrington, Righter & Parsons has gone public with its syndicated program tracking report. Now in its third year, the report has been available only to the rep firm's clients, but henceforth will be available to outside sources as well, says Dean McCarthy, vice president, director of programming services. The report is divided into two sections, MarkeTRAK and StripTRAK. MarkeTRAK targets the daily performance of each program on a weekly basis, plus a weekly cume for each program, in each of the overnight metered markets. StripTRAK shows the competition, the lead-in, and lead-out time periods of the target program. Strip programs are published on a rotating basis every third week. The table of contents lists which week each program is published. Once-per-week competitive program data are available on request.

In addition, the HRP tracking report carries comments on individual programs. McCarthy says he expects the report to track 32 new-for-fall programs, including first-run and off-network, beginning this past week, when the syndication schedule was in full swing. The HRP survey runs through the second week of November, a period of 11 weeks, and resumes in January until the February syndicated sweeps books come out.

Changing of guard at ITS

William P. Bee, who helped found Independent Television Sales with Bob Dudley, Bob Somerville and Browning Holcombe, plans to retire effective December 31 as ITS president. He will continue on the rep's board of directors and as a consultant to the firm. Somerville will succeed Bee as president.

Bee has been in the television representation business for the past 30 years, having held posts with Petry, Meeker and with Avery-Knodel Television. He has also been active on various committees of the Television Bureau of Advertising and of the Station Representatives Association.

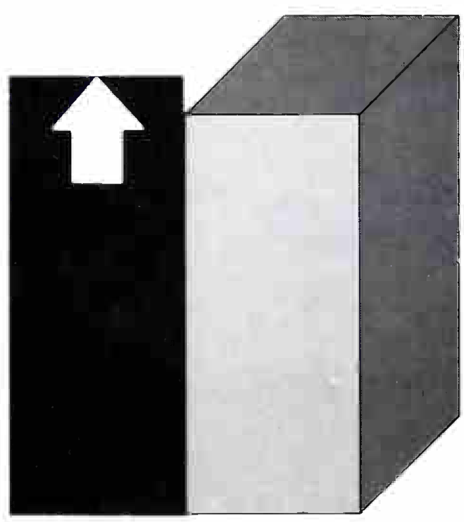
William P. Bee

Bob Somerville

July

Local business *(millions)*

+7.5%



1986: $383.5 **1985: $356.7**

Complete TV Business Barometer details p. 28

Spot Report

Campaigns

American Honda Motor Co., TV
Rubin, Postaer & Associates/ Los Angeles
PASSENGER CARS are being recommended for 10 to 13 weeks that started in late September in a select but coast-to-coast lineup of larger television markets. Buying team worked with a full range of dayparts to attract both men and women 18 and up.

Beatrice Foods, TV
Leo Burnett Co./Chicago
TROPICANA FRUIT JUICES are enjoying 10 weeks of spot appearances that began in late September in a long list of eastern and midwestern television markets.

The Larsen Co., RADIO
Campbell-Mithun/Chicago
FRESHLIKE MIXED VEGETABLES are using four weeks of radio selling that started in early September in a fair list of midwestern markets. Buyers worked to reach women 25 and up.

Mars, Inc. TV
Ted Bates Advertising/New York
MILKY WAYS and OTHER CANDIES are winding up 13 weeks of third quarter advertising that started in early July in a long and nationwide list of television markets. Negotiators placed fringe and daytime spot to attract women, teenagers and young adults.

Parker Brothers, TV
HBM/Creamer/Boston
SELECTED GAMES are sharing nine to 10 weeks of television appearances that began in late September or in early October in a long and nationwide spread of consumer markets. Media group arranged a full arsenal of dayparts to attract kids and teenagers.

Phillips Petroleum Co., RADIO
Tracy-Locke/Dallas
MOTOR OIL is being recommended for 10 weeks that started in early September in a long lineup of western and midwestern radio markets. Buyers worked with inventory aimed at men 18 and up.

Ralston Purina Co., TV
Ted Bates Advertising/New York
CONTINENTAL BAKING'S PUDDING PIES are being offered for 13 or more weeks that kicked off in early September in a long and coast-to-coast spread of radio markets. Media team arranged for inventory directed toward young men 18 to 34.

Security Pacific National Bank, RADIO
DYR/Los Angeles
BANKING SERVICES are being recommended for nine weeks that started in early September in a long list of California radio markets. Target audience is young adults 18 to 34.

Shoney's Inc., RADIO
Ogilvy & Mather/Atlanta
RESTAURANT CHAIN is scheduled for nine weeks of spot exposure that began in early August in a long lineup of southeastern and midwestern radio markets. Media group arranged schedules to appeal to both men and women 25-plus.

Wells Fargo & Co., RADIO
McCann-Erickson/San Francisco
FINANCIAL SERVICES are being promoted for nine weeks that kicked off in late August in a good many California radio markets. Buyers set dayparts to reach both men and women 25 and up.

TRAC elects

Herbert S. Smith, senior vice president and media director for Spiro & Associates, has been elected president of the Television, Radio and Advertising Club (TRAC) of Philadelphia. Goals of the club include the exchange of ideas and "maintaining outstanding professional standards" among members.

Other officers of TRAC are Victor A. Branch, local sales manager of WPVI-TV Philadelphia as chairman; Margie A. Lefcoe, vice president/media director at Ketchum Advertising as first vice president for 1986–'87; Raif S. D'Amico, southern regional manager for CBS Radio Representatives as second vice president; and Thomas J. Quigley, president, Quigley Communications, as vice president of public relations.

Also, Carol Q. Netter, director of sales for WCAU-TV serves as secretary; Hal Lipman, president, E. J. Stewart, Inc. is assistant secretary, and Jim Hayden, director of display advertising for the *Philadelphia Inquirer*, is treasurer.

Appointments

Agencies

Nancy B. Posternak has been tapped to head the newly formed department, Strategic Services, at J. Walter Thompson/New York. As senior vice president, managing director of strategic services, she will combine the services of market research, market modeling, strategic media research and new product planning to help "guide each client's positioning and creative strategy, and to identify long term strategic goals and business building opportunities." Posternak had been senior vice president, director of communications planning at Leber Katz Partners, responsible for integrating the market research and media functions for planning purposes.

William E. Porter has been appointed vice president-media services for Richardson, Myers and Donofrio, Baltimore. He had been corporate vice president, media with Lawler Ballard Advertising in Norfolk, Va., and before that he had been with Clinton E. Frank in its New York media operation.

Randi Ross, Jim Smith, Colleen O'Sullivan and **Adam Konowitz** have joined Laurence, Charles, Free & Lawson as assistant media planners.

Kathryn Byrne has been promoted to assistant buyer at Cargill, Wilson & Acree/Atlanta. She originally joined the agency from ITQ Television in Mount Isa, Queensland, Australia and now steps up from media estimator at Cargill.

Retail Report

BBDO's new commitment

The best retail television advertising is that in which there is "no seam between institutional and item selling," says John Fenyo, vice president and management supervisor at BBDO. A perfect example, he adds, is Bloomingdale's, the New York-based Federated department store, with its overall theme, "Like No Other Store in the World."

Bloomingdale's agency is Grey Advertising, but BBDO, through its newly-formed Merchants Group, hopes to make some inroads into the retail area, acknowledging it has been overlooked. To do that, it has hired Mary Joan Glynn, who had been vice president-marketing for Bloomingdale's and who will now be senior vice president and managing director of the BBDO Merchants Group.

Glynn emphasizes that the role of an agency in retail advertising is a specialized one. "No agency," she points out, "can handle the copy changes that sometimes happen in a day." What an agency *can* do, she adds, is to create an image, a concept and then translate that into "campaign themes that can be set and implemented in-house for newspaper, with the agency handling the electronic media."

Retailing is described by Glynn as a niche that "has long been neglected in the spectrum of specialized agency services. The changing attitudes of the retail community," she says, "have brought this service sector of the American economy into a new legitimacy, even in the climate of low growth."

Client prospects at BBDO, Glynn adds, could "range from large chains to specialty stores, international operations or to manufacturers who need marketing help to move product in a retail atmosphere." Although the agency has no announcements to make yet regarding clients, Fenyo says, "we have a very warm one."

Glynn, who was vice president-marketing at Wells, Rich, Greene, before joining Bloomingdale's, points out that retail advertising strategy has historically been more emotionally than scientifically-driven. "Many good retailers," she explains, "still go by gut reaction in terms of how they perceive the media." They rely on "what they hear from customers, friends, peers."

However, that is beginning to change. "Retailers now are increasingly interested in what their SKUs [stockkeeping units] can achieve in ratings; we will, perhaps, see a less visceral approach."

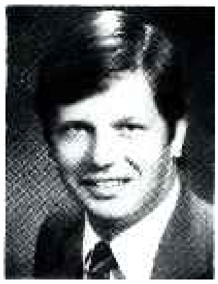
That, adds Fenyo, is where a large agency fits into the picture. "We bring a full range of research and media services to the availability of the retailers," he says.

BBDO, it is apparent, understands the importance of broadcast to an overall retail marketing strategy. But do broadcasters fully understand how to handle retail clients? Glynn has some advice. "It's always better when you know a little bit about a store," she says. If you don't, "it's the same as going to an airline and not knowing the difference between one airline and another. You should know what one store stands for versus another. And, in selling a regional chain like Macy's, you should be aware that there are great regional differences between New York, Atlanta and San Francisco. The best salespeople," she continues, "are those that have the most depth of knowledge."

Fenyo emphasizes that promotional ideas and "merchandiseability" will be key elements of BBDO's retail strategy, in addition to the aforementioned research and media support. In the agency's official jargon on the formation of the Merchants Group, this is described as "a unique blend of professional marketing and creative problem solving."

Making his point another way, Fenyo then explains that "anybody can buy a spot. We want to help the retailer take a dollar and make it look like $100."—**Sanford Josephson**

Jack Schneider has joined Warner, Bicking & Fenwick/New York as media director. The former media supervisor for McCaffrey and McCall has most recently been media director at Mandelbaum, Wolf, Wiskowski, working on the Charles Chips and Herman's World of Sports accounts.



John P. Thomsen has been named media director at Gilbert, Whitney & Johns in Whippany, N.J. A former account executive and associate media director with Bozell & Jacobs, Thomsen had been media director for Reichenstein Advertising.

Mary Ann Flynn has joined D'Arcy Masius Benton & Bowles/St. Louis as a media planner on the agency's Anheuser-Busch business. She was formerly with the media group at The Seven-Up Co. in St. Louis.

Karen Silberstein has joined W. B. Doner and Co. in Detroit as a senior broadcast negotiator. She moves in from the network broadcast division of Campbell-Ewald, also Detroit.

Jennifer C. Shebib has been promoted to media buyer at Ross Roy, Inc./Detroit, reporting to **Patricia J. Cuda,** vice president, group media director/broadcast. She joined the agency from Bozell Jacobs, Kenyon & Eckhardt/Dallas and now steps up from assistant buyer.

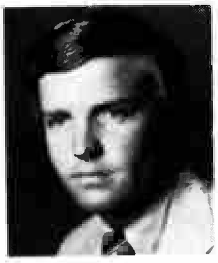
Dr. Dana Christensen has been promoted to vice president, research director at Geer, DuBois/New York. She joined the agency in 1982 from BBDO and now steps up from associate research director.

Representatives


David Kaufman and **Arny Levy** have been promoted at Major Market Radio. Kaufman becomes executive vice president, Eastern Divisional manager, and Levy moves up to vice president, New York sales manager. Levy has been assistant New York sales manager and Kaufman steps up from senior vice president, Eastern Divisional manager.

Joseph Pedri has been appointed manager of Seltel's Philadelphia sales office. His previous rep sales posts were with Adam Young and Peters, Griffin, Woodward and he has also been general sales manager of KXTV(TV) Sacramento-Stockton.

Chip Ermish has been named a divisional vice president of Katz American Television, and **James M. Leary** has been promoted to manager of Katz Television's Denver sales office. Leary came to Katz American Television in 1983 from Avery Knodel Television, where he had been an assistant sales manager. Ermish joined Katz in 1980 and is now sales manager of American's White Team in Los Angeles.



Philip B. Kirk, sales manager of Blair Television's New York CBS Green Team, has been elected a vice president. He came to Blair in Chicago in 1977 from a media post with William Esty Co. in New York, and was named sales manager of his New York team last year.

Lawrence Friedland has been named group research manager for Petry Television's Falcons sales team. Before joining Petry he had been associate director of research at Seltel. At Petry he reports to **Teddy Reynolds**, vice president, director of research.

Rick Thomas is now an account executive for CBS Radio Representatives in New York. He moves in from Philadelphia where he had been with the sales staff of WCAU-FM.

Kathleen Francis and **Barbara Goodman** have been appointed account executives for Independent Television Sales in New York. Goodman had been a broadcast group supervisor with Botway/Libov Associates, and Francis moves in from WNYW(TV) New York.

Juli Dorff and **Cindy Chandler** have been named account executives for the Atlanta sales office of Hillier, Newmark, Wechsler & Howard. Dorff had been station manager of WARM(FM) Atlanta and Chandler was formerly an account executive with Masla Radio.

Jonathan Stimes is now an account executive in the Chicago sales office of Republic Radio. He moves in from the sales staff of Century Broadcasting in Chicago and before that he had been an account executive for WROK Rockford, Ill.

Maureen McDonald and **George Becker** have joined TeleRep. Becker had been with the sales staff of KDVR-TV Denver and at TeleRep he's assigned to the Jaguar team in New York. McDonald comes from a buying/planning post with The Competitive Edge agency and before that she was a salesperson for WWWW(FM) Detroit. At TeleRep she also works out of Detroit.

One Buyer's Opinion

Needed: a passive method to measure commercial viewing

Phelps

In the beginning there were diaries, and the diaries begat coincidentals, and the coincidentals begat meters, and the meters begat people meters, and the people meters. . . .

But let's not get ahead of ourselves. Before we look into the future it may improve our perspective if we were to look back at the flickering past of television audience measurement history. This is where we find a clue to the next dimension in TV audience data collection. It was back in the early 1950s that Northwestern University undertook a study of television viewing habits, based on placing a stationary movie camera in the living rooms of willing test subjects. What did this test reveal? Primarily that viewer attention ebbed and flowed during a program, but even more so during the commercial break. It's this below average audience attention to the commercial message that's dogged us ever since.

Should this problem be the domain of the creative department to "fix" the message in such a way that it commands more viewer attention? And if such is the case, should our research department be responsible for measuring the attention value [recall/attitude] of every commercial produced? Or is the problem more a function of program environment?

If the latter appears to be the case, quite clearly it should be in the purview of the media department to downgrade the audience delivery potential of the program at the time of the break and base target CPMs on commercial, rather than on the program audience.

But if we stop here we've missed the most obvious benefit of this early study. That is that it also revealed in the 30-plus year old celluloid a mechanical record of who—which household members—were physically present in the room at the time of the commercial.

And since A. C. Nielsen hooked up their first TV audimeter in 1950 and began to record whether or not the set was turned on, and to what station, we have been unable to determine this information except by a self administered diary. That is, until the advent of the people meter.

But will the people meter be the ultimate answer? It would appear that several key measurement components are still missing. For although we will now be able to capture not only station selection but also who initially chose the program to be viewed, we still will not know who is in the room at the time of telecast.

It is at this point that people meters should begin to get "begatting." For what is ideally needed resembles in a way what Northwestern was toying with at the inception of the medium—a mechanically *passive* method of audience data collection: ideally a system that intercepts viewer availability at the *moment* the commercial airs, so that the measurement is not contaminated with the content of the advertising message.

Only at this time would media planners have the ultimate automated audience measurement tool needed to merge with the passively collected brand purchase information presently being recorded by the UPC scanner.—**Stephen P. Phelps,** *senior vice president, deputy director of media services, D'Arcy Masius Benton & Bowles, St. Louis*

Cynthia E. Nowak has joined Select Radio Representatives as an account executive in Chicago. She was formerly media director at Cohen & Greenbaum, Inc., also Chicago.

John M. Hermanek has joined Katz American Television as an account executive in Chicago, and **Norm Brame** returns to Katz Television as an additional salesperson in Charlotte. Brame has most recently been with the sales staff of WAGA-TV Atlanta and Hermanek had been a financial consultant with Merrill Lynch, Pierce, Fenner and Smith in Chicago.

Katybeth Jensen and **Lynn Zacherl** have been appointed account executives for TeleRep's Tigers team in Chicago. Zacherl had been an account executive with Hillier, Newmark, Wechsler & Howard, and Jensen moves in from the sales staff of WFTS-TV Tampa-St. Petersburg.

Scott McGavick has been promoted to account executive and assigned to Harrington, Righter & Parsons' Red Team in New York. He came to HRP from a planning post with Jordan, Case, Taylor & McGrath and has now completed the rep's sales training program.

will report to **Cecil L. Walker,** president/Gannett Television Group, and join Project SS, a task force studying improvements in the Group's broadcast news and information service.

Rick Dames is now vice president, general manager of WHN New York, **Joel Hollander** has been named general sales manager, and **Judy Ellis** becomes general sales manager for WQHT(FM), formerly WAAP. Both were recently acquired by Emmis Broadcasting Corp. from Doubleday. Dames has been general sales manager at Emmis-owned WSHE(FM) St. Louis, and Hollander had been general sales manager for WRKS(FM) New York. Ellis had been sales manager for both stations under Doubleday.

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A Total No. Copies (*Net Press run*)	21,183	21,500
B Paid and/or Requested Circulation		
1 Sales through dealers and carriers, street vendors and counter sales	467	479
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G Total (*Sum of E, F1 and 2 should equal net press run shown in A*)	21,183	21,500

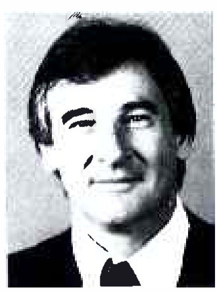
Lee C. Sheridan
Executive Vice President & Corporate Secretary

Stations

Browning

Morris

Robert P. Browning has been named executive vice president and general manager of the New York Times Co.'s WHNT-TV Huntsville, Ala. He is replaced as executive vice president, general manager of the company's KFSM-TV Fort Smith, Ark., by **Olin Franklin Morris,** who had been vice president and director of marketing and client services at WREG-TV Memphis.



Norm Epstein has been elected a vice president of Malrite Communications Group. He is general manager of KLAC/KZLA(FM) Los Angeles and joined Malrite when the company acquired these stations in January.

Peter C. Kohler has been named vice president/Gannett Television Group. He moves in from CBS where he had been vice president and assistant to the senior executive vice president, CBS/Broadcast Group. At Gannett he

John K. Dew has been named general manager of KGOL(FM) Lake Jackson, Texas, recently acquired by Shamrock Broadcasting from Houston FM Communications Inc. Dew moves in from KRBE AM-FM Houston, where he had been vice president and general manager.

Al Brady Law has been appointed vice president/general manager of Gannett Radio's KTKS(FM) Dallas-Fort Worth. He comes from Boston where he had been vice president and general manager of WHDH/WZOU(FM).

George Kraus has returned to WNJU-TV New York as vice president-station manager and chief engineer. He had been vice president and director of engineering for the New York market's other Spanish-language TV station, WXTV(TV).

JWT unit to add Winona

MRB Group, Inc., the international market research subsidiary of JWT Group and parent company of Simmons Market Research Bureau and MBI, plans to acquire Winona Research, Inc., a custom research firm operating out of Phoenix and Minneapolis. Dick McCullough, president of Winona, says he expects his company to "realize immediate gains from a close working relationship with Simmons. Through Simmons' CHOICES program, for instance, our clients will be able to work with the data from our studies, in their own offices, in a variety of ways. This should provide them with greater insight into marketing issues and a greater understanding of their own product dynamics."

Media Professionals

Don't jump to the new or dump the old too soon

John Reed

Senior vice president,
Media Services
Ingalls, Quinn & Johnson
Boston

John Reed, who heads media at Ingalls, Quinn & Johnson, believes it wouldn't be too surprising to find that one day soon "VCR sales have plummeted, or cable viewing has dropped dramatically."

Cable watching could well fall, he notes, "because viewers bored with *Brady Bunch* reruns, depressing news cable services, movies they had already seen 10 times, movies they didn't want to see *once*, and obscure music videos of Japanese rock stars would probably just turn off their cable services. VCR use could drop if consumers tire of renting the same old video tapes, grow increasingly disoriented by time shifting, and zapping causes them to lose touch with products they want to buy and causes them to miss some great sales."

Although such reports have not yet been heard, Reed uses them to "illustrate a point: that our industry has a habit of perhaps too quickly embracing the new, or too quickly throwing out the old."

Television, he recalls "was supposed to be the death knell of radio, remember? And remember television video games? Cable on 100 channels? The majority of our populace rarely changes their habits as quickly as we think they do."

Reed believes that agency media professionals, "more than ever in today's expanding media market, need to be the voice of reason when the hype for a new medium or its effects creates increasing concern or anticipation by clients. Tighter client budgets dictate careful evaluation of new media opportunities and their impact. It is our responsibility not to simply use a medium because it is new and different, but because we believe it will help us to better accomplish our clients' marketing objectives.

"At the same time, we must be *timely* in analyzing the effects and trends of a changing media environment to instill confidence in our clients that we do indeed take a dynamic approach to their business."

Kenn Brown has joined SRO Broadcasting's KYYX(FM) Las Vegas as general manager. He had been general manager of KRAM/KKLZ(FM), also Las Vegas.

Brooks Hogg has joined KYTV(TV) Springfield, Mo., as general sales manager. He had been local sales manager for KTVV-TV Austin, Texas.

Darryl Brown has been promoted to vice president/group director, ABC Radio Networks. That puts him in charge of development and future growth of all ABC's young adult webs while continuing as director of the ABC Contemporary Network and its 260 affiliates.

Linda Weir Sullivan has been promoted to general sales manager at WJAR-TV Providence. She came to the station a year ago from the Boston office of TeleRep and now steps up from national sales manager.

Probes attitudes

Donald G. McMullen, president of Cincinnati-based MarketVision Research, Inc., says the company's new broadcast research division "now dedicates some of our people to full-time broadcast research who had been doing both broadcast and market research." He adds that MarketVision has brought in Lois Hinkle, former vice president, television promotion at Taft Broadcasting, as vice president, broadcast research, "to increase our own marketing activity and go out to generate interest in our broadcast research capabilities among more prospective users."

McMullen claims that MarketVision "starts where Nielsen and Arbitron and Birch leave off. They quantify broadcast audiences. Our job is to investigate audience attitudes toward programs, formats, air personalities and news anchors and types of news segments. We look at viewer and listener behavior to turn up the hot buttons that point to suggestions for program or format improvements, and for better station promotion."

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404/393-1010	312/828-1170	214/669-1700	213/466-4391	212/708-7500	415/397-7774

Stephen F. Quist has been appointed general sales manager of McClatchy Broadcasting's KFBK/KAER(FM) Sacramento. He advances from local sales manager for KAER.

Rufus DeVane has joined Knight-Ridder's WTKR-TV Norfolk-Portsmouth-Newport News-Hampton as general sales manager. He moves in from a post as sales training consultant for Knight-Ridder's *Miami Herald*.

Lou Supowitz is now general sales manager at WFTV(TV) Orlando-Daytona Beach-Melbourne. He moves in from WPXI(TV) Pittsburgh, also a Cox station, where he had been national sales manager.

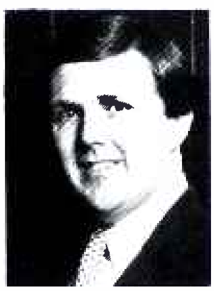
New Stations

Under Construction

Channel 46, Belmont, N.C.: ADI Charlotte; Licensee, Metro-Crescent Communications, Inc., P.O. Box TV-46, Belmont, N.C., 28012. Telephone (704) 391-8846. Mark Conrad, vice president, general manager. Target air date, December 1986.

Durpetti promotes


Fabian


Byrne

John Fabian, Patrick Byrne and Bruce Pollock have been promoted to vice presidents of Durpetti & Associates and named members of the rep's newly formed executive committee. Pollock, who has been regional manager in Los Angeles, moves up to vice president/Western Division manager. Fabian, a regional manager in New York, and previously a vice president/sales with McGavren Guild Radio, becomes vice president/Eastern Division manager for Durpetti. And Byrne is elevated to vice president/Central Division manager from regional manager in the Chicago office headquarters. Before joining Durpetti shortly after its formation in late 1985, Byrne had been a vice president/regional manager for Hillier, Newmark, Wechsler & Howard in Chicago.

Buyer's Checklist

New Representatives

Blair Radio has been named national sales representative for KJNE(FM) Waco, Texas, and for Metroplex Communications' WHBO/WNLT(FM) Tampa-St. Petersburg. WNLT programs an adult contemporary/light rock sound, and WHBO features solid gold "oldies" of the '50s, '60s and '70s. KJNE offers a modern country/personality format.

Hillier, Newmark, Wechsler & Howard has assumed national sales representation of WJAZ Albany, Ga., and KCDA(FM) Coeur D'Alene, Idaho. KCDA offers the Transtar 41 format, and WJAZ presents country music and places heavy emphasis on news.

Katz Continental Television is now national sales representative for WDHN-TV Dothan, Ala. The ABC affiliate has recently been purchased by Morris Network, Inc., pending FCC approval.

Katz Independent Television has been named national sales representative for WXIN-TV Indianapolis. The station is owned by Outlet Communications.

Republic Radio is the new national sales representative for CKLW AM-FM Windsor (Detroit) and WBBE/WMGR(FM) Georgetown, Ky. WMGR and CKLW-FM air adult contemporary formats. CKLW programs middle-of-the road music and WBBE presents nostalgia.

Select Radio Representatives has been named national sales representative for Blair-owned WFLA/WPDS(FM) Tampa-St. Petersburg. WFLA is a personality-oriented news-talk station with MOR music. WPDS programs a "classy adult contemporary format" featuring hits from the '60s, '70s and 80s.

Torbet Radio has been selected as national sales voice for WRXR(FM) Chicago, KKCI(FM) Kansas City, and for KQIL/KQIX(FM) Grand Junction, Colo. KQIX and WRXR feature adult rock selections. KKCI is an adult contemporary station, and KQIL carries country music.

New Affiliate

NBC Radio's Talknet has added WIP Philadelphia to its affiliate lineup. The new station brings Talknet's affiliate count to 281 stations.

Transactions

Henry Broadcasting will purchase KFAB/KGOR(FM) Omaha from **Lee Enterprises** for $22 million, subject to FCC approval. Henry is headed by Charlton Buckley. Broker in the transaction is Chapman Associates, Atlanta.

Infinity Broadcasting Corp. has acquired WBMW(FM) Manassas, Va. (Washington) from **EZ Communications, Inc.** for $13 million, subject to FCC approval. Infinity is also waiting FCC approval of its agreements to purchase KROQ(FM) Los Angeles and sell KCBQ AM-FM San Diego. Approval will bring Infinity ownership of three AM and seven FM stations in eight of the top 10 radio markets.

Shamrock Broadcasting Co. has completed acquisition of KGOL(FM) Lake Jackson, Texas from **Houston FM Communications, Inc.** for approximately $13 million. Bill Clark is president of Shamrock's radio division and Shamrock Broadcasting is wholly owned by the Roy E. Disney family.

CBS marketing tool

CBS-TV affiliates will get first crack at a new computer-based media planning and buying tool developed by CBS and Arbitron. The system is called CAP-MATRIX and it weights sex-age audience segments from local Arbitron market reports—via the AID system—according to product usage data from Simmons and ClusterPlus geodemographic information from R. H. Donnelly.

The system was introduced late in August at the first meeting of the CBS Marketing Advisory Council with CBS executives. The 16-member Council is a group of CBS affiliates execs, set up as a partnership with CBS-TV for "maximizing the value of (the affiliate) franchise in local sales and marketing efforts." A brochure about CAP-MATRIX was recently sent to affiliates with instructions to contact their Arbitron representative if interested. Affiliates will have a one-year exclusive license to CAP-MATRIX in their markets, says David Poltrack, vice president, research, CBS/Broadcast Group. CAP (by itself) is an existing CBS-TV system which weights sex-age data from NTI according to Simmons product usage data. The new system employs Arbitron's Product Target AID, which is a marriage of Arbitron program viewing information, ClusterPlus and Simmons national and regional product usage data.

Viewpoints

Sherman J. "Jack" McQueen

Senior vice president, managing director of Foote, Cone & Belding/Telecom, in a recent speech before the Western Region Conference of the 4 As at Lake Tahoe, Nev.

Zapping, viewer apathy demand advertiser control over program environment

Many in our industry had a lot to say over the past few years about the so-called zap-free commercial. Many solutions were offered, the major one being that we had to produce attention-getting messages that people would want to watch so badly they wouldn't zap us. Easy for them to say. A lot tougher to do consistently.

Then the other fashionable specter was raised. Commercial clutter was being heightened by the use of 15-second messages. There were many suggestions on how to overcome this, including a beauty in which the clutter could be made more palatable by a seemingly magical system in which only compatible products would be scheduled together in the right order. First the wine, then the cheese, followed by the rental car, and then the luxury motel chain in one glorious commercial pod. Hardly anyone has acknowledged that 25 per cent of network commercial inventory will be stand alone 15s or split-30s contributing to the appearance of the most cluttered television season to date.

So what can we in the advertising industry do to help get our clients' message through this morass of zipping, zapping, clutter and apathy?

We start paying a lot more attention to the program environment, that's what.

In the network arena, none of us should be making program selection decisions just on the basis of a front-loading, expensive pilot. We should provide for a quality control procedure that is sensitive to picking up show erosion over a season.

Advertiser development

It's very interesting to note that more and more of the single sponsor special advertisers are developing and licensing their own properties these days. Clients like General Foods, Hallmark, Kraft, Procter & Gamble and General Motors have all created active development streams. This insures that they get the kind of shows that can almost guarantee a favorable environment for their commercial messages.

Meanwhile, at least two consortiums of major advertisers have banded together to co-develop and cosponsor meaningful two-hour movies for television. These are all blue-chip companies that feel they can't be solely dependent on the networks to deliver the quality vehicles they desire.

Whether it's a single advertiser plunking down about $3.5 million for a two-hour movie on one night, or a small group put together for the same purpose, there is another benefit beyond environmental control. That benefit is partial ownership. Each piece of good software has the ability to live several lives these days in tiered release on syndication, cable, foreign, and home video. Having a piece of the action makes good business sense for many advertisers.

One area that we're totally sold on as the proper arena for our clients' commercial messages is advertiser-supplied programming for basic cable. Basic cable is established as an effective advertising medium now, and it permits the perfect marriage between a client's product, the show and the carrier. We believe it's a substantial programming advantage to be able to target groups of people interested in news, sports, entertainment, children's shows, country or contemporary music, women's programming, and financial information. Client-sponsored shows can be specifically designed to get at an advertiser's prospects and still fit well into the format of a specific network. Our company, for example, co-produces seven different cable series each week, and we expect three more before the year is out.

Short form shows

Another advantage cable offers is the short form show. That's the creation of a two or three-minute program series which surrounds the advertising message in a controlled and pertinent environment. Careful execution is required, but there are several impressive success stories.

Well, it's possible that I may have seemed to damn contemporary television so much that you're wondering if it's worth the bother. If that's your conclusion, then I apologize for missing the mark entirely. The ability TV gives us to sell many products and services by sight and sound can't really be surpassed.

But the game has changed drastically—just in the last year. If we assume we can use television in the same old way—develop some sparkling creative work and then buy some time to run it without any real regard for the environment, we will develop a preponderance of "no lookeys."

Sure, zipping, zapping and apathy are something to be concerned about. But I'm even less thrilled that one in five people told the Roper Organization that they considered watching television about as boring as raking the yard. We need television. It's up to us, the representatives of the companies that pay the bill for its very existence, to insist that the purveyors of programming spend a lot more time at risk-taking and quality control.

Embassy overseas sales to Columbia

Embassy Communications will consolidate its international sales setup with Columbia Pictures International Television in a massive restructuring, triggered by the departure of Ron Brown, senior vice president, international sales. Brown leaves Embassy this week to join MGM/UA Communications as international chief. In addition, it's understood that Christopher A. Egolf, director, international sales at Embassy, will join Brown at MGM/UA. However, before Brown gets down to the nitty-gritty of running MGM/UA's international operation, considered one of the majors in world business, he'll have to wait for Turner Broadcasting to decide on foreign personnel to be retained from the old MGM/UA setup overseas.

Under the Embassy-Columbia restructuring, Brian McGrath, CPIT executive vice president, becomes responsible for Embassy's product overseas as well. Basically, under the new setup, Columbia takes over Embassy foreign distribution, with sales of both being handled by Columbia's 10 or so overseas offices. Embassy product overseas was handled by subdistributors and reps in Tokyo, Madrid, Hamburg and Sydney, among other cities.

Overhead. Gary Lieberthal, chairman and chief executive officer of Embassy Communications, said in an interview that Embassy, before it became a unit of Coca-Cola Co.'s entertainment business sector, had been using outside foreign sales reps because "Embassy's volume didn't warrant the overhead of having sales offices overseas, so we did business via several key subdistributors." But in addition to agencies, Embassy had Brown's personal relationships with buyers around the world, which were also significant in selling Embassy product, says Lieberthal.

The decision to merge Embassy overseas with Columbia came after Brown decided to leave Embassy for MGM/UA, says Lieberthal. But the big consideration to put Embassy under the Columbia umbrella was the clout of Coca-Cola in the international arena, which Lieberthal calls "awesome." Also of importance was that Columbia has a significant presence as motion picture distributor abroad as well.

With Brown out of the picture, the issue regarding Embassy's overseas distribution became "Do you spend money to replace Brown, or go in a different direction?", said Lieberthal. Lieberthal decided on McGrath, "because he knows the new marketplace, is aggressive and a very good salesman."

Columbia's McGrath, in an interview, said that while Embassy no longer will have a separate sales force overseas per se, it's Columbia's intention to have Embassy maintain its heritage and name and a presence for future productions in the foreign marketplace. "Embassy is the premier producer of half-hour comedies as well as other programming, and as such the use of

Gary Lieberthal

the Embassy name and our identity with Embassy is a plus."

The future for Embassy's reps doesn't appear to be very bright, it's speculated, and McGrath says, "As we go forward, this is a business that will not be operated on an agency basis. However, I don't want agencies running around asking themselves what will happen to them, so we will have to look at the whole structure before we put everything in place."

Approach. Meanwhile, Brown's approach as MGM/UA international sales chief will be conservative initially, with Brown planning to meet with all the sales personnel in place overseas. "I expect to visit all the international people in the field and to discuss with them what we are going to do and how to do it. It's not my policy to sit here without knowing these people and make judgments on their lives and careers."

Just how much of a restructuring will be necessary will depend on Turner Broadcasting, notes Brown, because Turner, under its arrangement with MGM/UA, has first crack at the existing MGM/UA overseas personnel. "Everything depends on which people Turner wants to keep," he says. "After Turner has made its selection, we will make ours. I'm sure Turner will keep some of the key people, and after that I will make up my own team."

Syndicated shopping

Lorimar-Telepictures is going into the marketplace in New York looking for a cash license fee of about $5,000–6,000 per-hour episode of *Value Television*, the TV home shopping program to be launched in January via syndication, according to a source at L-T. The program, which will be coproduced with the Fox Television stations and will air on all six Fox outlets, will be broadcast as a six-days-per-week program. Horn & Hardardt's Hanover Industries will handle the direct mail and fulfillment end.

As an added incentive for stations to carry the show, outlets will receive a 5 per cent commission on the merchandise sold in their market. Initial terms call for a cash license fee, but L-T will take two minutes for barter, beginning with the 1987–1988 season, according to Dick Robertson, a member of the office of the president at L-T.

Robertson says that L-T will look for *VTV* to kick off in a 8–10 a.m. slot on affiliates and sees a noon–2 p.m. range for independents acquiring the show. On the weekends, Robertson says, stations probably will air *VTV* either in early or late fringe. The production budget on the show is $7 million annually, he says, and he estimates *VTV* will average a 3 rating, although no guarantee arrangements are involved. If the initial effort works, Robertson sees expanding the service to access and perhaps as a late-night vehicle or early-morning program.

At breakfast *announcing the launching of ValueTelevision are, l.–r., Jim McGillen, L-T president, first-run syndication sales; Michael Garin, office of the president, L-T; David Simon, vice president, programming, Fox Television Stations; Donald Schupak, vice chairman, Horn & Hardart; Peter Temple, L-T vice president, off-network; and Dick Robertson, office of the president, L-T.*

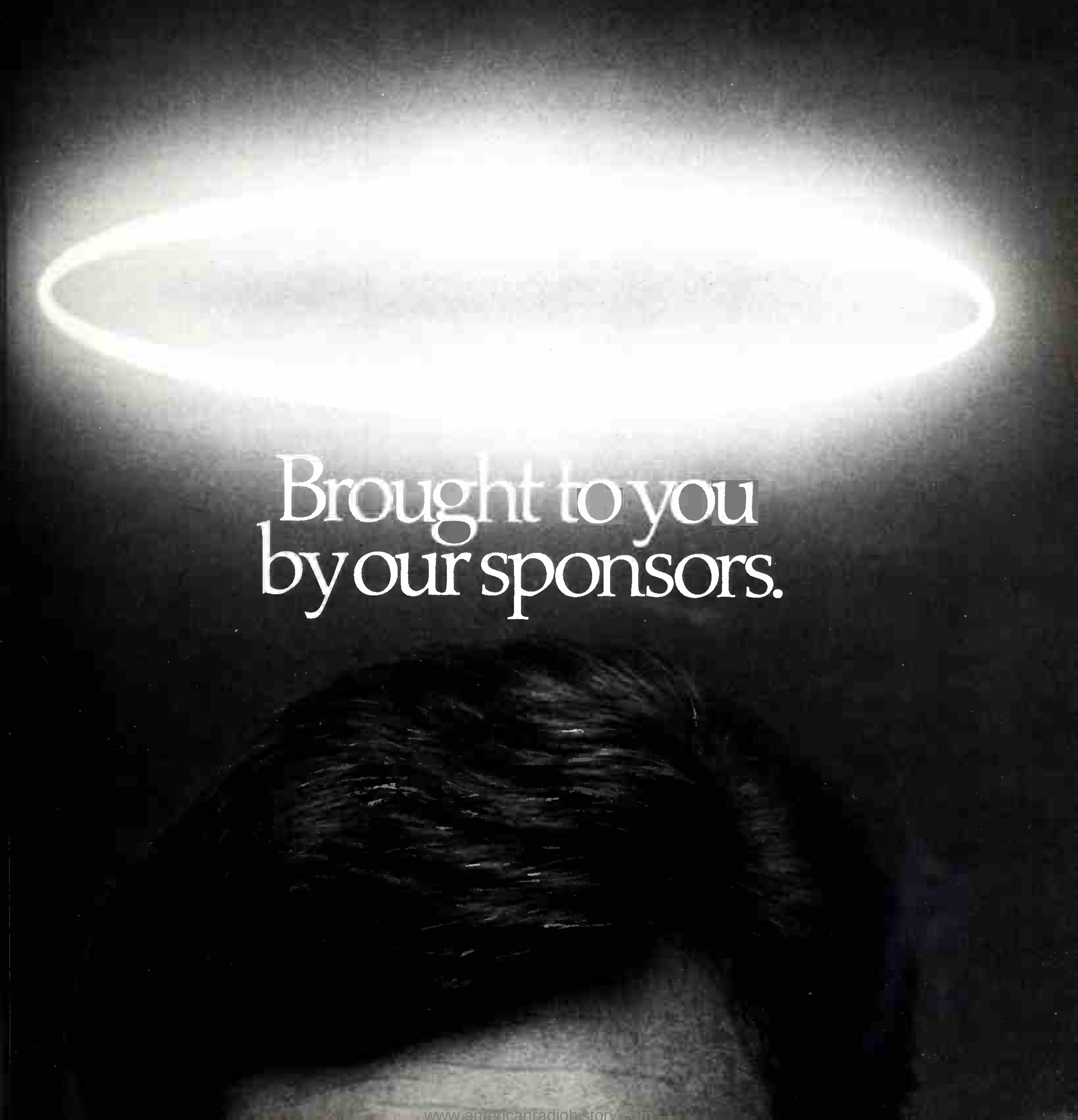
Robertson notes that the concept of the service is entirely different from cable network counterparts in that *VTV* will be entertaining and will be a soft sell, with possibly a host and a hostess. The syndicated program will start off with about a 50 per cent household coverage, combining the 23.8 per cent coverage from the Fox stations

Community goodwill. It's something every station needs, every advertiser wants. And now, Group W is syndicating a whole new concept in community outreach campaigns. One that builds station and sponsor image, and actually generates new revenue in the process. It's called *For Kids' Sake*.

Targeted to adults 25 to 54, this important new campaign addresses the issues affecting today's children. And as it helps them, it helps you. By attracting enough community-minded sponsors to pay for itself. And as stations all over the country can attest, paying for itself is just the beginning.

For further details, call Jeff Osborne, Group W Television Sales, at (212) 883-6145. He'll explain how you can join the growing list of *For Kids' Sake* stations whose local images are picking up. While *For Kids' Sake* sponsors are picking up the tab.

FOR KIDS' SAKE



with L-T's upcoming new purchase of stations.

The license transfer applications are still waiting FCC approval, however, and it's possible that a competitor in the marketplace will pick up the service before the acquisitions go through, which is not expected until November or December. L-T can't afford to wait until the end of the year to pitch these markets, and expects to make proposals to the other stations shortly, says Jim McGillen, president, first-run syndication sales, at L-T.

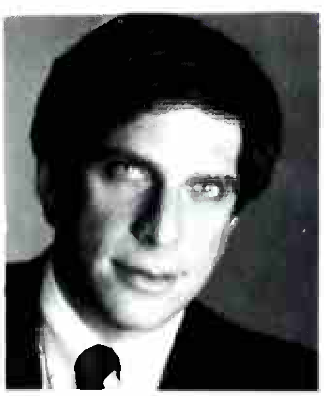
Orion film package

Orion Television Syndication is offering a film package of 20 titles, which includes films that have won six Oscar nominations. The 20 have total grosses of $500 million in worldwide sales at the box office. All 20 films will be commercial TV world premieres with no prior network exposure, according to Scott Towle, president of Orion Television Syndication.

Among the titles to be offered to stations starting this month are *Back to School, Hannah and Her Sisters, Cotton Club, F/X, Desparately Seeking Susan, Code of Silence, The Woman in Red, The Falcon and the Snowman* and *Broadway Danny Rose. Hannah* is considered a major Oscar contender for 1986, notes Towle.

Dolgen heads Fox TV

Jonathan Dolgen has been named president of the newly created television division of Twentieth Century Fox Film Corp. The division will encompass the TV production wing, Dolgen will also maintain his role as executive vice president of Fox Inc. and will continue to work with Barry Diller, chairman and CEO of Fox Inc. Prior to joining Fox, Dolgen had a number of executive positions at Columbia Pictures, including president of domestic operations, president of the pay-cable and home entertainment group, and senior executive vice president.



Jonathan Dolgen

SEPP names Visch

Joop H. Visch has been appointed chief executive officer of SEPP S.A., Brussels-based audio-visual, merchandising, promotion and publishing group. Visch had been head of SEPP's audiovisual department. Visch, along with Freddy Monnickendam, was instrumental in establishing SEPP Inter in Los Angeles, where Monnickendam has been appointed chief executive officer. In another appointment, Michel Maes has been named chief financial officer of SEPP S.A. and chief financial controller of SEPP Inter.

Syndication shorts

The Entertainment Network has acquired its first movie package. Called "Sizzle," the package contains 12 theatricals, including *The Texas Chainsaw Massacre* and *Wise Blood*. Films come from deals made with New Line Cinema, Cinema Releasing Corp., and Adler/Spiegelman Productions.

World Events has cleared *Voltron: Defender of the Universe* on seven continents. Newest countries entering the lineup are Spain, South and Central America, the United Kingdom, Ireland and all of Europe. Voltron is already on the air in such countries as Australia, Hong Kong, Italy, The Philippines and Mexico.

Sherry Grant Enterprises has completed production on *Quality of Life*, 260 short-form episodes offering tips on overcoming specific personal problems and on self-improvement.

GGP Sports and **Goalline Productions**, production company owned by John Madden, will do a one-hour special, *John Madden's Super Bowl Special*, for airing on January 24, 1987 in access. Four CBS-owned stations are those among the 125 stations picking up the show. Because of Madden's contract with CBS, the owned stations and its affiliates were given first option on the program.

Muller Media Inc. has cleared 102 TV stations, representing more than 82 per cent of the U.S., for its four animated holiday specials. The ad-supported programs are *Which Witch Is Which?* for Halloween; *The Turkey Caper*, Thanksgiving; *The Christmas Tree*, Christmas; and *A Chucklewood Easter*, for Easter. Specials are produced by **Encore Enterprises**, with ad sales handled by **Total Video**.

Buena Vista Television has changed the name of its half-hour satellite-fed business strip from *Business Day* to *Today's Business*. The program has been cleared on 120 stations representing 80 per cent of the country.

Syndicast Services has sold *The Demon Murder Case*, two-hour feature film, to five stations, for a current total of 64. These new stations are WNBC-TV New York, KTTV(TV) Los Angeles, KRON-TV San Francisco, WCIX-TV Miami and KOVR(TV) Sacramento. Also at SS, its *Hollywood Private Home Movies*, starring Bill Cosby, has been acquired by WMBC-TV New York, KTTV(TV) Los Angeles, WMAQ-TV Chicago, WBZ-TV Boston and KPRC-TV Houston. Current total lineup is 73.

LBS Communications will distribute and sell ad time for *Kideo Theatre*, quarterly series of eight 90-minute animated features produced by **DIC Entertainment** for the 1986–87 and 1987–88 seasons.

Multimedia Entertainment's two-hour special, *New Stars of '86*, has cleared 145 markets, which represent 85 per cent of the U.S. Scheduled for airing in October and November, the show is produced and syndicated as part of Multimedia's *America Comes Alive* series. Among stations which will air *New Stars* are WNBC-TV New York, KHJ(TV) Los Angeles, WGBS(TV) Philadelphia and WCVB(TV) Boston.

NATPE exhibitors

One-hundred forty companies have signed currently to exhibit their wares at the upcoming NATPE International conference, which opens January 21, 1987, for five days in New Orleans. Also NATPE has released the first draft of its program agenda for the conference. Fourteen companies of the 140 are new to the floor. These are ABC Pictures International Video Audience Research and Development, Blair Television, First National Telecom, Hit Video USA, IDDH, Lorimar/Telepix-Media, Majestic Entertainment, MTM Productions, New World Television, New York Television, Premier Entertainment Group, Southbrook Entertainment, TPC Communications and WesternWorld-Samuel Communication.

Agenda highlights are: two sessions on January 22—"Program Dilemma: Block Booking," from 9–10 a.m.; and "Washington Update." On Friday, there are two concurrent seminars: "Barter," moderated by George Back, All American Television; and "Management Skills," a lecture by Bill Brower, Brower Associates. A brunch will focus on "Sitcoms and First Run," from 10:45 a.m. to 12:15 a.m.

On January 24, the topic of a breakfast general session will be "Producer's Caucus," to be moderated by John Goldhammer, Goldhammer Productions. Then from 10:15–11:15, scheduled are three concurrent seminars: "The Economic Revolution," with Jay Isabella TeleRep, as moderator; "Issues"; and "View From the Fourth Estate." From 11:20–12:20, subjects of three simultaneous sessions will be: "New Business Opportunities," with Ken Rees, WCCO-TV Minneapolis, as moderator; "The Ratings Services," Katz Television's John von Soosten, moderator; and Jim Lutten, WFSB(TV) Hartford, will head a panel discussion on "The First Year Is the Worst Year." January 23 will be devoted mainly to a NATPE board meeting, a distributors' meeting, and to top off the conference, a Super Bowl party from 4–9 p.m., produced by Don Smith, WAGA-TV Atlanta.

Look to buy stations

Marking the second time in a week that a venture has been formed to purchase broadcasting properties, Lewis H. Erlicht and Robert M. Bennett have teamed up with New World Pictures to shop for stations and cable franchises. The new venture is called New World Broadcasting, and Bennett is chairman and CEO of NWB, while Erlicht is president and chief operating officer. NWB will have offices at New World Pictures.

Erlicht, who resigned the past month as president of ABC Entertainment's ABC Circle Film, in-house production entity, previously was president of ABC Entertainment. His career with ABC spans 24 years.

Bennett most recently was president of Metromedia Broadcasting.

In the other venture, Albritton Communications Co., Washington, has set up a unit to buy network affiliate stations, under the name of Allco Corp.

LBS, Clark projects

Among the key projects planned by LBS Communications and Dick Clark Productions will be the continuation of Dick Clark's 30-year network series, *American Bandstand,* as a first-run weekly one-hour syndicated show, for a fall, 1987, debut. Under an agreement recently made between LBS and Clark, the joint venture will involve development, production and syndication of TV series and specials to premiere next season via barter syndication and on cable.

Also set for the fall, 1987, are six off-network Dick Clark specials, and a two-hour weekly cable series, *Dick Clark Presents,* will also debut next season. The series will be a showcase of Clark's most successful specials with newly produced introductions and thematic wraparounds. Upcoming, too, LBS and Clark will develop a sitcom series for the 1987–88 season. Working title of the first-run series is *Third Time Lucky.*

Harmony Gold buy

Harmony Gold has bought Intersound, full-service audio and video-production facility located in Los Angeles and in Rome, from Lorimar-Telepictures. Intersound houses audio and video equipment such as Foley stages, automatic dialogue replacement, and digital telecine equipment for transferring film to tape. In addition, Intersound offers music cutting and creates effect tracks. To expand its work in video, Intersound is adding a one-inch on-line editing system and a 3/4 inch off-line editing system. The new one-inch on-line editing room will contain five one-inch machines, a CMX edit controller and a Quanta character generator.

Buys 500 films

Entertainment Properties, Chicago-based distributor, has acquired more than 500 films produced between 1915 and 1978. The series, "500-Plus Great Classics From Hollywood," is being offered worldwide via a "perpetual license" arrangement. King Lauter, president of EP, notes that under this agreement buyers may use the product continuously, "for as long as they wish, and never pay any additional fees."

Lauter calls this arrangement a radical departure from the conventional method of licensing a film, whereby buyers are allowed only a limited number of runs during a specific time period." It's advantage is a big reduction in the fees that TV stations and other media buyers will have to pay for their programming" he says.

The films include such classics as *A Star Is Born, Charade, Life With Father, The Little Princess, This Is the Army* and *The Man With the Golden Arm.* Films and other properties from EP will be offered at MIPCOM to overseas buyers.

KVEA-TV specials set

KVEA-TV Los Angeles, Spanish-language station, has scheduled a weekly half-hour program during the 1986 Los Angeles Raiders football season. The show, *Raiders '86,* airs on Saturdays from 5–5:30 p.m. and is hosted by Mario Solis and Efren Herrera. It recaps the past Raiders' games, and players and coaches are interviewed. Other sports coverage has included the Los Angeles marathon and international soccer.

Other programming features are the first daily Spanish-language children's block, a daily entertainment and information series, theater, and locally produced newscasts.

Technical Emmys

The recent engineering and scientific awards ceremony of the National Academy of Television Arts and Sciences featured a cornucopia of honors. There were 16 awards to 12 companies, setting a record for the number of technical Emmys. In three cases, there were multiple awards, some quite belated, for the same achievement. Four companies—Ampex, Quantel, RCA and Sony—won two awards each.

Of most general interest among the awards, presented in New York on September 10 at the Sheraton Centre, were those given for the home VCR, which was introduced by Sony in the U.S. about 10 years ago. Besides Sony, awards for the VCR were given to Matsushita (Panasonic) and JVC.

There were five awards for multichannel television sounds (MTS), given

Programming/Production
(continued)

to the Electronic Industries Association, dbx, Inc.; NBC, RCA and Zenith.

Sony and RCA were given Emmys for component video recording (half-inch tape) systems, Sony for Betacam and RCA for its involvement in the M format.

Ampex got a brace of awards for its Zeus "digital picture processor/time-base corrector" and its top-of-the-line type C one-inch videotape recorder, the microprocessor-equipped VPR-3.

Quantel received a pair of awards for its paint box systems and its hard-to-pigeon-hole Harry, described as a device for "digital video mixing, processing and compositing."

Abekas Video Systems was honored for its A-62 digital video disc recorder and M/A-Com for "contributions to satellite TV encryption and scrambling technology"—Videocipher I and II.

Zooming in on people

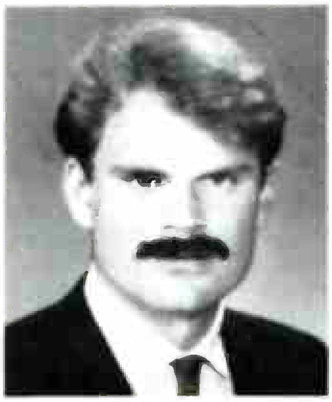
Len Giarraputo has been named senior vice president/general manager at **Blair Entertainment,** to head the program cash sales department. Giarraputo comes to Blair from Television Program Enterprises where he was director of syndication sales for the past year. Before that, he was vice president of sales for syndication at Group W Productions since 1980. He joined Post-Newsweek Stations in 1970 as director of sales and later was named executive vice president.

Leonard Giarraputo

Marian Effinger and **Jim Gorman** have been named marketing supervisors at **Buena Vista Television.** Effinger was at KCBS-TV Los Angeles where she most recently was statio publicist. Gorman has been with Disney for the past six months as an assistant to the vice president, promotion, for Disney and Touchstone Films.

Gail Munn has joined **Filmation,** a division of Group W Productions, as vice president, licensing. She comes to Filmation from Marvel Comics Group, Cadence Industries.

Tom Nunan has been promoted to vice president, movies and miniseries at **Fries Entertainment.** He joined FEI in August, 1985, as director of movies and miniseries and has been involved in the development and production of network movies set for this season's showing, including *LBJ* and *Timestalker*.



Tom Nunan

Shelly Raskov has been named vice president, development and production at **Ron Samuels Entertainment**. She joined the company in May 1985 as director of development.

Mary Ann Spitalletta has been promoted to director, creative services as **LBS Communications**. She joined LBS in 1985 from Paramount Television where she was manager, station relations and promotional services.

Roger L. Mayer has been appointed president and chief operating and administrative officer at **Turner Entertainment Co.** He has been with MGM for the past 25 years, most recently as senior vice president of administration and president of MGM Laboratories.

PRN farm program

The Professional Radio Networks, Eugene, Ore., has produced a barter strip, *The American Farmer*, for airing this fall. Each three-minute show contains a 60-second national commercial and a minute for local sale. The program consists of interviews featuring a broad spectrum of farm personalities and is being underwritten by United Agri Products, network of Clean Crop Dealers. UAP marketing director Dean Moore and Bob Tallman, radio and TV personality, created *Farmer*.

Taffner NATAS award

Donald Taffner, founder and president of D. L. Taffner/Ltd., will receive the Founders Award of the International Council of the National Academy of Television Arts and Sciences for 1986. He was given the award in recognition of his many years of contributions to the creative aspects of international television. Besides being acknowledged for his importation of programs from Australia, Canada and the U.K., Taffner is recognized for successfully developing U.S. adaptations of U.K. TV programs, including *Three's Company* and *Too Close for Comfort*.

Watkins to WTN

Russell Watkins, former president of Channel 9 Australia, Inc., will represent Worldwide Television News as regional executive, West Coast.

Watkins, who is based in Los Angeles, says, that in his new post he will be "expanding the image of World Television News in this country by bringing in news programming from around the world by satellite, making use of crews that are already in place."

Russell Watkins

RTNDA named Brunner

Bob Brunner, WSAZ-TV Huntington, has been named president of the Radio-Television News Directors Association. He takes office at the September 1–4, 1987, convention in Orlando. Brunner will succeed J. Spencer Kinard, KSL-TV Salt Lake City, Brunner, RTNDA Region 8 director, defeated Region 6 director Bob Priddy, Missouri Network. In other elections, Tyler Cox, KFBK-AM Sacramento, former director of regions 1 and 2, was elected director at-large; David Lampel, WBLS-FM/WLIB-AM New York, was reelected director at-large. Co and Lampel will serve two-year terms, while incumbent treasurer Lou Prato, Medill News Service, Washington, ran unopposed and was reelected to a three-year term.

RADIO

Radio syndication

Torey Malatia has been named program director of the **Beethoven Satellite Network,** live, satellite-delivered 24-hour classical music format service introduced by WFMT Inc.

WZRC-FM Chicago is the first affiliate to sign for the **Satellite Music Network**'s Z-Rock hard rock format, which began airing earlier this month.

Programming/Production

(continued)

The SMN Z-Rock lineup is Killer Kilpatrick, from WISP Philadelphia (6–10 a.m.); Susan Slade, from KTKS Dallas (10 a.m.–2 p.m.); Frees Disease, from KNAC Los Angeles (2–6 p.m.); Wild Bill Scott, from KNAC (6–10 p.m.); Mad Max Hammer, from KKXX Bakersfield (10 p.m.–2 a.m.); and Joe Anthony, from KISS San Antonio (2–6 a.m.).

Jayne Lipman has been named vice president, marketing, at **MJI Broadcasting.** She comes to MJI from Manhattan Records, where she was director of finance and A&R administration.

Neal Mirsky has been appointed vice president, national program director at **DIR Broadcasting.** Prior to joining DIR, Mirsky was program director at WPLR-FM, New Haven.

The **United Stations Programming Network** has introduced another long-form program, *Rock Watch: A Countdown to Ectasy with Oedipus*, which begins airing over the October 3 weekend. Host and producer is Oedipus, program director at WBCN Boston and host of *Nocturnal Emissions*. The three-hour weekly program will feature the top 30 AOR tracks and music news and comments. Also, USPN will debut a three-hour weekly program, *Motor City Beat*, in October. The show will celebrate the classic hits that crossed radio format boundaries.

Orange Products, Narberth, Pa., will introduce *Something Special*, hour of music and interviews with MOR artists, on October the weekend of 11 and 12. Host will be Sid Mark. Six commercial minutes are available locally in each hour.

Notes and news

Wcco Minneapolis, has named **Jon Quick** as program manager. He has been director of marketing. Quick will be replaced by **Ginger Sisco,** who joins the station on October 1 after 10 years with the Minnesota Department of Tourism.

Wabc New York will control the radio broadcast rights to New York Yankee baseball under a new, multi-year agreement. WABC has carried Yankee baseball for the past six years, but has not controlled the rights nor the production of games.

Eric Nielsen has been named an account executive at **Concert Music Broadcast Sales,** national rep firm for classical stations. Prior to joining CMBS, Nielsen was an account executive for *Performing Arts Network*, a monthly magazine.

Darryl Brown has been promoted to vice president, group director at **ABC Radio Networks**. He was director of the ABC Contemporary Network since November, 1980.

Whn New York has a new management team, with plans calling for new image marketing, redirection and expansion of the country format, and a restructured sales system (see *Spot Report*, this issue, for sales personnel changes). In programming, **Gary Havens** is named program director. He comes to WHN from WIRE/WXTZ Network Indiana in Indianapolis, where he was director of programming and research.

CABLE

Big name on tiny net

The Learning Channel, a cable network with a small but dedicated following, has snagged a major Hollywood movie producer-director, Paul Mazursky, to host a new series showcasing the works of independent film and video makers. The 12-part series, *Ordinary People: Independent Portraits*, debuts Sunday, October 12 at 8 p.m. ET. Each segment runs an hour.

The new show is part of Learning Channel's expansion from 10 to 20 hours of telecasting per day.

Pepsi, MTV hit spot

MTV, which is programming with music videos that promote record sales, recently ran a half-hour show promoting Pepsi-Cola. The program, *Rockin' the Pepsi Generations*, aired on September 16, with its costs underwritten by the soft drink concern. The "infomercial" was hosted by Glenn Frey, the pop singer who does Pepsi commercials. It examined how the firm has used music over the years to sell its products.

HBO's big video

Home Box Office on October 9 premieres *The Making of 'Dancing on the Ceiling*, a half-hour program chronicling the making of a recent Lionel Richie video.

HBO aired the video back in August, all part of a package deal with singer-composer Richie—a deal that underscores the newfound competition that MTV faces in acquiring new and exclusive video product.

Not to be outdone on the pop music front, Viacom's Showtime pay service recently ran a six-episode series spotlighting the groups, the Temptations and the Four Tops.

'Tales' at Showtime

Viacom International's Showtime pay service has renewed *Shelley Duvall's Tall Tales and Legends*, ordering two new episodes from producers Platypus Productions and Gaylord Television.

Tales is the companion to the award-winning Faerie Tale Theatre. It features humorous live-action adventures and celebrities who play legendary heroes from American folklore.

The two new shows: *Ponce de Leon and the Search for the Fountain of Youth*, featuring Dr. Ruth Westheimer in a prominent role, and *Davy Crockett*, with singer Mac Davis in the title role.

HOME VIDEO

Prism Entertainment has acquired Lorne Greene's *New Wilderness* series. Greene will be both executive producer and narrator of the series, which will debut in February under a separate Prism line. Six programs will kick off the project, with new releases to be offered every three months. Also at Prism, the company has acquired 35 programs from the Granada Television catalog. The agreement marks the largest number of programs the London-based company has licensed to one home video supplier. Acquisitions include the *All for Love*, series of 10 one-hour programs; *Lady Killers*, 13 one-hour episodes; *Time for Murder*; *Brideshead Revisited*; Sir Laurence Olivier's *King Lear* and *The Jewel in the Crown*.

Seth M. Willenson has been named vice president of acquisitions, development and special projects at the video division of the Paramount Television Group. Willenson joins Paramount after heading his own management firm, which specialized in the motion picture and home video areas.

Reel Movies International, Dallas, has acquired 22 made-for-home-video titles, representing the largest acquisition deal in the company's five-year history. List of titles include *The Bruce Jenner Winning Workout*, *Remember Life* and *Kerouac*.

Karl-Lorimar Home Video is going to the Broadway stage via a package of four stage hits: *Sunday in the Park With George*, *That's Singing*, a tribute to the American musical theatre, *Lilly Tomlin*, Emmy-award 60-minute special, and Athol Fugard's *Master Harold and the Boys*.

The Trip to Bountiful, Academy Award winning film, will be released on videocassette on November 5 via **Embassy Home Entertainment.**

Commercials

Voices of authority: male vs. female

SAG voice-over group shows women pitch equally

A higher-pitched voice can pitch a product just as well as its male equivalent, according to a study conducted by McCollum/ Spielman for the Women's Voice-Over Committee of the New York Branch of the Screen Actors Guild. While the research firm had already conducted studies showing that women on-screen presenters are as effective as their male counterparts, this is the first such study dealing with voice-overs.

In a recent press conference in New York, actress Barbara Feldon told of her own dismay when her agent advised her not to try for voice-over work because 90 per cent of such work is done by males, whose voices have historically been considered more authoritative. She reported SAG members in Chicago and New York monitored thousands of hours of TV commercials to find that, of 71 cleaning products, 92 per cent used male voices; of 441 food and beverage commercials, 93 per cent used males; baby products, 81 per cent; and health and beauty aids, 77 per cent.

The McCollom/Spielman study, reportedly costing about $20,000, used the AC-T-2 method, conducting screenings attended by some 450 consumers—about 60 per cent female—in four regional test facilities. Commercials for Listerine mouthwash and Nestle Chocolate Morsels were shown to different groups with the regular male voice-overs and with female voice-overs inserted. This was done within a TV program, first as part of a seven-spot "clutter" sequence and then as one of four island spots. Attitude shift/ motivation was measured by selection of the product for inclusion in a prize market basket.

The study showed that 11 per cent of those hearing the male voice selected Listerine in preference to their regular brand and 12 per cent of those exposed to the female voice-over. For Nestle Morsels, a product where less brand loyalty is involved, the male voice scored 42 per cent switchover and the female 46 per cent.

A considerable portion of respondents could not remember if the voice-over was male or female. For example, in the female-voice version for Listerine, 29 per cent didn't remember, 47 per cent thought it was male and only 22 per cent identified the voice correctly.

British-accented v.o. pro advises single-mindedness

Does a British accent ring with greater authority? Well, it depends: How British is it? That's been the experience of Peter Gerald, who makes nearly his entire living doing voice-overs. For the past 15 years, he's worked for an average of 50 different national, regional and local clients in the course of a year. Included are Contac, KLM, Burlington Leg-Looks, American Express Gold Card, Scott towels and Colonial Williamsburg.

Born in Vienna of English and Austrian parentage, Gerald studied at New College, Oxford and a leading British drama school. Addressing the concern

Peter Gerald

of women about discrimination in voice-overs, he says, "Today, everybody is so hypersensitive about their proper place in the home and workplace that they tend to misinterpret reality." He notes he has been turned down on numerous assignments because of his accent, "but at other times, the very thing that works against me works for me. That can apply to women, too."

One saving grace for Gerald is that his accent isn't "too British." He's seen that serve as a barrier for others.

Gerald has appeared on-screen on only rare occasions, having determined early in his career that a single-minded approach to voice-over work would get him better results: "If you want to do something well, you wind up doing it almost exclusively. You have to devote the time and effort in going to meetings, doing demos and going to casting sessions."

He doesn't resent casting sessions, he notes, seeing them as an opportunity to keep up with people who are new in the field, particularly agency producers and directors. He notes there are still some "cattle calls" with 50 or more peo-

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Honey Nut Cheerios • D.F.S.

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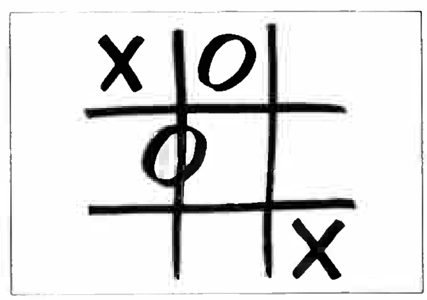
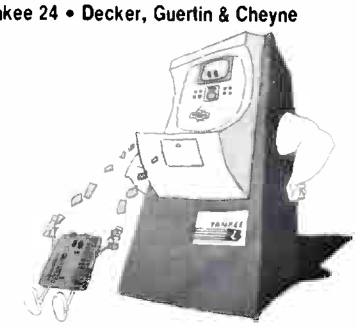
NYNEX-Tic, Tac, Toe • H.H.C.&C.



GIFFORD ANIMATION, INC., Harwichport, Mass.

Yankee 24 • Decker, Guertin & Cheyne



KCMP PRODUCTIONS, LTD., New York

Commercials *(continued)*

ple, but usually casting directors are more selective these days.

The actor estimates that 15 per cent of the casting sessions he has attended have both men and women trying out together but adds there are some where he has been called among other men and it is later decided that the voice should be a woman.

Estimating that there are about 50 actors across the country who are really active in voice-overs, he says this also includes women who have taken a studied approach to the craft. He points particularly to Joyce Gordon, a former president of the New York Branch of SAG: "She's taken the time to build up a reputation; she's embarked on that road and never deviated."

Among the more famous voices regularly doing voice-overs are Tom Bosley and Fred Gwynne. Gerald notes that there are also impersonations of famous voices—"I have people who impersonate me"—when the agency doesn't want to pay beyond scale—a $250.60 minimum for TV and $125.10 for radio sessions.

Gerald normally gets double or triple scale, not to mention sometimes heavy residuals on national commercials. He also get a fair percentage of his income from industrial recording.

Radio PSAs persist

Despite deregulation, the average radio station airs 18 PSAs a day, according to a survey conducted by Stephen Winzenburg, assistant professor of journalism and mass communications at the University of Wisconsin/River Falls. He reports alcohol awareness and religion are the most popular themes.

Winzenburg randomly sampled 310 radio programmers and found 99 per cent continued to air PSAs despite the fact that they haven't been required by the Federal Communications Commission since 1981. He found that one-fifth of all PSAs touched on drunk driving.

More than 85 per cent of stations surveyed aired some type of syndicated religious PSAs. When asked which syndicated religious PSAs they felt were "best," they overwhelmingly chose spots produced by the Mormons. Coming in a distant second were those from the Missionary Oblates, a group of Catholic priests, along with the U.S. Air Force and the Seventh Day Adventists.

The survey was conducted with stations in all major formats, with 36 per cent defining themselves as small market, 59 per cent medium and 7 per cent large.

When receiving syndicated material, 35 per cent prefer it sent on reel-to-reel tapes, 10 per cent discs, 1 per cent cassettes, and 54 per cent said it makes no difference. Only about half of program directors require the spots to be 30s.

Agency audophile

NBC-TV's new ability to transmit commercials in stereo has yet to create a stampede among agencies, but at least one agency buys the idea 100 per cent. That's Wells, Rich, Greene West, which specializes in entertainment advertising.

Larry Olshan, president, points out that stereo is a natural for movie advertising: "It just enhances the experience." And since the agency already gets the stereo sound tracks from the films, it is not confronted with the expense of recording in stereo. He notes the agency already has done stereo commercials for radio and MTV.

Olshan says the thrust in the future will be to use scenes from movies in which stereo is particularly important. He reports WRG West will probably be sending stereo commercials to NBC before the end of the year, adding, "We don't expect to have any releases that are appropriate for the next couple of months."

He believes the moviegoers in the target audience have a higher than average tendency to be the audiophiles likely to own a stereo TV set.

Contest entries sought

Entries for the 11th annual Television Bureau of Advertising/National Auto Dealers Association commercials contest are being accepted through November 28. A panel of automotive experts will judge each spot on the basis of creativity, time utilization, production excellence and especially sales appeal.

Top winners for both auto dealers and dealer associations in TV markets ranked in the top 50, 51–100 and 101-plus will receive their awards at the NADA convention in Las Vegas in February, 1987. Winners in last year's competition included both agency- and station-produced spots that emphasized dealer service and sales event promotions.

Those who may enter are dealers or dealer associations, agencies TvB member stations. Any number of commercials can be submitted, with an entry fee of $20 for each spot. Entries must be submitted as ¾-inch videocassettes, with as many spots on a cassette as desired. For each commercial entered, the advertiser's name, address

Videotape and Film Post Production Services

and key contact, plus the name of the organization, address and individual submitting the commercials must also be included.

Entries are to be sent to the attention of: Ms. Eleanor Pachanik, Television Bureau of Advertising, 477 Madison Ave., New York, NY 10022. Entry blanks may be secured by calling TvB in New York (212-486-1111) or Detroit (313-649-6688).

CLIO deadline upped

The CLIO competition has moved up its deadline for entries in order to cope with an expected record number of submissions. For the 1987 competition, all entries released before November 30, 1986 must be mailed by December 1, 1986. All advertising submissions launched during December, 1986 must be postmarked no later than January 2, 1987.

The last competition involved 21,709 entries from 53 countries, according to Bill Evans, CLIO president. Print and radio awards will be presented June 12 at a luncheon meeting at the Mariott Marquis in New York. Television, cinema and cable awards will be presented on the evening of June 15 at the New York State Theatre at Lincoln Center.

Hispanic copy tests

Introduced five months ago by Market Development, Inc., San Diego, Hispanic Copy-Trac, a quantitative Spanish-language copy-testing system, is already being used by a wide range of advertisers and agencies, according to Dr. Henry Adams-Esquivel, vice president of the marketing firm.

He reports it has helped marketers of bottled water and prepared Mexican food decide between the copy subtleties of abstract vs. product-based Spanish-language executions. For an air freshener manufacturer—an underdeveloped category among Hispanics—the technique measured the strengths of an educational Spanish-language copy strategy vs. the firm's general market copy strategy and indicated that the latter would overreach Hispanic consumers and have little impact on their disposition to buy.

Adams-Esquivel says the technique pinpoints such strategic issues as what the commercial really says in Spanish, how it communicates the intended message, what impact it has on purchase intent and how it rates in credibility, tastefulness and empathy.

A simple recall measurement isn't valid, he says, when the level of clutter and competitiveness is limited; when it isn't, marketers must go beyond identifying gross negatives.

Videotape and Film Post Production Services

Wall Street Report

Peregrine seen moving into black for 1986, doubling '85 revenues

Peregrine Entertainment, expected to record its first full year of profitability since new management began building it into a diversified entertainment organization in late 1983, recently received a purchase recommendation from Cyrus J. Lawrence, Inc., which makes a market in the company's thinly traded stock. The investment firm expects Peregrine, which reported a loss of $1.1 million, or 82 cents a share in calendar 1985, to report net earnings of approximately the same amount in 1986.

The company, with 1.38 million common shares, 30 per cent management ownership and 10 per cent institutional ownership, is traded over the counter. Lawrence cites its aggressive expansion program in the development, production and distribution of motion pictures for the foreign theatrical and worldwide television markets and in development and production of original programming for home video and first-run syndication.

$20 million in 1987

With revenues just short of $6.5 million in 1985, Peregrine is expected to double that amount to $13 million in 1986. Lawrence's revenue projections call for $20 million in 1987 and $27.5 million in '88. Through Together Again Productions, affiliated with Peregrine in early 1985, a new weekly syndicated series for this fall is *Dancin' To The Hits*, hosted by Lorenzo Lamas. TAP's partner in this project is Gaylord Production Co., which is funding the cost of the show in return for a recovery of its investment, a distribution fee and a share of the profits. The show has cleared over 70 per cent of the country, including the top 20 markets and CBS-owned stations, and Group W reportedly is selling national spots based on a 6 rating.

Several new shows are being developed for first-run syndication, one being *The Spectacular World of Guiness*, hosted by David Frost. TAP is also a participant in a 10-title *Kidsongs* home video project with Warner Bros. Records and View-Master Ideal Group.

Projects for HBO, CBS

The company's Peregrine Producers Group has produced a total of 31 films to date. Recent projects have included *Apology* and *Blackout*, both made for HBO, and *Rockabye*, produced for CBS. The group has agreements to produce five films for network or cable premiere during 1987–89, with 11 film projects in the development stage.

Peregrine Film Distribution licenses its 220–225 title film library to domestic TV stations, cable companies and foreign theatrical exhibitors and TV stations. Addition of another 300 to 350 titles to the library is a goal for early 1987.

The company began as an entertainment concern on December 30, 1983 through acquisition of EMI Television Programs, Inc. After acquiring TAP in early 1985, on April 2, 1986, Peregrine paid $4.2 million for a 49 per cent controlling interest in American National Enterprises, syndicator and distributor of theatrical films for TV and other markets. Neil Rosenstein, long-time investor and participant in several entertainment companies and, since 1983, the force behind Peregrine's expansion, was elected chairman of American National Enterprises. Last June 2, Peregrine completed preliminary discussion with American for statutory merger of the two companies. The effect of this on Peregrine's outstanding common stock will be to increase it by about 225,000 shares.

Peregrine Entertainment

Years ending December 31 (in 000s, except per share)

	1983	1984	1985	1986E	1987E	1988P
Revenues:						
License & distribution fees, profit participation		$4,415	$6,457	$12,500	$19,000	$26,000
Other				500	1,000	1,500
Total		4,415	6,457	13,000	20,000	27,500
Net income (loss)	(209)	(596)	(1,130)	1,170	4,150	6,500
Weighted average number of common shares and equivalents outstanding	1,114	1,369	1,381	1,650	2,050	2,150
Net income (loss) per share	(.19)	(.44)	(.82)	.70	2.00	3.00

Source: Peregrine Entertainment except for C. J. Lawrence estimates and preliminary estimates.

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Not getting enough information is the biggest mistake people make in radio station sales. Especially in today's volatile marketplace, where declining interest rates and deregulation have pushed trading activity to its most competitive level ever.

GLENN M. SERAFIN
Director —
Radio Broadcast Services Division
Glenn Serafin began his career in radio in 1971, and has worked in every area, from programming to reporting and sales. He spent 10 years in management positions with Associated Press before joining CEA.

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COMMUNICATIONS EQUITY ASSOCIATES

Investment Banking, Financial and Brokerage Services

"Though syndication won't replace the networks, it will continue to grow, if at a slower pace than we've recently witnessed, because it fills the need . . . for less reliance on the networks."

Ira Bass
Vice president
HBM/Creamer

Barter (*from page 46*)

receiving in syndicated programming, relative to the prices we're paying. There's always room for improvement, but, in fact, we already see improvement in the product because there's more first-run product today than we've seen in the past. We'd expect this to lend itself to higher ratings and to more opportunities for advertisers using television."

McCann's Simpson believes barter syndication "provides advertisers with flexibilities, increased efficiencies and a certain degree of leverage against the networks. More specifically for Coca Cola, first-run product like *Fame, Solid Gold* and *Puttin' on the Hits* gives us a program environment you can't buy on the networks—an environment that allows us to concentrate on those younger demographics that Coca Cola is looking for."

BJK&E's Drexler also points out that the syndication market "is driven by program form." He explains, for instance that syndicated children's shows "have opened up major new Monday–Friday opportunities in the kids' market. It's reached the point that the networks may cut back on the number of Saturday morning hours they devote to kid's programming." (See TV/RADIO AGE, *Children's TV*, August 4).

Teens, young adults

Drexler also cites other syndicated program forms "best suited to attract teenage and young adult viewers. Clients like Faberge and Nabisco Products appeal to these young people with syndicated shows like *Dance Fever*, *Solid Gold*, *Puttin' on the Hits*, *Fame* and *MTV Countdown*. For other clients we can reach an all-family audience with syndicated sitcoms like *Gidget*, or *Charles in Charge*. We use sports-oriented syndication for clients like Ace Hardware and Valvoline, and still other types of syndicated product reach audiences for our movie company clients—Lorimar and DeLaurentiis Entertainment—and for Ocean Spray, for Holiday Inns and for Lee Jeans. In most cases it's for the usual reasons: narrower audience targeting and good efficiencies."

Bruno Crea, senior vice president, associate media director at BBDO, says that during daytime, syndication "offers a way to reach the 15 to 17 per cent of female viewers who watch independents." Crea also points out that many of the syndicated shows in fringe time "make better sense for advertisers whose target audience is young adults. You can reach them on network primetime too, but there, you're also paying for tons of older viewers along with them. For clients catering to the youth market, syndicated programs edited specifically for them are more efficient."

The BBDO exec believes the syndication market "will continue to thrive so long as the producers and distributors can keep coming up with programs strong enough to meet our standards and allow advertisers and their target audiences a good choice. Barter syndication is certainly no fad. I think it will continue to enjoy a healthy market so long as its price ratio vis-a-vis the networks continues favorable."

Helping spot

And contrary to rep complaints about the avails that barter sucks up from the spot marketplace, HBM/Creamer's Bass is convinced that, "In a roundabout way I think syndication helps spot. The better choice of programming brings more viewers to the local marketplace, giving local stations larger audiences to offer to spot advertisers. So to the question of whether syndication dollars come out of the national or the spot budgets, the answer can be both."

Bass explains that his agency "buys syndication nationally as an alternative to network buys, and we also buy syndication market-by-market, depending on the strength of a show in each market it's in. *People's Court* does very well overall. But it's *not* Number 1 in every market, as its promotion might lead some people to believe.

"When we buy shows like this on a spot basis it gives us a chance to pick which shows are strongest in each target market."

But for the most part, the great bulk of barter dollars come from national budgets. Burnett's Hobbs says his agency invests in barter syndication because, "it provides alternative programming of reasonable quality at better cost efficiencies than we've been able to obtain from the networks. And the syndicated programs we buy are those that provide coverage close to national." □

"Syndication must always maintain a price gap between itself and higher network prices in order to remain attractive to advertisers . . . We will probably see that price gap narrow."

Mike Drexler
Executive vice president
Bozell, Jacobs, Kenyon & Eckhardt

Steve Goldman *of Paramount sees an indirect effect of meters on pricing in that an independent that knows it's going to be metered may project a higher revenue stream for a program and be willing to pay more.*

Metering *(from page 51)*

later. This relates to a situation Nielsen is currently investigating, where it is believed its metered sample included more over-35s and households without families than in the universe. As a result, O'Connor notes, programming geared to children and a younger adult audience went down as the sample changed, although primetime continued to show its improvement.

Despite all this, O'Connor states, results from the meter didn't appear to have anything to do with negotiations for product. He contends that syndicators aren't going to base prices on improved ratings because "They're not going to pay us back anything if it doesn't work after a year."

Syndicator practices

Shelly Schwab, executive vice president at MCA TV, where all programming is either straight cash or straight barter, says he has seen metering affect only the rates for which a syndicator can sell national time on a barter show. In cash deals, though, he says pricing remains based on three factors—what programming is selling for in a given market, revenues that stations are generating in the market and anticipated ratings.

"After you sell a show, you can't make an adjustment," he asserts. "If the meter shows double the rating you anticipated, this isn't going to have any effect on a four- or five-year deal." The only effect he can see is an increased demand for the show in markets where it has not yet been sold.

The closest to a formula based on ratings is reported by Roger M. King, chairman of King World Productions. He says his company's approach is to not only look at what stations in a market are paying for programming but to also estimate their revenues: "We can generally figure what they'll get for their time." Then programming is sold on the basis that 30–50 per cent is considered a fair markup for the station in terms of time sales vs. programming cost.

King asserts that stations all complain about what they pay for programming, "but look at what they make." He feels justified in raising the cash portion in a cash-plus-barter deal if ratings are expected to be higher because the station benefits from the high ratings in time sales as well as the syndicator.

Dick Woollen, vice president of marketing for Columbia Pictures Television, contends, "If an independent is in a position to get a better spot rate, he's also better able to pay more what we would like him to. But this is an additional factor, not the sole factor. It also depends on the number of stations in the market. If there's only one independent in the market, an increase in share doesn't mean it has to fight any harder to get the product."

He sees some spillover effect into non-metered markets, where the syndicator can use metered results as ammunition. Woollen can't perceive of independents not wanting meters because of anticipation of higher syndication prices, noting they have more to gain on Madison Avenue than they have to lose in programming buys.

Steve Goldman, executive vice president of sales and marketing at Paramount Television, sees an indirect effect of higher ratings via meter on the price of programming. After the supply and demand factor, he explains, "A station that knows it's going to be metered may be able to project a higher revenue stream and feel that it can pay more for the product.

"A lot of independents realize that, even with the diary method, if they have good programming on the air, they'll get recognition for it. If the second independent in the market buys a show like *Cheers*, that's going to allow it to go out and project higher ratings for it."

Barry Thurston, senior vice president, domestic syndication at Embassy Telecommunications, says of the metering situation, "I'd be surprised if anybody's put a pencil to it to determine what it means to overall prices. It has more meaning in barter sales because national sales of advertising is tied more to ratings. It's hard to figure that a series will be worth more, because it's generally sold over a period of time. "It will be difficult to go into Atlanta and say, 'Your market's going to be metered, and this show is therefore worth more.' " □

Roger M. King *of King World employs the closest thing to a formula based on ratings, looking at what a market pays for programs, estimating revenues and then selling programming on the basis of a 30–50 per cent markup.*

Shelly Schwab, *MCA TV, says, "If the meter shows double the rating you anticipated, this isn't going to have any effect on a four- or five-year deal." The only effect he can see is increased demand for the show in markets where it has not yet been sold.*

Jazz *(from page 54)*

of a slick AC," he explains, "we don't play a lot of Neil Diamond or Barry Manilow." Typical AC artists, he says, are Dire Straits, Steely Dan and Phil Collins, which he feels are more compatible with the jazz that comes later.

As for the jazz artists featured, "we're very contemporary, hit-oriented, with people like David Sanborn and Bob James and Lee Ritenour, although we do play Dizzy Gillespie and Oscar Peterson."

WMGK is a "soft" contemporary station, ranked fifth in the Philadelphia metro in the spring Arbitron with a 4.9 share for all persons 12-plus, Monday–Sunday, 6 a.m.–midnight. The station premiered its *Sunday Morning Jazz* from 8–10 a.m. in March. The move was made, says Bob Craig, program director, because "we were looking for another dimension to the broadcast day in the right demos, to give the station some flexibility."

Reason for expanding the show to four hours on July 27 was twofold: audience reaction and ratings. "The mail response, as well as the phone calls during the show have been very positive," says Craig. "And the ratings were a definite plus, too." During the spring Arbitron measurement period, the station's audience increased by 27 per cent between 8–10 a.m. on Sunday.

"At the Movies," *weekly half-hour series distributed by Tribune Entertainment, gets a classy send-off via a luncheon for reps and agencies, held recently at Tavern-on-the Green, in New York. From l., are MMT Sales' Jon Gluck; Joe Aiello, executive producer of "At the Movies;" and Petry Television's Jack Fentress. New hosts of the series are Rex Reed and Bill Harris.*

The jazz program, Craig adds, is designed to attract new sampling as well as appeal to regular listeners. Typical artists are guitarist Earl Klugh and vocalist Al Jarreau, who sometimes get some airplay during the regular schedule, primarily on the *Late Night Lovers Magic* segment from 9 p.m.–1 a.m.

Listeners were initially drawn to the jazz show primarily by word-of-mouth, Craig says, although "we did distribute flyers at various concerts."

Concert sellouts

The success of jazz in live performance, as well as in record sales, is what led KMGQ(FM) Santa Barbara to devote part of its broadcast day to the music.

"Concerts would sell out, and people were buying records—all without the benefit of airplay," says Stephen Meade, program director of the adult contemporary outlet, which began programming jazz on Sunday nights four years ago and added it on weeknights in July. Now the station programs jazz Monday–Thursday from 9 p.m.–midnight, Fridays and Saturdays from 9 p.m.–2 a.m. and Sundays from 7 p.m.–midnight.

Promoting its evening jazz as "the best excuse you have to turn the television set off," KMGQ attempts to make the transition from adult contemporary as smooth as possible. The switch, says Meade, "is not jagged edge because we do a lot of vocals [in the jazz segment]. We do as much Anita Baker as David Sanborn, for instance. And we don't do more than two instrumentals in a row. We call the show *Rendezvous*—it's jazz and a touch of soul."

Meade expects the jazz show to eventually expand forward to 7 p.m. Could it ever become a full-time format? "I would kinda like it if it did," he admits.

On the advertising front, the station is selling hourly sponsorships in the jazz segment. Sponsorship, Meade says, includes an opening billboard, closing billboard, one spot within the hour and two other mentions within the hour; and for this, the station charges a premium.

WQXI(FM) Atlanta, a CHR station, started programming jazz on Sunday nights from 7 p.m.–midnight eight years ago. In 1984, that was expanded to Monday–Saturday from 8 p.m.–1 a.m.

The original Sunday evening experiment was launched, says Jim Morrison, program director, because Sunday night is historically a weak one for radio due to television's very high cume. "We wanted to test the waters. As it happened, the music really matched the mood of listeners for Sunday night." The expansion to Monday–Saturday evening, he says, was an attempt to capture more adult listeners in a daypart that traditionally attracts younger listeners.

NBC Radio Entertainment's launch of *The Jazz Show*, hosted by David Sanborn, was based on the success of Sunday morning jazz brunches successfully mounted at both AC and AOR stations. Andy Denemark, director of programming, was especially impressed with the success at AOR outlet, KFOG(FM) San Francisco. "After KFOG had success with it, we started looking at it seriously," Denemark told TV/RADIO AGE last fall (*Sidelights*, November 25, 1985). "Then we went to a Burkhart/Abrams annual client meeting, and they recommended that one way to make an impact in the marketplace was to add a jazz brunch on Sunday mornings. Then a jazz brunch featurette started being added by mature rock stations in medium markets such as Albany, N.Y., Louisville and Omaha."

Dave Logan, a partner at B/A/M/D, was the program director at KFOG when that station launched its jazz feature. He remembers the "enormous success" the program enjoyed shortly after it was started in the summer of

MCA TV *played host recently at a luncheon in New York for advertising agencies and advertisers, marking the record-breaking premiere of "The New Leave it to Beaver" series, which was the top sitcom on cable television when it made its debut on WTBS on September 8. From l.–r., are Ralston-Purina's Jack Shubert; MCA-TV's David Brenner; Jerry Mathers (Beaver); and Barbara Billingsley (June Cleaver). The series is produced at Universal City Studios, and MCA TV sells the ad time.*

1983. "People would call up and say, 'Wow! What was that?' We got great love letters from listeners saying things like, 'I can't believe I'm hearing this on the radio.' "

Logan feels the music appeals to the 25–34 year-old age group, "which is developing more sophisticated tastes."

In Philadelphia, 'adult' AOR station WIOQ(FM) is currently running the Sanborn program on Sunday mornings from 8–10 a.m., head-to-head with WMGK's local jazz programming. Chuck Browning, program director, says the station also incorporates jazz into its regular playlist and is "talking about increasing it. Research shows that, within reason, there's a hunger for this type of music."

Although the Sanborn show was originally designed for Sunday morning, many of the 109 affiliates are airing it late on Saturday or Sunday nights. One of them, in fact, is NBC-owned WYNY(FM) New York, an adult contemporary outlet, which airs *The Jazz Show* at 11 p.m. on Saturday, following a weekly Frank Sinatra segment.

Another station airing the Sanborn show at night (10 p.m.–midnight on Sundays) is WMJI(FM) Cleveland. The Jacor outlet does not program any other jazz, but runs the NBC show, according to Rick Torcasso, program director, "to add new value to the radio station image-wise in a daypart that complements the environment." Weekends, he feels, have generally been too passive, and this is something the station can promote.

Jazz network

KKGO Los Angeles is in the initial stages of putting together a jazz network that it will launch January 5. According to Saul Levine, president and general manager, "We have had several inquiries from stations in markets such as Albuquerque, Cincinnati, Sacramento."

Levine hopes to have about a dozen affiliates by the time the programming (7 p.m.–6 a.m. Pacific time, seven days a week) is being distributed. He declines to identify any of them because competitive strategy is involved. However, he breaks them down into three categories: Stations such as those previously mentioned that want to program jazz in the late evening or early morning hours; AM outlets looking for a new format; and all-jazz stations that want to cut costs.

The music, he says, "will not personify any movement or trend. It will be balanced—middle of the road jazz." The service will be transmitted live via Satcom IR.

Easy listening impact

While easy listening stations are generally not among those programming jazz blocks, increased appeal of jazz is having an impact on the playlist.

"We're beginning to blend jazz elements into our everyday format," says Steve Hibbard, director of easy listening at The Program Consultants (formerly TM Communications). "Jazz-flavored material helps brighten up the format, and there are jazz arrangements that are melodic and don't stray too much into improvisation."

"Jazz," says Steve Hibbard of The Program Consultants, "is going to play an important part [in the easy listening format] . . . Jazz-flavored material helps brighten up the format, and there are jazz arrangements that are melodic . . ."

Hibbard cites such artists as Earl Klugh, George Benson and Chuck Mangione as fitting this description.

There is something of a paradox here, he points out, in that some of the jazz tunes are not recognizable songs. "The format has always been successful because of the familiarity of the melody," he says.

On the other hand, "the instrumentals that people are willing to go and pay money for are jazz records.

"Jazz," he continues, "is going to play an important part [in the easy listening format]. All of the stations using our music are playing things such as I have described." He cautions that, "it has to blend into the other music. You have to be pretty conservative, staying away from anything bluesy." However, "a lot of the things that Earl Klugh and George Benson are doing are bouncy and very melodic." □

MTV-look (*from page 48*)

not solving the problems of the world." He contends that 90 per cent of the products advertised are parity products, and, among those, there are a good number of products that are "not solving the problems of the world," so the best that can be done is to leave the viewer with "a pleasant sense about the product."

Where fast-paced commercials may not succeed in conveying certain emotions, Hoffenberg adds, they can succeed in "taking the viewer's breath away" and leaving him with a "wow" sensation—such as the thrill of riding the advertiser's motorcycle. "When it's senseless and meaningless," he adds, 'that's when it falls apart."

Rob Nolan, executive vice president of creative services at Leo Burnett, contends that whether quick-cut commercials are right for the product depends on the emotions the advertiser is attempting to evoke and who is being addressed.

He notes that vignette commercials have been around for years and that they are successful when used to demonstrate the kinds of things that can surround a product.

Burnett used a vignette approach for a one-time only commercial for McDonalds to precede the last Super Bowl. It showed players preparing for the game—pulling on jerseys, putting black under their eyes. But the commercial at the end of the Super Bowl was one long shot. Also, a Burnett commercial for Commonwealth Edison used vignettes to show how much electricity the consumer can buy for a nickel.

The disadvantage of the approach, Nolan adds, is that emotion can't be shown, nor is it easy to get viewers to identify with people in commercials. "Around here," he asserts, "no one is into technique only. Technique is no substitute for ideas. I see things on TV where they just don't make sense to me—where people are using technique instead of ideas."

But he also points to some fallacies in the criticisms of fast-paced commercials. He believes, for one thing, that they don't win as many awards as people in the industry believe they do. He also believes they are not restricted in appeal to the younger market. Finally, he contends that human emotion can be elicited without actually showing emotion; for example, a quick-cut food commercial can generale appetite.

"We go through these trends all the time where everyone hops on the bandwagon," says Patrick J. Cunningham, executive vice president and managing director of creative services at N W Ayer. "Now I've heard that MTV is out, even though my kids still watch it."

Young people concentrate harder on what they see on the screen, says Arthur Meranus of Cunningham & Walsh, so they're more attuned to fast-paced action in commercials than are older persons, who may also be worrying about paying the mortgage while viewing.

He says Ayer has used the technique in several commercials primarily to communicate with a younger audience that is used to fast cutting, but he cautions, "It's only a technique. If it's used in lieu of an idea, then it's out of place."

Cunningham points out that quick-cut commercials that have worked for Ayer have done so because of the simplicity of the idea. For example, Gillette had decided that the time for Dipity-Do hairstyling gel had again arrived because of the range of hairstyles emerging. The new commercial, which has run on MTV as well as broadcast TV "communicated the different hairstyles you can get in a contemporary way."

Similarly, for J. C. Penney, spots for teenage fashions used contemporary music and quick cuts to show the diversity of fashions through a young man and woman trying on a variety of clothes.

"There's always an overkill," Cunningham contends, "and you can't predict when a technique will go out of style. But fast cutting and music are not new. It's just that there's now a medium that delivers it on a regular basis."

Arthur Meranus, executive vice president and director of creative services at Cunningham & Walsh, finds himself on both sides of the fence. He asserts, "There are rules for doing it, but a major one is that you have to be single-minded."

Recent commercials for Citrus Hill orange juice and for Crush have followed this principle. The Citrus Hill

Leo Burnett uses a vignette approach to show consumers how much electricity they can buy for a nickel.

A nickel's worth

In the Picture

Bertram M. Metter

Veteran of 26 years at JWT points to importance of "enjoying the job, especially if it's a creative one," and of "making sure your creative talent knows that their good work is recognized and appreciated." He started as a copy writer and intends to "stay close to our creative product, no matter how high up the ladder I get."

New CEO of JWT USA puts faith in common sense approach to new products

Shortly before his recent promotion to chairman and CEO of J. Walter Thompson USA, Bert Metter was assigned supervision of all subsidiaries and overall new business responsibilities for JWT/USA. The way he recommends winning new accounts is to, "Show the prospect good advertising related to his business and to his customers. And it doesn't matter what you promise: It's what you deliver after that that keeps the account."

Beyond that brief bit of advice, Metter says he "tends to be extremely tight-lipped about our new business strategy, because if you print exactly what we do, pretty soon every prospective client is going to think he's watching a rerun of the same movie everytime the next agency calls on him with the same approach, the same style and the same set of devices that we use."

As for new products, Metter notes that "While we can't take all the risk out of a new product launch, we can improve the odds by doing our homework, researching the target audience, doing the consumer testing on category and brand preference, and, through it all, using a lot of plain common sense."

Outside of that though, Metter sees most new products as "like a new movie or a new Broadway play. You can line up the top stars, put them under the best director, and that same combination that turned out last year's box office smash can lay this year's biggest egg. If anyone really had all the answers on what makes a new product fly, there'd be a lot more of them than there are."

Started as a newspaperman

Metter always wanted to be a writer and his first job was with the *New York Daily Mirror*, which, he recalls, "had the greatest horse racing coverage in New York." He started with the intention of becoming a reporter, but the opportunities were more plentiful in the promotion department: "They let me write ad copy. At first, whenever I got the chance, I'd go down and visit the news room. "But as I began to find out that the advertising side was as much fun as the news room, I spent less and less time in the news room and have stayed with writing advertising ever since."

Fun is important to Metter: "No one can do standout entertaining work if he's bored, or if he feels his efforts are going unappreciated and he's being ignored. People—and especially creative people—have to like what they're doing. If they don't, it shows."

He concedes, though, that money "is important," and that, "one of the great things about this business is that, if you're good at it, it's one of the best ways I know to make a good living and have fun at the same time. The salaries are higher than those in most other professions, and that's a big attraction.

"But as important as the money is, I think the hidden agenda—the psychological factors like ego satisfaction and pride in what they're doing—can be even more important in getting the best work out of people. Creative people, especially, want to be encouraged to express themselves. And when they do something well, they want recognition. If a writer is any good and he finds himself in a drudgery situation, then he's at the wrong agency."

Staying close to creative

On his new job, Metter says, "I started in this business by making advertising, and as I've moved on I've never gotten away from that. I don't want to find myself so wrapped up in financial operations or administration that I lose sight of what's important and of what we're here for, and that's production of good advertising that does a job for the clients. The last thing I need is to eat up a lot of time signing a pile of forms all day that someone else could be doing with a rubber stamp. I want to continue to spend my time close to the creative process, reviewing our work, critiquing it, and making suggestions for improvement."

He adds that he expects to do this regardless of the tempo 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 helps its clients grow. I'll stick to earning it."

Despite the importance he attaches to "enjoying what we do for a living," Metter admits that "There's rarely much that's very funny about a new business project when we're in the middle of one." But he does look back now and recall the time when "We were presenting in Milwaukee, competing for the Lowenbrau business, and working out of our Chicago office. Chicago to Milwaukee is too close to fly, and I wanted to squeeze in one more rehearsal. So we rented one of these luxurious buses, complete with kitchen, and staged our dress rehearsal right there, bouncing along on the bus to Milwaukee. It was like being in a band on tour, on its way to its next gig in the next town. That's one time I can look back on a new business pitch and say, 'Something funny happened on the way to the client.' "

commercial, for example, utilizes 56 cuts in 45 seconds, including a variety of juice drinkers and shots of oranges, Citrus Hill packages and particularly shots of a cubed heart of an orange. Meranus comments, "If we had pulled viewers in different directions, it wouldn't work. But all the visuals add up to the same thing—that Citrus Hill has juice from the heart of the orange." He reports that both the Citrus Hill and Crush commercials got strong recall scores in testing.

Meranus points out that Coca-Cola and Pepsi-Cola have been using the approach skilfully for years, as have airlines and such advertisers as G.E. appliances. "What's driving it now," he holds, "is new and better use of young, upbeat music."

He believes that young people have become especially adept at grasping the meanings conveyed in fast-paced commercials, while they cannot be used to the same degree for an older audience—"and the music has to be a little slower." He contends that young people concentrate harder on what they see on the screen, while older people are more absorbed in other things: "Kids aren't worrying about how they're going to pay the mortgage." He adds that quick-cut commercials are only getting more attention now because certain advertisers are doing them better.

Natural candidate

At Wells, Rich, Greene West, the quick-cut approach is the dominant technique used—because the operation specializes in motion picture advertising, which president Larry Olshan believes is a natural candidate for this type of treatment.

Olshan notes that 75–80 per cent of movie tickets are sold in the first two weeks and, with film footage typically used, there is sometimes a problem in getting the footage on time—sometimes because the filmmaker won't release it. On such occasions, the agency has been forced to use a fast-paced montage of stills. "If it's done well," he reports, "it can be very effective."

Discriminating viewers

With the majority of films targeted to youthful demographics, Olshan takes comfort in knowing his target audience understands the approach. But he adds, "They also know bad from good in terms of videos. And aside from that, we still have to give them an idea of what the movie's about. If you do too much too quickly, it looks like you're covering up a bad movie." □

the marketplace

CBI *(from page 53)*

ing on the sub continent, Wear notes. "It doesn't look promising." As for Hungary, there is still no final agreement.

Wear's feeling about barter: "It's a good conceptual alternative to license sales. But it's time-consuming and you have to pick your shots. In general, it's good for any country where money is scarce and there's an emerging commercial marketplace."

Executive alignment

In the meantime, Wear has his top executive echelon in place. Late last month, he announced four major appointments in the restructuring of CBI.

Reiner Siek, a West German, was named vice president, sales and marketing. He had been vice president, international sales and administration, since 1985, when he was brought in to New York from London, where he had been CBI managing director for Europe starting in 1983.

Before that Siek had worked for Polygram Film and Television for 11 years, his last post for that company being U.S. area manager.

Alice M. Henderson was appointed vice president, sales and marketing services. She is responsible for three support areas: operations, communications and administration. Previously, she had been vice president, program practices, since 1981, and had worked in that area, which has been cut back in personnel recently, since 1969.

A third key executive is Arthur F. Kane, named vice president, programs. This responsibility includes acquisitions from within CBS, such as news and sports, as well as from outside, worldwide sources. It also includes program development, including co-production. Kane had been named vice president, acquisitions and worldwide advertising sales for CBI last year, and was managing director, international sales, from 1982 until last year. Before joining CBI, he was director, international sales, CBS Sports, from 1978 to 1981, was vice president, international marketing, for Viacom International from 1971 (when CBS Films was spun off from CBS) to 1978 and assistant director, operations, CBS News, from 1961 to 1971.

Completing the executive quartet is Jay Rosenstein, whose responsibility is only partly described by his title, vice president, business development. He is responsible for new business development, both domestic and international, but also for the SportsChannel partnerships (New York, Chicago, Philadelphia, Boston and Detroit), "broadcasting ventures with other CBS groups and divisions," Extravision, the teletext service, plus related data transmission opportunities and CBS Cable Connect, which sells time on regional cable interconnects.

These various functions and partnerships are exceptions to Wear's emphasis on program sales, of course, but they are not expected to distract CBI from its central thrust.

The restructuring of CBI continued early this month. On September 5, Siek named Maria Komodikis director, international sales. She will be responsible for all business sales to international broadcasters outside of Europe. Reporting to Komodikis in her new capacity will be CBI agents and sales reps around the world.

Named at the same time by Henderson was Joseph DiCerto as director, communications, and Ralph Dale as director, administration. It was also announced that Gregg Phillips will continue as managing director, Europe, responsible for all sales to broadcasters in Europe (East and West), Africa and the Middle East. Reporting to Siek, Phillips will, in addition, supervise the remaining distribution of CBS Productions' theatrical films—that is, distribution to TV. (There are other arrangements for theatrical distribution, which is handled in the U.S. and Canada, except for one feature, by Warner Bros. and in the rest of the world by J&M Films, Ltd., a London-Los Angeles-based distributor.) Another key executive who will continue in his present post is David P. Berman, director, operations and production. Reporting to Henderson, Berman will also be responsible for the technical and production consulting services CBI offers to broadcasters worldwide.

Division's origins

CBI's short but checkered career (see also stories in the October 15, 1984, and June 10, 1985, issues of TV/RADIO AGE) began in 1981 when it was set up to sell CBS-produced programming to foreign markets and to non-broadcast markets and "new technology media" in the U.S. Two key executives were paired to set up a permanent international sales structure where there had only been ad hoc efforts before. One was Kane, brought in from CBS Sports, where he was already international sales director. The other, Joseph P. Bellon, was brought in from CBS News, where he had created a department to develop and market news and public affairs for various media, including foreign broadcasting, in-flight and home video. Eger was hired by Gene Jankowski to "pull two independent efforts together," according to Wear.

The operation started as a sales organization, but then things got complicated. In 1982, CBS acquired Black Hawk Cable Communications, a 35-channel system in the Dallas-Ft. Worth market. The FCC had granted a waiver allowing CBS to own cable systems with up to 90,000 subscribers. In 1983, CBS-TV launched "Extravision," described as "the first national over-the-air teletext information service." The same year CBS set up CBS Interconnects-Chicago, later called CBS Spot Cable Sales and now, as noted, CBS Cable Connect. These and Black Hawk Cable were folded into CBI; later, the Black Hawk system was sold.

Then in 1984 two transformations took place. First, the CBS/Broadcast Group's Worldwide Enterprises (CWE), incorporating CBI, was set up "to develop new opportunities with—and ongoing business relationships between—CBS and other broadcasters throughout the world." This was followed shortly by the establishment of the CBS Productions Division to consolidate the Theatrical Films Division and CWE. The Films Division had been re-activated in 1979 as a unit of the Entertainment Division. It was transferred as a division to the CBS/Broadcast Group in 1982.

Global theory

Under the articulate John Eger, CWE was seen as playing a leading role in the eventual increase in the bartering of programs around the world. The year CWE was set up, the newly-formed Global Media Commission of the International Advertising Association turned out its first position paper. Eger was chairman of the Commission, and it was no coincidence that the position paper referred at one point to "world-class products being sold by uniform advertising campaigns on commercial television around the world."

Whatever, the eventual outcome of barter in the future, Eger's vision for CWE was clouded by the intrusion of the Film Division, which was suddenly joined to CWE in the belief that CWE needed more product. The Film Division was phased out earlier this year. It was not the first time a U.S. network failed at sustaining a movie production operation. In any case, Wear says the Film Division had diverted attention from international program distribution. CWE and CPD (CBS Production Division) were dropped as names and CBI emerged again.

The most recent organizational development, hot on the heels of the ousting of Thomas H. Wyman as chairman and chief executive of CBS, Inc., and that of Van Gordon Sauter as executive vice president of CBG and president of CBS News, was a change in the reporting lines. Wear, who had reported to Sauter, now reports to executive vice president Thomas F. Leahy.

Despite all the changes in CBI's structure, it "makes quite a bit of money," according to Wear.

Profitable Unit

Despite all the changes in CBI's structure, the unit "makes quite a bit of money," according to Wear. Certainly, he says, there's a good ratio between revenues and the cost of sales. That's partly because programming is not a large expense to CBI. "Our core product is product made for another purpose," Wear points out, noting that the cost of such product is, is most cases, already written off. So the cost to CBI, essentially a bookkeeping transaction, is low.

While CBI can acquire product, its inventory depends essentially on what CBS produces. News material is relatively stable in quantity, but the entertainment genre depends on the vagaries of taste, creativity and chance. Last season, says Kane, entertainment program sales probably represented the biggest single revenue category for CBI. Besides the CBS-produced *Twilight Zone*, there were over a dozen episodes of *Foley Square;* seven hours of the miniseries, *If Tomorrow Comes*, based on Sidney Sheldon's book; 22 half hours of the animated *Story Break;* eight to 10 TV movies (about par) and CBI's best seller, *60 Minutes*. The story for the coming season is not yet told, of course.

The next phase in Wear's attempt to boost cash sales is an examination of the program portfolio to see what more can be done to expand it. Wear is not inclined to dismiss opportunities out of hand and is even considering bidding for sports events.

In any case, he is confident of the future. "CBS has remained committed to international sales since 1980," he says. He believes the market will continue to grow and while he won't quantify the sales picture, he feels "events augur well" in that area. □

Inside the FCC

Tracking economic impacts of the cable industry: both direct and indirect

The following is excerpted from "Impact '86: A Report of Cable Television's Impact on the U.S. Economy, commissioned by Daniels & Associates and prepared by Browne, Bortz & Coddington, Inc. The study is based on information from a wide variety of sources, but heavily relies on secondary data from the Federal Communications Commission and the U.S. Department of Commerce.

Direct impacts incorporate the employment, personal income and related economic effects of cable operators themselves, or those companies actually providing cable service to subscribers. According to the *Television & Cable Factbook*, there are approximately 1,000 separate cable operating companies, providing service in 7,600 separate systems. They range in size from TeleCommunications, Inc., which reported 1985 revenues of $577 million, to small, single system "mom and pop" operators with annual revenues of $100,000 or less.

According to the Federal Communications Commission, cable operating companies employed a total of 72,306 full-time employees in 1985, an increase of 4,878, or 7.2 per cent, from the 1984 level. Cable operating employment was split across a number of job categories:

Category	*Number of jobs*
Officials and managers	11,288
Professionals	2,835
Technicians	13,390
Sales workers	7,126
Office/clerical	20,673
Craftsmen	4,947
Operatives	10,790
Laborers	876
Service	381
TOTAL	72,306

These numbers understate total cable operator employment in that they exclude cable systems with five or fewer full-time employees.

Based on the 1985 FCC numbers, standard industry subscriber-per-employee ratios, and adjustments for employment at smaller systems not incorporated in the FCC counts, Browne Bortz & Coddington, Inc. estimates that 77,400 employees currently work directly for cable operators.

The local service nature of the cable industry is apparent from the fact that 94 per cent of all direct cable employment is at the system level.

In addition to direct employees, cable operators also hire a large number of persons on a contract basis for such tasks as installations, audits and direct marketing. Based on a review of system level data, BBC estimated that cable operators employ an additional 5,100 persons on a contract basis.

Direct cable operator employee compensation, including benefits, was estimated at $1.82 billion for 1986. This corresponds to approximately 18 per cent of revenues and 28 per cent of operating expenses.

Including contract employees, direct employee compensation was estimated at $1.94 billion, or 19 and 30 per cent of operating revenues and expenses, respectively.

Linked economic activity

Linked economic activity encompasses the jobs, income and related economic activities of firms supplying services to cable operators. Linked suppliers will receive approximately $6.0 billion for cable activities in 1986:

Economic sector	*1986 linked industry revenues (millions)*
Contract construction	$ 350
Manufacturing	1,168
Transportation, communications and public utilities	
Programming	2,415
Other	425
TOTAL	2,840
Wholesale and retail trade	200
Finance, insurance and real estate	382
Services	1,093
TOTAL	$6,033

Not surprisingly, transportation, communications and public utilities is by far the largest sector, accounting for almost half of "linked service" revenues. This stems from the revenues of the basic and premium services ($2.4 billion) being credited to this sector.

Linked contract construction activity includes a large number of companies providing contract construction services to cable operators, ranging from complete turnkey newbuilds and rebuilds, to more limited activities in makeready, apartment prewiring, drops, etc.

Contract construction activity is clearly declining as the initial U.S. cable build comes to a close. Still, 1986 purchases of contract construction services by cable operators will approximate $350 million, with ongoing work in several remaining large center city builds as well as continued rebuilding activity. This figure excludes the value of construction using in-house cable operator employees.

A precise count of the number of firms providing contract construction services is unavailable. However, the 1986 *Cable & Station Coverage Atlas* lists more than 200 separate companies under the heading

"Cable TV System Construction & Installation Services" giving some idea of the number of firms involved in cable construction activities. While most appear to be relatively small companies, certain major national construction firms, such as Burnup & Sims, also serve the cable industry. Telephone companies, including the Bell Operating Cos., similarly provide cable construction services on a contract basis.

Construction employment and compensation directly linked with the cable industry were estimated through use of the input/output model and independently through extrapolation of data from the U.S. Department of Commerce. Estimates are:

	Linked construction activity, 1986
Revenues (millions)	$ 350
Employees	5,000
Compensation (millions)	$ 110

Manufacturing activity

Manufacturing activity linked with the cable industry is dominated by electronic products such as coaxial cable, subscriber converters, line amplifiers, passives, and headend and studio equipment. The manufacturing classification also includes "Printing, Publishing and Allied Industries"; in the case of the cable TV industry, this incorporates program guides, an active trade press, and the printing of various promotional materials. Revenues in the manufacturing sector directly linked with cable TV were estimated at almost $1.2 billion for 1986, making it second in size only to transportation, communications and public utilities. Electronic equipment accounts for approximately 80 per cent of this total, followed by guides and the trade press.

Manufacturing revenue and resulting economic impacts have been adjusted to reflect off-shore manufacturing activity. Most converters are presently manufactured outside the United States while the majority of other cable related manufacturing represents domestic product. Even in the case of converters, a substantial portion of their cost to cable operators represents value added to the American economy because most research & development, sales and management functions occur in the United States.

Recognizing some duplication across product lines, the equipment manufacturing sector of the cable industry also includes a substantial number of firms.

Printing and publishing activities linked with the cable industry also comprise a substantial business in their own right. About a dozen separate program guides are actively marketed to cable operators. BBC has also identified more than 40 trade publications, including magazines, newspapers, newsletters, and annual directories, actively covering cable television.

Manufacturing sector employment directly linked with the cable television industry was estimated to exceed 12,000 employees; related compensation approximates a half billion dollars:

	Linked manufacturing activity, 1986
Revenues (millions)	$ 1,168
Employees	12,200
Compensation (millions)	$ 480

Programming expense

Following direct employee compensation, purchases from program suppliers represent cable operators' greatest expense. The two largest categories are payments to premium television suppliers (e.g., Home Box Office, Showtime, The Disney Channel) and "basic" program services (CNN, ESPN, MTV, etc.). Also included in the programming classification are miscellaneous purchases of program product for pay-per-view and local origination or access programming.

BBC estimated that total program service revenues directly linked with the cable industry will approximate $2.4 billion in 1986. By far the largest component is payments to premium program suppliers (including premium regional sports services and pay-per-view), approximately $1.4 billion in 1986. Cable operators will also pay basic program networks an estimated $290 million.

The basic cable networks have a dual revenue stream—cable operator payments and advertising revenues. Network advertising revenues, net of advertising agency commissions, are estimated at $650 million. As such, total basic cable network revenues approximate $940 million in 1986.

Unlike certain other industry suppliers, cable program services are distinct companies, focusing almost exclusively on the cable business, and hence are easily identified and measured.

BBC developed estimates of cable related employment and compensation in the program sector from a number of sources including a telephone survey of the major program services. Dun & Bradstreet's *Dun's Market Identifiers* database, the financial reports of public entities and estimates for programmers from which data were otherwise unavailable.

In total, the cable program networks employ approximately 8,200 people; total employee compensation was estimated at $250 million.

In addition to program services, cable operators purchase a variety of other goods and services from suppliers in the transportation, communications and public utilities (TCPU) sector of the economy. Examples of suppliers include: telephone companies (pole and conduit rental, telephone service), other utilities (electric, gas, water, sewerage, pole and conduit rental), microwave common carriers (program transmission), various transportation services (e.g., airline travel by cable operating personnel) and radio and television broadcasters (purchase of advertising time).

Total nonprogramming TCPU revenues directly linked with the cable industry were estimated at $425 million, the majority representing payments to various utilities (telephone, power, water, etc).