Television/Radio Age

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March 2, 1987 • $3.50

First in 1947

On January 22, 1947, KTLA made history when it signed on the air as the first television station west of the Mississippi.

Television/RadioAge

March 2, 1987 *Volume XXXIV, No. 16*

BASEBALL PREVIEW

Top advertisers in network TV, spot TV, network radio and cable, see pages 22, 29, 31 and 51.

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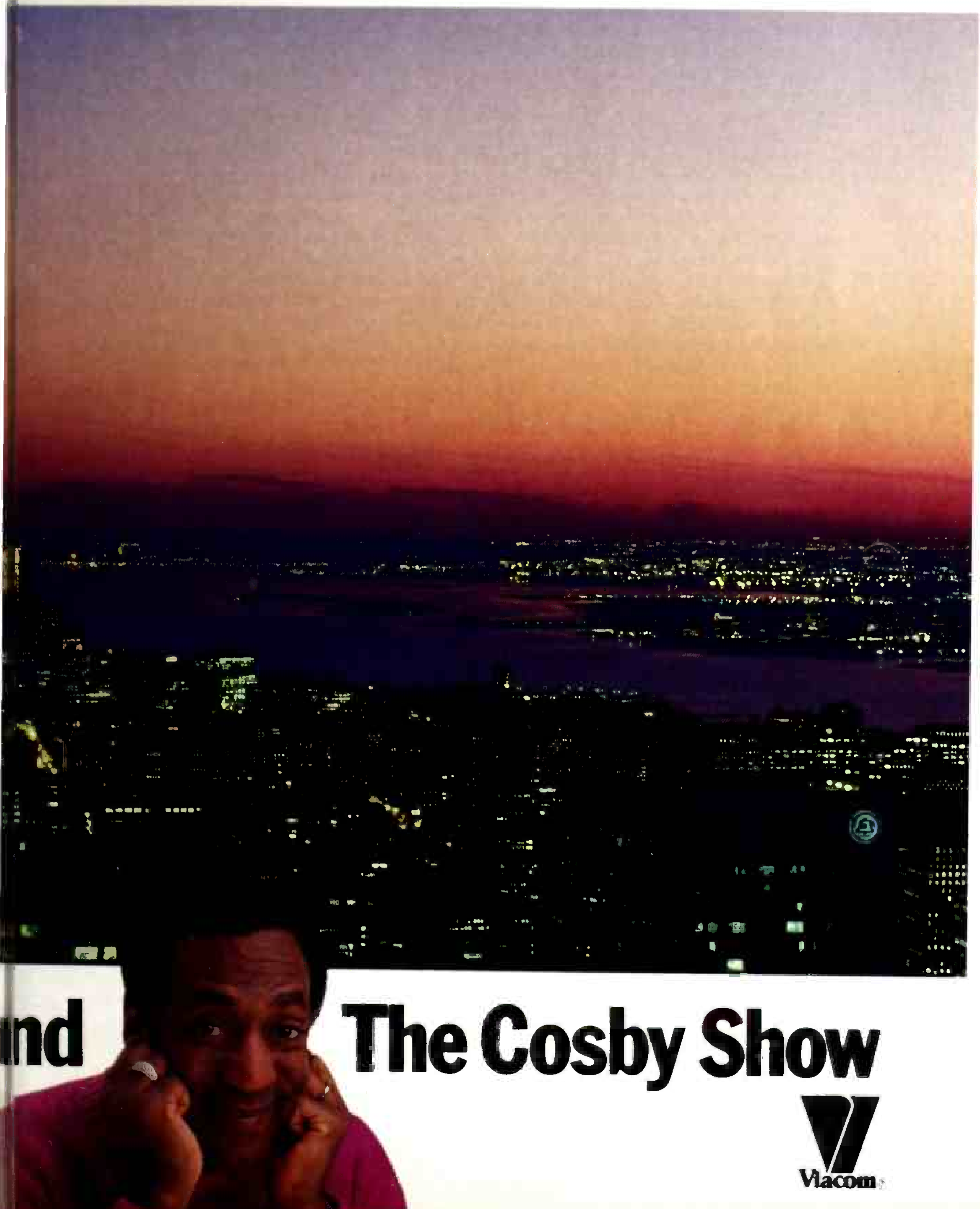
Changing the balance of powe

WOR-T

n the New York market.

'e bought Cosby because it will not only take its time period but it will significantly assist
positioning WOR-TV as the leading independent in the country's number one market."

Pat A. Servodidio, *President, RKO Television, New York*



nd The Cosby Show

Viacom

Publisher's Letter

The Broadcasters of Summer (1987) to have strong baseball season

Baseball and the broadcast medium have a natural affinity for each other. They should have—considering that there are more hours of baseball broadcast on radio and television than any other sport.

Yet it has only been in recent years that Major League Baseball understood the potential of baseball as a programming asset. And according to our lead story, the Broadcasters of Summer 1987 will have probably one of the best seasons in several years.

After an exciting World Series, preceded by the League Championship Playoffs, baseball will soon raise the curtain on what promises to be one of the best years financially in the history of the game.

Part of this is due to the continuation of a favorable six-year major league contract which pays the majors $1.1 billion over a six year period. Total broadcast rights from all sources—local and network—for the coming year will total approximately $300 million. As our story points out (this is the 30th year we have done the baseball roundup story), local television and radio rights will top the $100 million mark. What is significant is that the $200 million in fees from national sources is pooled and divided among the clubs. It took many years for the baseball moguls to agree to allow games to be broadcast or televised on a national basis.

For many years, there has been a movement to pool all rights—stubbornly resisted by George Steinbrenner of the New York Yankees, Nelson Doubleday of the New York Mets and John McMullen of the Houston Astros. Although this would benefit all of baseball and strengthen all the clubs, it has been resisted for many years, although the system works effectively in football. The pooling of the revenues from rights fees was first suggested by Gabe Paul about 40 years ago when he was president of the Cincinnati Reds. The sportswriter Red Smith called it a progressive move but doubted it would ever come off. He was right. The only person who bought the concept was the late Phil Wrigley, who owned the second most valuable franchise in baseball at the time—the Chicago Cubs. Both men had one trait in common—a dedicated interest in the future of the sport.

Finally saw potential. It wasn't until Baseball Commissioner Bowie Kuhn, as he relates in his new book, *Hardball*, hired Tom Dawson, former president of the CBS Television Network, and later Tom Villante, formerly of BBDO, that baseball moguls began to see the marketing potential of the sport. But it was not without great resistance every inch of the way.

Several years previously, John Fetzer, who owned the Detroit Tigers as well as television stations in Kalamazoo, Mich., and in Lincoln, Neb., showed Major League Baseball how it could package the All-Star Game, the World Series and the *Game-of-the-Week* into a $50 million package. It was a novel idea that benefitted Major League Baseball as well as television for a group of club owners who were naive and at times arbitrary and stubborn about the medium.

Bowie Kuhn was dedicated to baseball and he understood the intricacies of the broadcast business. He knew that, with the advent of cable and superstations, pooling of revenues was at least a partial answer to the new technology, but the old guard refused to go along. After negotiating the best contract the major leagues ever had, the same group of owners showed their gratitude by firing him.

S.J. Paul

THAT'S WHY V
THE PEAK I

130 MARKETS SOLD. OVER 86% OF THE COUNTRY.

For 130 television stations, there was only one thing scarier than Friday the 13th: Not having it.

FRIDAY THE 13TH THE TV SERIES

That's why 70 affiliates and 60 independents across the U.S.A. have bought it. Finally, there's a late-night show where people don't talk. They scream. And soon, they'll be screaming for more.

ENTERTAINMENT TONIGHT

RENEWED FOR ITS SEVENTH SEASON.

After six years, "Entertainment Tonight" is still the proven alternative to hype, hope and hoopla. No wonder stations in 26 of the top 30 markets are already on board for our seventh and most exciting season yet.

115 MARKETS SOLD. OVER 80% OF THE COUNTRY.

The most anticipated event in television history has just become a reality.

STAR TREK THE NEXT GENERATION

Now, as the "Star Trek" legend continues, these 26 first-run hours will accelerate your ratings, demos and sales to warp speed.

INTRODUCED
ERFORMERS

MARBLEHEAD MANOR
A NEW COMEDY

100 MARKETS SOLD. VER 75% OF THE COUNTRY.

/hen it comes to first-rate comedy, aramount is in a class by itself.

Maybe that's why 100 stations have ade this show a prime listing in their arkets. So if you're looking to move in the hottest property in syndication, ere's still time to get in on the ground oor.

SOLID GOLD 87

RENEWED FOR ITS EIGHTH SEASON.

After eight years, our dancers still do great numbers.

As for the competition?

Well, the truth is, they've been trying to follow in our footsteps for years.

But when it comes to peak performance, they're still a step behind.

Paramount 75th Anniversary

A Gulf+Western Company

WCBS-TV's noon news proves to be a ratings success

When Steve Wasserman was news director of WPLG(TV) Miami, he was accustomed to a very competitive three-way news race among the network affiliates at noon. The ABC affiliate aired a half-hour newscast at 12:30 p.m., while WTVJ(CBS) and WSVN(NBC) were on at 12.

Wasserman now is news director of WCBS-TV New York, a position he assumed in December, 1985, but, at that time, there were no noon newscasts among the three network-owned stations. "I felt there was an appetite for it," he explains, "but when affiliates run these noon newscasts they preempt network programming." Owned stations, of course, don't do that.

But last fall, CBS turned the noon time period over to the stations, and that opened the door for *Channel 2 News at Noon*, anchored by veteran newswoman Carol Martin.

The program, which also features popular meteorologist Irv Gikofsky ("Mr. G"), premiered January 19 and was an instant ratings success. For its first eight days, it averaged 6.6 rating and 20 share (Nielsen) and 6.3/21 (Arbitron), representing a healthy increase over the previous occupant of the time slot, *Strike It Rich*, which had averaged a 3.7/14 (Nielsen) and a 3.8/16 (Arbitron).

WCBS-TV *noon anchor Carol Martin*

The early returns apparently have developed into a trend. Cumulative data through February 17 show an average 5.5/19 (Nielsen), 49 per cent and 36 per cent higher, respectively, than *Strike It Rich*; and a 5.3/20 (Arbitron), 39 per cent and 25 per cent higher than *Strike It Rich*.

Serving two needs. The newscast, Wasserman says, serves two specific needs. "The first 10–15 minutes is devoted to hard news. Then the second half is informational." For the latter portion, the station has put together a group of experts on subjects such as personal finance, and there is also a syndicated travel insert, *The News Travel Network*.

To staff the program, the station added "a handful of people"—some producers and support staff—and juggled reporter schedules a bit. At least one reporter comes in earlier each day, and the suburban correspondents (New Jersey and Long Island) "are coming in earlier to get out there earlier."

Of course, material is also drawn from the *CBS Morning News* and the preceding night's 11 p.m. news.

Local emphasis. Since *Channel 2 News at Noon* is immediately preceded by a *CBS Newsbreak*, anchored by Douglas Edwards, the intent from the start was—all things being equal—to devote more attention to local rather than national and international news. In that respect, WCBS-TV got lucky. The first week on the air was the buildup to the Super Bowl (eventually won by the New York Giants), and during the second week, the Long Island Railroad workers went on strike.

UPI's new digital photo transmission system

United Press International plans to begin a new digital photo transmission system by the end of the year that will give TV stations the ability to perform graphic work directly on transmitted photographs.

At a news conference announcing the "Pyxys" digital photo transmission system, UPI executives suggested that they expect to be able to lease the necessary basic equipment to subscribers at around $600–700 a month. But UPI president Milton Benjamin says the price won't be determined until newspapers and TV stations are surveyed to determine their needs for a new system. Nevertheless, he says, he hopes to have the system in operation by midsummer. Others say the official deadline is by the end of the year and that, by then, UPI will be transmitting all domestic photos in color.

Pyxys, which UPI chairman and CEO Mario Vasquez-Rana says is indicative of the service's dedication "to make UPI once again the news agency that has the most advanced technology of the day," originally was designed by Digital A.V., Knoxville, Tenn., to provide high-resolution pictures for use in medicine. The higher the resolution, the slower the transmission. So Benjamin says UPI is seeking to determine the correct mix of resolution and speed needed by news media.

Eventually, UPI plans to replace its current generation of film cameras with digital cameras that would enable photographers to transmit photos directly from their locations to UPI's Washington headquarters via telephone lines or satellites—without having to go through the usual developing processes. From the headquarters, photos could then be transmitted instantaneously to subscribers in about six minutes. Since the system can transmit up to five pictures at the same time, to be enlarged or maneuvered as recipients wish, UPI promotes Pyxys as having the capability of moving five pictures in six minutes.

News briefs

Larry Estepa has joined the anchor team of KXAS-TV Dallas-Ft. Worth, sharing the news desk with Jane McGarry. Estepa was previously at WJAR-TV Providence-New Bedford and, before that, did stints at WBNG-TV Binghamton and WLYH-TV Harrisburg-York-Lancaster-Lebanon.

Stuart Zanger is the new news director at **WVEC-TV** Norfolk-Portsmouth-Newport News-Hampton, succeeding David Goldberg who has become news director of Belo sister station, KXTV(TV) Sacramento-Stockton. Zanger was an executive producer at the station for nearly three years. Before that, he was special projects director for WTVG-TV Nashville.

Pat Mochel has been named news and public affairs director of **WWMX(FM)** Baltimore. Mochel was previously news anchor for WBAL-TV Baltimore and has worked for WBAL(radio) Baltimore and WASH(FM) Washington.

THEIR CAREERS ARE STRONG. BUT THEIR BELIEFS ARE EVEN STRONGER.

McGraw-Hill Broadcasting honors KGTV newsmen

When the going got tough, newsmen Steve Fiorina and J.W. August showed the world that they were even tougher. A freak set of circumstances led Fiorina straight to the door of a murderer. And almost caused both men to be jailed in defense of their rights as journalists. Their success in defending First Amendment principles is shared by everyone at KGTV (San Diego). And is another example of how all our stations' news is making news.

KMGH-TV, in Denver, received the Colorado Broadcasting Award for best newscast, the last two years. We've also won awards for best spot news coverage. And an "EMMY" for best live news coverage.

In Indianapolis, WRTV has been named best newscast in the state, twice. And best newscast in the entire midwest. They've also received honors for best medical news feature.

Our station in Bakersfield, KERO-TV, has received 9 Golden Mike Awards. And their entire news staff was honored, last year, for its excellence. An industry first.

At McGraw-Hill Broadcasting, we're committed to the free, unencumbered gathering and reporting of news. Committed to backing our people when principles are at stake. About August and Fiorina, "we're glad they didn't go to jail. But we're even happier they were willing to."

McGraw-Hill Broadcasting.
Broadcasting Our Commitment.

KMGH-TV *Denver* **WRTV** *Indianapolis* **KGTV** *San Diego* **KERO-TV** *Bakersfield*

IF CEA CA
1.78 BILLION DOLLAR
WHAT WE CAN DO FO

Last year, CEA completed 78 transactions in the cable TV, broadcast and other related communications fields.

It's that kind of activity, that kind of strength, that has characterized CEA, year in and year out, since 1973.

This information represents a partial listing of the transactions handled by CEA in 1986.

CABLE TELEVISION

SOLD

Cablevision of Soperton, Inc. serving Soperton, Georgia

Sunbelt Cable, Ltd. serving Belle Glade, Pahokee, South Bay and surrounding Palm Beach County, Florida

Bowling Green Cable TV, Inc. serving Bowling Green, Florida

Certain Assets of **Group W Cable** serving Fallon and Yerington, Nevada

Clef Communications, Inc. serving Ash Flat, Viola, and Horseshoe Bend, Arkansas

Princeton Cable TV serving Princeton, Wyanet and Tiskilwa, Illinois

Ashdown Cablevision Inc. serving Ashdown, Foreman and Little River County, Arkansas

Silverton Cable TV Co., Inc. serving Silverton and Mt. Angel, Oregon

Matrix Enterprises, Inc. serving Kentucky, Ohio, Tennessee and Illinois

Sisters Cable TV Co. serving Sisters, Oregon

Tomberlin Technology, Inc. serving Caldwell, Christian, Crittenden, Hopkins, Livingston, Todd, Trigg, McLean and Muhlenberg Counties, Kentucky, and Stewart County, Tennessee

Mid-Kentucky Cable TV Co. serving Munfordville, Tompkinsville, Edmonton, Albany, and Burkesville, Kentucky

Certain assets of **Group W Cable** serving Walla Walla and College Place, Washington

Twin Village Cable Co. serving Milton-Freewater and parts of Umatilla County, Oregon

Cosmic Cable of Essex County, Inc. serving Elizabethtown, Westport, Lewis and Long Lake, New York

Inglewood Cable TV and **Pomona Cable TV** serving Inglewood and Pomona, California

Carson Cable Television Co. serving Carson, California

Tennessee Valley Video, Inc. serving Collingwood, Loretto, Iron City, St. Joseph and Westpoint, Tennessee

Klickitat Cable, Inc. serving Packwood and Lewis County, Washington

Cable Arkansas & Satellite Systems Corp. serving Little Rock Air Force Base, Cabot, Austin, Ward and Lonoke County, Arkansas

Certain assets of **Star CATV Investment Corp.** serving subscribers in 11 franchises in Texas

Little River Cable T.V. serving portions of Horry County, South Carolina

Casey County Cablevision Inc. serving Liberty, Dunnville, Hustonville and Moreland, Kentucky

Cable television systems owned by **McClatchy Newspapers** serving Fresno, Marysville, Yuba City, Visalia and Tulare, California and the suburbs of Reno, Nevada

Certain assets of **CATV & Communication Service Co.** and **Watson Communications, Inc.** serving Byron, Centerville, Forsyth and Gray, Georgia

Lane County Cablevision, Inc. serving Veneta, Noti, Elmira, Vaughn and portions of Lane County, Oregon

Cardiff Communications, Inc. serving Texas, Missouri and Oklahoma

Certain assets of **Arizona Cable TV, Inc.** serving Eloy, Heber and Superior, Arizona

Certain assets of **Gateway Cablevision Corp.** serving Plattsburgh, Plattsburgh Air Force Base and 9 contiguous towns in New York

Times Mirror Cable Television of Nevada, Inc. serving Las Vegas, North Las Vegas, Henderson, Boulder City and parts of Clark County, Nevada

Scott Cable TV Company, Inc., Central Cable TV Company, Inc., Seemore TV, Inc., Clear Vision TV Company of Kosciusko serving Mississippi

Ausable Communications, Inc. serving Jay, Black Brook and Wilmington, New York

Roscoe Cablevision serving Roscoe and surrounding areas of Winnebago County, Illinois

Janney Cable TV Co. a subsidiary of Tele Cable Corp. of Norfolk, VA serving Pax, West Virginia

Certain assets of **TCI Media of West Virginia, Inc.** serving West Virginia and Pennsylvania

Midwest Cable Inc. serving Rockport, Indiana; Whitehorse, Tennessee; and Hawesville, Calhoun, Livermore, Cloverport and Hardinsburg, Kentucky

A cable t.v. system serving **MacDill Air Force Base**, Florida

West Chatham Cablevision, Cablevision of Effingham, Hampton County Cablevision assets of **Kennedy Cablevision, Inc.** serving Chatham County and Effingham County, Georgia

Certain assets of **Cumberland Valley Cable TV Company** serving Morganfield, Kentucky

American Cablesystems Associates serving Calais and Princeton, Maine

L.C. Cablevision Partners of Winter Park, Florida serving Vanceburg and certain unincorporated areas of Lewis County, Kentucky

The assets of **Cablentertainment** consisting of subscribers in New Jersey, Pennsylvania, Ohio, Virginia and West Virginia

Kennedy Cable of Florida, Inc. serving eastern Polk County, Florida

Highlands & Cashiers Community Cable Television serving Highlands and Cashiers, North Carolina

Perry Cable TV Corp. serving Palm Beach, Martin and St. Lucie Counties, Florida

Letters

Misleading graphs

As someone in media research, I am always on guard against statistical or graphic presentations that unintentionally deceive the reader due to layout or design. I have observed truncated histograms and polygons appearing in TV/RADIO AGE which often serve to cloud issues rather than make them more clear.

I happened to find a truncated histogram and polygon in your February 2, 1987, issue of *Television/Radio Age.* The histogram on page 32 (*TV Business Barometer*) entailing information regarding December national TV spot revenue, is an example of "a graph that lies." The graph is misleading because you begin your frequency at $260,000,000 instead of at zero. The bar chart therefore gives the illusion that May, 1986, (at least I believe that it was 1986; the two colored bars were not labeled) was over three times (300 per cent) greater than January, 1986. Actually, May was approximately 59 per cent higher than January, not over 300 per cent).

The frequency for the polygon on page 44 (*Radio Business Barometer*) began at $30,000,000. This, in turn, distorted the levels of growth in the succeeding months.

I realize that you may be using these truncated graphs in order to save space and to make more apparent seasonal fluctuations in spot revenues; still, the graph is not an accurate statistical representation of the facts.

The fact that you displayed non-truncated graphs in other issues, i.e., January 5, 1987, page 84, indicates that TV/RADIO AGE does sometimes provide accurate graphic presentations.

Let's consistently use graphs the way they were originally intended to be used: to create a picture out of numeric data easy for the reader to comprehend. It should not be the responsibility of the reader to decide whether the graph is laid out accurately or not, but to make inferences from that data that they need to know or understand.

LAURA FAETH
Market research specialist,
Katz Radio,
New York

Ed. note: Reader Faeth is on firm ground in her admonition about not starting graphs from zero. As she has indicated, space problems are a major factor; in this case, they are an overriding concern. We have discussed this problem, tested graphs and decided that (1) distinctions between months would be lost with zero-based graphs (unless the graph took an entire page) and (2) the reader is not really misled if the graph does not start with zero since dollar references are clearly marked.

Radio advertising

For nine years, I have been publishing *Tuned In*, a monthly newsletter that goes to about 2,000 agency and client executives in western United States.

In the January, 1987, issue, I offered to send readers copies of your story, *Radio advertising slowly moving away from the stepchild mode* (November 24, 1986) because I thought it was an exceptional piece of work and felt that industry members beyond your subscriber list should have a chance to read it.

I received a substantial number of requests and even got letters back from some recipients saying how much they got out of article.

ROBERT SCHULBERG
Western marketing director,
CBS Radio Representatives,
Los Angeles

Sidelights

Co-production coup

Although *Life on Earth*, a 13-part natural history series narrated by David Attenborough, turned out to be a highly successful program on PBS, the original intent was to market it to one of the three commercial TV networks. But, said Edward Bleier, president, pay-TV and network features for Warner Brothers Television Distribution, "the networks did not share our view."

Recently, Bleier added, "an ex-network executive lamented the fact that I was not insistent enough."

Bleier made these remarks recently as part of an informal breakfast meeting to announce the release by Warner Home Video of a four-hour, two-cassette version of the Attenborough series, complete with an indexing system that appears at the beginning and end of each tape. When asked if the networks might now embrace such a series, Bleier responded that it's too late. "PBS, cable, Ted Turner have all moved into that area."

Warner Bros. became involved in *Life on Earth* as a co-production partner with the British Broadcasting Corp., and Bleier calls it, "the most successful co-production we've ever been involved in. The BBC needed some financing, and we decided to take a chance."

Attenborough, who was present at the gathering, was asked how he achieved some of the production intricacies in the series. Citing one example, he said, "If you want a scene of two scorpions copulating, you don't go into the Mojave Desert wandering around. You have to get a male scorpion and a female scorpion and put them together." On the other hand, he continued, "you don't do that with rhinoceroses. . ."

Female chauvinism

Attention TV station newsmen. It's not your brains that they care about. It's your body.

Those on-location reporters who are willing to use their male wiles to attract greater public notice are being invited by *Playgirl* magazine to come forward in the search for "the sexiest male TV reporters in America." With selections to be made by the *Playgirl* editorial staff, those selected will be included in a feature in the November, 1987 issue.

Entries are to include an eight-by-10 photo, a brief resume and a VHS cassette containing on-air footage of the contestant. This should be sent to: The Sexiest TV Reporters in America, c/o Playgirl Magazine, 801 Second Ave., New York, NY 10017.

An extra warning

While accepting condom advertising, KSTP-TV Minneapolis-St. Paul is not accepting it as the panacea in the fight against AIDs. In tandem with the commercials, it is running one of three PSAs pointing out that condoms aren't foolproof but that abstinence from extramarital sex is.

The three versions of the PSA have a man, woman and a married couple saying, "I want to talk about something you may not want to hear about. It may also be something you don't want to think about."

They point out that AIDS is not just a gay disease and that AIDS cases among the heterosexual population have increased by 200 per cent over the last year. They add that condoms have a failure rate of 10 to 50 percent and that abstinence from extramarital sex is "the only sure way."

The station also scheduled a five-part series and its local newscast, titled: "AIDS: What Can We Do?"

The real thing

Cloris Leachman has been in show business for 40 years, and Gary Lieberthal, chairman and chief executive officer of Columbia/Embassy Television, decided to celebrate that fact recently by throwing a party for her at Chasen's Restaurant in Los Angeles. Leachman, incidentally, has just this season joined the cast of C/E's *Facts of Life*, now enjoying its eighth year on NBC. Among Leachman's past credits, all highlighted during a retrospective: Phyllis Lindstrom on *The Mary Tyler Moore Show*, Ruth Popper in *The Last Picture Show* and a memorable performance in the Hallmark Hall of Fame presentation, *Love is Never Silent*.

From l.: Coca-Cola's Frank Biondi, Coca-Cola's Brian McGrath, Ann and Gary Lieberthal

Cutting the cake with daughter, Dinah Englund

Lieberthal, Leachman and Dennis Weaver

NBC's Brandon Tartikoff and wife Lilly

This announcement appears as a matter of record only.

$275,000,000

Gulf + Western Inc.

$100,000,000
Notes Due 1996

$175,000,000
Debentures Due 2006

July 1986

Morgan Stanley acted as financial advisor to Continental Cablevision, Inc. in this transaction.

$303,000,000

Continental Cablevision, Inc.

has acquired approximately 48% of its common stock from Dow Jones & Company, Inc. and Other Stockholders

January 1986

Morgan Stanley acted as financial advisor to Cook Inlet Communications Corp. in this transaction.

Cook Inlet Communications Corp.

acquired

WTNH-TV
(Hartford-New Haven, CT)

from

Capital Cities Communications, Inc.

January 1986

Morgan Stanley acted as financial advisor to BT Acquisition Corp. in this transaction.

BT Acquisition Corp.
a Joint Venture Between Taft Broadcasting Co
The Robert M. Bass Group, Inc.

acquired

Wometco Cable TV, Inc.

December 1986

This announcement appears as a matter of record only.

Price Communications Corporation

$150,000,000

13% Subordinated Notes Due 1996

July 1986

This announcement appears as a matter of record only.

896,768 Shares

Price Communications Corporation

Common Stock

Price $10¾ a Share

July 1986

This announcement appears as a matter of record only.

4,000,000 Units

Falcon Cable Systems Company,
a California Limited Partnership

Price $20 a Unit

December 1986

Morgan Stanley acted as financial advisor to JWT Group, Inc. in this transaction.

JWT Group, Inc.

acquired

Gray and Company Publi
Communications International

October 1986

Morgan Stanley acted as financial advisor to McGraw-Hill, Inc. in this transaction.

McGraw-Hill, Inc.

acquired

Numerax, Inc.

June 1986

Morgan Stanley acted as financial advisor to NewCity Communications, Inc. in this transaction.

NewCity Communications, Inc.

acquired

Eleven Radio Stations of

Katz Broadcasting Company, Inc.

August 1986

This announcement appears as a matter of record only.

NewCity Communications, Inc.

$35,000,000

Subordinated Discount Notes Due 1996

August 1986

This announcement appears as a matter of record o

The Times Mirror Compan

$100,000,000

Notes Due 1996

March 1986

This announcement appears as a matter of record only.

$254,500,000

Comcast Corporation

$110,000,000
11¾% Senior Subordinated Debentures

$95,000,000
5½% Convertible Subordinated Debentures

2,000,000 Shares
Class A Common Stock

July 1986

Morgan Stanley acted as financial advisor to Emmis Broadcasting Corporation in this transaction.

Emmis Broadcasting Corporation

acquired

Three Radio Stations of

Doubleday Broadcasting, Inc.

August 1986

This announcement appears as a matter of record only.

Emmis Broadcasting Corporation

$34,200,000

Senior Zero Coupon Notes Due 1991

August 1986

Morgan Stanley acted as financial advisor to Metromedia Inc. in this transaction.

The Cellular Telephone and Pag
Operations of Metromedia In

acquired by

Southwestern Bell Corporati

Pending

This announcement appears as a matter of record only.

Price Communications Corporation

$8,197,597 Series B Zero Coupon Subordinated Notes Due 1990

$3,000,000 8.95% Subordinated Notes (Series A) Due 1989

$4,000,000 9.25% Subordinated Notes (Series B) Due 1991

May 1986

Morgan Stanley acted as financial advisor to GFV Communications, Inc. in this transaction.

GFV Communications, Inc.

acquired by

Valassis Communications, Inc.
a wholly-owned subsidiary
of Consolidated Press Holdings Limited

December 1986

Morgan Stanley acted as financial advisor to The Times Mirror Company in this transaction.

The Times Mirror Company
has sold an 80% interest in its subsidiary

Publishers Paper Company

to

Jefferson Smurfit Corporation

February 1986

Morgan Stanley acted as financial advisor to Metropolitan Broadcasting Corporation in this transact

Metropolitan Broadcasting Corporation

acquired

Nine Radio Stations and the Texas State Networks of

Metromedia Inc.

September 1986

Morgan Stanley acted as financial advisor to Forstmann Little & Co. in this transaction.

Forstmann Little & Co.
has sold substantially all of the assets of

WRGB-TV
(Albany-Schenectady-Troy, NY)

to

Freedom Newspapers, Inc.

February 1986

Morgan Stanley acted as financial advisor to Pulitzer Publishing Company in this transaction.

Pulitzer Publishing Company

has repurchased

approximately 43% of its outstanding Common Stock

September 1986

This announcement appears as a matter of record only.

1,600,000 Shares

Pulitzer Publishing Company

Common Stock

Price $27½ a Share

December 1986

Morgan Stanley acted as financial advisor to The Field Corporation in this transaction.

The Field Corporation
(through an affiliated partnership)

acquired

Muzak
a division of
Group W Radio, Inc.

November 1986

This announcement appears as a matter of record only.

First Carolina Communications, Inc.

$45,000,000

13½% Subordinated Debentures Due 1996

November 1986

Morgan Stanley acted as financial advisor to Mobile Communications Corporation of America in this transaction.

Mobile Communications Corporation of America

acquired

American Cellular Telephone Corporation
on behalf of its joint venture with
Bell South Corporation

September 1986

This announcement appears as a matter of record only.

Emmis Broadcasting Corporation

$50,000,000

14⅝% Subordinated Debentures Due 1995

January 1986

Morgan Stanley acted as financial advisor to Bell South Corporation in this transaction.

Bell South Corporation

acquired

L.M. Berry and Company

December 1986

announcement appears as a matter of record only.

$338,323,529

BT Acquisition Corp.

$212,000,000

ubordinated Discount Notes Due 1996

$92,500,000

bordinated Debentures Due 2001

$25,000,000

ive Exchangeable Redeemable Preferred Stock

BT Cable, Inc.

$8,823,529

Class B Common Stock

Morgan Stanley acted as financial advisor to CBS Inc. in this transaction.

CBS Inc.

has sold substantially all of the assets of

KMOX-TV
(St. Louis, MO)

to

Viacom International Inc.

Morgan Stanley acted as financial advisor to Communications Corporation in this transaction.

Communications Corporation

acquired

WZZM-TV

from

ometco Broadcasting Corp.

---

organ Stanley acted as financial advisor to Reuters Holdings plc in this transaction.

Reuters Holdings plc

acquired a minority interest in

Instinet Corporation

---

nnouncement appears as a matter of record only.

etropolitan Broadcasting Corporation

$65,000,000

Senior Subordinated Debentures

$152,500,000

% Junior Subordinated Deferred Interest Debentures

---

organ Stanley acted as financial advisor to McGraw-Hill, Inc. in this transaction

McGraw-Hill, Inc.

acquired

The Economy Company

---

organ Stanley acted as financial advisor to Cordura Corporation in this transaction

Cordura Corporation

acquired by

International Thomson Organisation Ltd.

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MORGAN STANLEY

Tele-scope

Cable, barter, economy seen squeezing networks

The media fragmentation caused by the new technologies can no longer be regarded as a passing fancy by the TV networks. It is here to stay, and it is having an economic impact.

This point was hammered home at last week's Association of National Advertisers Television Workshop in New York.

The 1986–87 broadcast year, according to Avrum Geller, director-marketing services, Block Drug Co., "marked the first time the networks took *real* notice of the competitive threat from syndication and cable," which forced them to sell, "an unusually high proportion of inventory at CPMs lower than the previous year."

At the Workshop's luncheon, Gene F. Jankowski, president of the CBS/Broadcast Group, pointed out that, "in 1980 there were 25 cable program services; now there are 52. In 1980, there were 102 independent TV stations; now there are more than 300. In 1980, there were virtually no VCRs; now there are more than 36 million.

"There's enough fragmentation," he added, "to restrict audience growth. It has diverted dollars." The economy, he said, "has added a squeeze of its own; it has changed the network equation. The basic business question being asked is: Is it possible to run a network that requires a $2 billion investment and not lose money?"

Geller emphasized that syndication and cable, "to effectively compete for the network dollar, need each other."

Mooney's broadside. But the week before in Los Angeles, National Cable Television Association president James Mooney, in a speech before a conference of the Cable Television Public Affairs Association, attacked the potential reinstatement of syndicated exclusivity. Mooney said flatly: "There was never a policy so misguided and anticonsumer as syndicated exclusivity."

Saying at one point that the NCTA might go to court to block a reimposition by the FCC of syndicated exclusivity, Mooney, interestingly enough, did not rule out the possibility of a tradeoff in which cable would lose the exclusivity battle in return for winning the fight to keep Congress from interfering with cable's compulsory license.

MCA to exhibit at NATPE

MCA TV, one of the major syndicators that has preferred to conduct its business in a hotel suite environment, has signed a contract with NATPE International for space in the exhibit hall for the 1988 conference. MCA TV says it decided to go on the convention floor because of the unavailability of appropriate hotel facilities in Houston, near the Convention Center, the site of the February, 1988, convention. The company is reviewing designs for construction of its NATPE exhibit. At presstime, other syndicators that used hotel suites were undecided whether they would follow suit, but Worldvision has hinted it would move to the convention floor if MCA decided to do so.

Network early morn billings

Weekday early morning (sign-on to 10 a.m.) showed the best performance of any daypart segment broken out by BAR for the full year of '86. Billings for the daypart rose 8.8 per cent from $206.5 to $224.6 million. The BAR annual totals also showed a modest increase for primetime (5.8 per cent), but a drop in daytime (4.9 per cent). Also down was weekend early fringe.

Web clients' ups and downs

The top two clients in network TV during 1986—Procter & Gamble and Philip Morris Cos.—recorded declines in annual expenditure from the year before, but three top 10 web advertisers for the year showed double-digit percentage increases, according to BAR reports. P&G dropped 8.5 per cent to $451.5 million, while PM was off 1.7 per cent to $342.4 million. Also down in spending among the top 10—but not shown on the top 10 December list below—was Ford, ranked sixth in web spending for the year, but down 13.4 per cent to $188.8 million.

Topping those with increases was Unilever, whose spending climbed 31.6 per cent to $202.4 million; Anheuser-Busch rose 14.9 per cent to $177.5 million and General Motors climbed 11.4 per cent to $233.8 million. Also not shown on the December top 10 list is Kellogg, which was up 6.3 per cent to $166.3 million for the year. Others up in single digits during '86 were Johnson & Johnson, up 6.0 per cent; American Home Products, up 2.0 per cent and McDonalds, up 4.4 per cent.

Top 10 network TV clients, December

Parent company	Estimated expenditures	Year-to-date expenditures
Procter & Gamble	$45,871,500	$451,529,500
Philip Morris Cos.	25,281,800	342,443,900
Johnson & Johnson	22,659,800	164,321,700
General Motors	22,630,900	233,786,000
Anheuser-Busch Cos.	17,659,600	177,495,700
Unilever	17,319,100	202,371,300
American Home Products	15,473,200	185,571,600
McDonalds	15,167,700	193,001,600
RJR Nabisco	14,678,000	155,750,500
AT&T	13,712,200	135,162,200

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TV Business Barometer

Recap: '86 wasn't so bad for stations

A review of the last three years of *TV Business Barometer* figures shows that, despite the complaints about spot, last year was a pretty good 12 months for TV stations overall. This is particularly true in light of the performance of network TV. The latest figures from Broadcast Advertisers Reports show a network revenue rise of only 3.4 per cent (see *Tele-scope*, page 22). The rise in TV station ad volume was about triple that increase.

If spot and local time sales plus network compensation are lumped together, the 1986 total comes to $11,302.1 million, while the figure for 1985 sums to $10,188.0. The difference amounts to 10.9 per cent. That compares with an increase of 8.9 per cent for '85 over '84, when the total came to $9,353.8. However, last year didn't come up to '84's increase, which was 13.6 per cent above '83, which totaled $8,237.4 million.

The components of last year's 10.9 per cent increase included a 9.8 per cent increase in spot to $5,573.6 million; a 13.1 per cent increase in local business to $5,274.5 million and a 1.8 per cent increase in network comp to $454.0 million.

Both spot and local were up by a larger percentage last year than the year before. In '85, spot rose 7.7 per cent to $5,077.0 million, while local climbed 10.7 per cent to $4,665.0 million. Network comp did pretty well in '85, relatively speaking, with a 5.3 per cent increase to $446.0 million.

With local business steadily increasing faster than spot, the gap between the two has narrowed considerably in the past few years. Last year, the difference was only 5.7 per cent, i.e., spot was that much higher than local. In '85, the difference was 8.8 per cent; in '84, 11.8 per cent, and in '83, 16.6 per cent. During the '86 fourth quarter, local actually passed spot's total, $1,530.3 million to $1,484.0 million.

If the shares of spot and local time sales plus network comp are tallied for last year and '85, the numbers do not look like much movement was going on, but there was. Spot's share was 49.3 last year and 49.8 in '85. Local's respective numbers were 46.7 and 45.8, while network comp, which has been declining steadily for years was only 4.0 last year compared with 4.4 the year before. In '86, local had two $500 million months, compared to four for spot.

Television station advertising billings, 1984–1986

Spot, local time sales and network compensation (in millions)

	Spot 1984	Spot 1985	Spot 1986	Local 1984	Local 1985	Local 1986	Compensation 1984	Compensation 1985	Compensation 1986
January	$296.7	$296.4	$345.0	$236.0	$265.7	$302.1	$32.5	$34.1	$34.9
February	$283.7	295.3	327.5	251.4	264.0	291.7	35.8	37.6	39.1
March	361.6	406.8	441.0	358.4	424.3	464.2	35.2	37.0	38.3
Ist quarter	942.0	998.5	1,113,5	845.8	954.0	1,058.0	103.5	108.7	112.3
April	485.6	507.0	539.4	386.7	430.0	461.4	41.3	43.5	42.9
May	478.5	512.0	548.4	407.6	450.0	532.8	34.3	35.6	36.5
June	391.3	451.2	477.4	299.0	337.9	387.6	33.3	34.7	35.1
2nd quarter	1,355.4	1,470.2	1,565.2	1,093.3	1,217.9	1,381.8	108.9	113.8	114.5
1st half	2,297.4	2,468.7	2,678.7	1,939.1	2,171.9	2,439.8	212.4	222.5	226.8
July	422.1	459.7	476.2	317.9	356.7	383.5	35.5	36.5	37.5
August	329.4	373.5	429.5	343.0	383.8	452.1	35.4	39.3	40.0
September	417.3	463.9	505.2	370.7	415.2	468.8	34.6	35.9	36.0
3rd quarter	1,168.8	1,297.1	1,410.9	1,031.6	1,155.7	1,304.4	105.5	111.7	113.5
October	406.0	425.5	491.0	455.7	504.9	590.2	35.8	36.7	37.5
November	445.6	469.2	541.9	414.4	431.8	495.3	31.5	34.1	34.4
December	396.7	416.5	451.1	374.8	400.7	444.8	38.5	41.0	41.8
4th quarter	1,248.3	1,311.2	1,484.0	1,244.9	1,337.4	1,530.3	105.8	111.8	113.7
2nd half	2,417.1	2,608.3	2,894.9	2,276.5	2,493.1	2,834.7	211.3	223.5	227.2
Total	$4,714.5	$5,077.0	$5,573.6	$4,215.6	$4,665.0	$5,274.5	$423.7	$446.0	$454.0

International Report

Monte Carlo

Italians aggressive programming buyers at recent market

Italians were among the biggest buyers of programming at Monte Carlo. Jane Small, head of sales at TV4 International (U.K.), for instance is "absolutely thrilled" about the company's first sale to an Italian commercial broadcaster: Reteitalia bought its two award-winning documentaries filmed by well-known Indian wildlife cameraman, Naresh Bedi—*Sadhus, the Holy Men* and *Cobra, the Snake God*.

Granada Television sold its successful drama series, *First Among Equals*, to TV Globo, which will air it in Italy and Monte Carlo. The 10-hour dramatization of Jeffrey Archer's best-selling novel has been acquired for television by 11 countries in all and released on video in Scandinavia. Italian state broadcaster, RAI, was one of three new customers for the Arts Council (U.K.), buying operatic portrait, *Jessye Norman-Singer*.

ERT (Greece) and ORF (Austria) also bought the show. Angie Mulhall, film sales executive at the Arts Council, said she felt this year's market was a turning point, "not only in terms of volume of confirmed sales, but new territories who have never previously shown any interest in our programming."

Bidding for rights: going, going— and still going

It seemed like a good idea at the time, but the Monte Carlo TV Festival's first attempt at an audiovisual rights auction was "not a success," said market organizer Andre Asseo. "Presidents from the major companies were there; people seemed interested ... but nobody bought anything," he added. Twenty-year television rights to *The Saint* were offered for $8,200, but even that didn't prompt apparently shy executives to make the first move in the bidding. Asseo was nevertheless consoled by a 30 per cent increase in buyers at the market itself, which he said was "a fantastic success."

Meanwhile, Japanese broadcaster NHK was awarded a Gold Nymph this year for the best current affairs program, *Chernobyl Nigayomogi*. Soviet Television got a "special mention" for its coverage of the Chernobyl disaster, intended for the film crews who risked their lives to gather material. Other awards included the Prix Unda, which went to ABC News for its AIDS series.

ABC's 'Amerika' draws audiences, sales at market

On the theory that no publicity is bad publicity, the reasonably negative comments which *Amerika* has generated seem only to have stimulated interest in the miniseries. Two Monte Carlo screenings of the first four hours produced a full houses.

Although the "houses" were not large, a number of those who watched asked to see more, which might well mean good future international sales. ABC reports firm overseas deals already with broadcasters in Canada, France, Italy, Argentina, Uruguay, Iceland, Dubai and Bahrain.

Budapest

MTV Enterprises heads back home after productive week

MTV Enterprises reps are back in Hungary undoubtedly loaded down with all the dollars they collected during a busy week in Monte Carlo. Predictably, the company's animated programs were most popular, with "on the spot" sales of its *Augusta* series to Britain's Channel Four. The PBS network in the U.S. also picked up *Augusta*, as did Coe Film (U.S.), which bought two other series at the same time.

MTV's nature and documentary films also went down well. The company expects sales confirmations from Finland, Sweden, Denmark and Norway. Trilion bought U.K. rights to documentary series, *Metros of the World*.

Atlanta

CNN to air news on CCTV, open China news bureau

In a two-part agreement, U.S. all-news network CNN will transmit its service to the People's Republic of China for use in the daily newscasts of China Central Television and will also establish a newsgathering bureau in Beijing later this year. CCTV will use CNN reports during daily newscasts on two channels that go to a present audience of some 300 million, with a future potential audience of over 1 billion throughout China.

CCTV is beginning preparations in China for the installation of technical facilities to downlink CNN's signal from Intelsat's Pacific Ocean V-F8 satellite.

Paris

Program service for French cable set by TV Mondes

TV Mondes plans a programming service for French cable networks, starting in October, 1987. The channel's theme will be discovery of the world's different cultures and cultural minorities in western countries. Manager Gilles de Peslouan hopes to establish ties with countries whose TV production is relatively unknown in France—Brazil for fiction series, China for animation.

TV Mondes projects 11 hours of programming weekly, with reruns bumping the service up to 35 hours a week. The signal will be carried by satellite, probably Telecom 1, for simultaneous showing on cable systems. De Peslouan says agreements are imminent with two of the principal cable operators.

London

BBC, ITV work together in AIDS prevention program

AIDS has brought together rival broadcasters, the BBC and the commercial ITV network, in a unique week-long campaign to educate the British public about the virus. Starting February 27, the broadcasters will coordinate and share the $1.5 million cost of approximately 15 hours of programming ranging from documentaries and debates to advice shows and phone-ins. London Weekend Television will air *First Aids*, an entertainment/current affairs show aimed at a young audience, featuring rock stars and puppets from the satirical *Spitting Image* show as well as medical and social experts.

New York

S&S Compton Worldwide creates new int'l division

A new division, called Saatchi & Saatchi Compton International, will report to Saatchi & Saatchi Compton Worldwide, as do S&S Compton USA and S&S Compton Hayhurst, Canada. Reporting to the new division will be Roderick More, chairman, Far East and Australia; John Perriss, worldwide media director; David Miln, director, business development and Angel Collado-Schwartz, chairman, S&S Badillo Compton.

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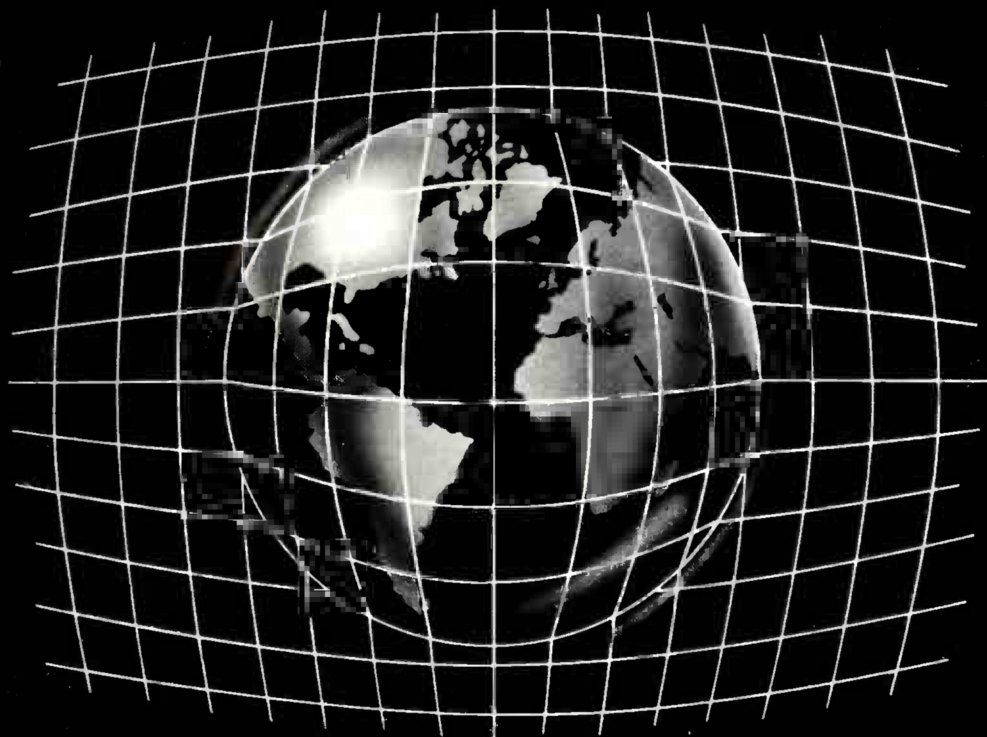

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Cable Report

Sears and Penney pursue home shopping prospects

QVC Network, the home shopping service best known for its Sears product offerings, has stopped touting its "cable-exclusivity" and may end up buying broadcast stations a la Home Shopping Network, chairman Joseph Segel tells TV/RADIO AGE.

Only a month after pledging to continue distribution "only by satellite and through cable systems" (in response to HSN's plans to merge with C.O.M.B. Co., half-owner of competing Cable Value Network), Segel says conditions in the home shopping arena have changed "dramatically" enough to consider broadcast entry—whether through station acquisitions, joint ventures, affiliation agreements or other means. Segel doesn't specify those changes which caused QVC's about-face but notes that "some of the weaker programs have fallen by the wayside, new programs are cropping up all the time, and the better programs are getting stronger."

Consultations. Unlike HSN, Segel stresses, QVC's decision to enter broadcasting was arrived at through consultation with its cable affiliates. He says the broadcast effort would concentrate on "markets where we don't have adequate cable coverage and in other markets where MSOs want to maximize revenues."

Segel admits that HSN's entry into broadcast TV, scorned at first by competitors, had turned out to be a "good idea. It's bolstered their sales." But, he adds, "It's better to do it the way we're doing it, in cooperation with cable systems."

QVC's change in policy arrived in tandem with release of operating results for the fourth quarter and seven-month fiscal year—net losses of $6.89 million and $8.47 million respectively. But the service reported net revenues of $1.59 million for the two months and one week since start-up on November 24, and Segel continues to project more than $100 million in sales for the company's first full fiscal year, ending next January 31.

Sears, in a two-year agreement giving QVC exclusive home shopping rights to selected merchandise, has received $596,000 in commissions since QVC's debut.

Penney leads parade. The day after QVC's announcements, Sears' rival J. C. Penney released stellar operating results for 1986—including a 20.5 per cent increase in fourth quarter net income, to $270 million, and a 33½ per cent increase in full year earnings, to $530 million. And, following Sears' lead, Penney—along with Spiegel, Marshall Field's, Abercrombie & Fitch, Express Music, Kinney's Foot Locker, Ticketron, Nash-Finch (wholesale grocers), American Express, Oshman's, and The Right Start (children's apparel)—revealed plans to become a home shopping merchandise provider.

Penney and the others will be part of Telaction, a home shopping venture run by Penney itself. Unlike other home shopping services, Telaction will be interactive without human contact—cable viewers will use push-button telephones to request descriptions of specific items from on-screen menus; behind the scenes, their push-button commands will go through a telephone management unit to a host computer which will direct requested still pictures and audio to the cable headend; from there, the signals will go over the cable system's trunk line to localized frame store units and then to individual TV sets (all in one second or less). Merchandise can similarly be ordered via tough-tones, except with Ticketron, which will require old-fashioned voice contact.

Penney is also involved in the "manual" HSN/CVN/QVC type of home shopping, but not as a merchandise provider; it has supplied telemarketing and fulfillment for Shop Television Network and will play a similar role in STN's planned venture with LBS Communications.

$40 million invested. William Howell, Penney's chairman of the board, says the company is spending $40 million on Telaction's technology development and market introduction. Test marketing is scheduled to start in June via five MSOs in Chicago's northwestern suburbs, says Ralph Henderson, Penney executive vice president. By then, he says, there should be about 40 suppliers of goods and services on the system. Come September, he continues, Telaction expects to be reaching 125,000 households. If all goes as planned, the service will add 20 more markets by 1989 and be in 60 major markets over the next five years. Henderson also reports "active negotiations" with several foreign concerns.

Penney likens its role in Telaction to that of a large regional shopping mall owner, according to Stuart MacIntire, president of Telaction Corp. Penney alone will be offering 2,000 to 3,000 selected items when the test marketing starts. Participating retailers will pay a fee to Telaction based on how many products they're offering and on how often consumers access them, while cable systems and consumers will receive the service at no charge. Telaction will provide money to systems for marketing and promotion and also pay them a fee based on subscriber purchases of products and services, Henderson says.

The Telaction technology was developed by Canada's Cableshare; Penney, in an acquisition from Rogers Cablesystems, bought 36 per cent of the company last year. One of the more unusual aspects of the system involves the individual frame store units, located on poles throughout the cable franchise, each of which will serve 15 cable subscribers in a kind of "party line" format. Henderson says consumers will have "immediate access" to requested information "86 per cent of the time," but can learn about the system from watching their neighbor's interactions at other times (there's no way of knowing who's pushing the buttons). In the future, the number of frame store units can be increased so that they'll each serve fewer subscribers or even individual homes.

One buy, 16 networks

Ad-supported cable networks are finally pulling their act together in a coordinated effort allowing agencies to buy a significant chunk of ratings with the administrative ease of a single-network buy. The effort, CableOne, was conceived by Robert Daubenspeck, senior vice president, national director of broadcast at Foote, Cone & Belding and is being coordinated by Infomarketing, New Jersey-based research services and media sales company.

Although 16 cable networks have committed to CableOne, a trial run of the concept, for FCB client Kraft, Inc., involves six of them—CBN Cable, CNN, Headline News, Lifetime, USA Network and SuperStation WTBS. With commercials "road-blocked" between 11:30 a.m. and 3 p.m. within 15-minute windows, the Kraft campaign was launched last October and will continue through the third quarter.

Jack Myers, president of Infomarketing, tells TV/RADIO AGE that, in the fourth quarter, the six networks involved achieved the goal of a combined 2.0 NTI household rating in the time periods involved and that, in the first quarter, they are exceeding it with a 2.5 or 2.6. He holds that a buy across several cable networks can achieve as high as a 5 rating.

Infomarketing is paid a commission to act as sales representative for the networks in this collective selling operation, which in the future will not be restricted to any particular daypart or to roadblocking but will offer agencies and advertisers the benefits of a single negotiation, one bill, reduced administrative costs and simplified billing between agency and client. Other networks agreeing to participate in CableOne are Arts & Entertainment, ESPN, The Nashville Network, Nick at Nite, VH-1, The Weather Channel, Tempo TV, The Travel Channel, Financial News Network and Black Entertainment Television.

Networks. Myers points out that CableOne is designed to supplement, not replace individual sales efforts of the networks. The networks indicate that the rates supplied to Infomarketing for its sales purposes will be their regular rates. While many of the networks are said to have common demographics, any combination of the participating networks can be bought. FCB has no continuing involvement with CableOne other than placement of advertising in it for clients, and Myers is calling on other agencies to introduce the service.

In the arrangement with FCB and Kraft, no post-buy analysis has been made yet, according to Myers, but ratings will be evaluated on a group basis, with makegoods to be delivered only if the combined network delivery falls below the estimate. If makegoods are owed, only those networks responsible for the underdelivery are required to provide additional units.

While Kraft was an early experimenter in cable, it had not been particularly active lately. Cassandra J. Reese, advertising services manager, declines to specify the investment for the several brands involved in this campaign except that it is over $1 million. Only one of the brands is using cable only—Celestial Seasonings fruit teas.

P&G down, but still #1

Three of 1986's top 10 cable advertisers—Gillette, General Motors and American Home Products—slackened their pace in December, failing to make the monthly top 10 list released by Broadcast Advertisers Reports. Gillette finished in eighth place in the yearly totals, having placed $7,738,296 with the six cable networks monitored by BAR. That represents a whopping increase of 289 per cent over the $1,988,423 Gillette spent in 1985. General Motors, ninth biggest spender for the year, spent $7,203,621, a 52 per cent increase over 1985's $4,720,186. (General Motors, which places ads on all six of the cable networks monitored by BAR, has been one of the first advertisers approached by Cable One, the new multi-network cable seller described in the preceding article.) And American Home Products, ranked 10th with 1986 spending of $6,821,494, was up 45 per cent from 1985's $4,720,186.

The top seven 1986 cable advertisers also showed increases over 1985—with the exception of number one Procter & Gamble, which spent 5 per cent less than the previous year's $31,475,430. Philip Morris (Number 2) was up 4 per cent from 1985's $21,260,795; Anheuser-Busch (3), up 19 per cent from $16,395,051; Mars (4), up 52 per cent from $11,604,653; Time Inc. (5), up 25 per cent from $12,824,983; General Mills (6), up 21 per cent from $12,828,553; and RJR Nabisco (7), up 20 per cent from 8,736,246.

In the December, 1986 totals, Wrigley climbed into the top 10 while General Motors, seventh in November, fell out. Wrigley's spending was up 58 per cent compared to the previous December, while RJR Nabisco and Johnson & Johnson had even larger increases—126 per cent and 122 per cent respectively. P&G's spending was almost exactly the same, increasing by only $4,000. Philip Morris was up 6 per cent, Mars 33 per cent, General Mills 27 per cent, Anheuser-Busch 29 per cent, and the U.S. Armed Forces 30 per cent. Time Inc., on the other hand, decreased its December cable spending by 18 per cent.

Estimated cable spending

December, 1986

Parent co.	Est. spending	1986 totals
1. Proctor & Gamble	2,498,765	29,761,666
2. Philip Morris	1,820,386	22,186,266
3. Mars	1,682,127	17,667,993
4. Time Inc.	1,602,072	16,036,530
5. General Mills	1,189,817	15,537,623
6. Anheuser-Busch	1,171,998	19,486,695
7. RJR Nabisco	1,110,081	10,455,250
8. Johnson & Johnson	969,859	5,291,566
9. U.S. Armed Forces	636,502	5,352,882
10. William Wrigley	603,526	5,677,101

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

Radio Report

Airlines, farm chemicals give spot needed boost

Airline and farm chemical advertising are giving a much needed shot in the arm to national spot radio right now. At Blair Radio, Stephen Sorich, vice president, general sales manager, reports that radio has been getting its share of the airlines' 'super saver' action "because of the volatility of the rate changes, and because the airline business is so competitive."

Sorich adds that, "All it takes is one carrier like Continental to go on the air and announce '$79 to almost anywhere,' and the next day three other airlines have avail calls in to react with their own competitive fare cuts."

At Eastman Radio, executive vice president Dave Recher observes that while the air fare wars are as alive and well on radio as in other media, "Long-term, all the merger activity among so many of the airlines will probably even it all out, once the current hot price competition levels off. An airline merger often means that, in the long run, some routes are eliminated, and that means fewer routes to advertise."

Similarly, Mark Braunstein, vice president, general sales manager at Christal Radio, comments that, "It looks like the fare wars have saved us, at least temporarily, from what will probably be some negative results of so many airline mergers." He points out, for example, that, "People Express was one of radio's biggest airline advertisers, and now, though Continental continues to use radio, it's still not picking up as much as what Continental, *plus* People Express used to do."

But temporarily, adds Braunstein, "Spot radio is doing pretty well with the airlines. American and United continue to be fairly consistent advertisers, as they've both been for sometime. Now, on top of that, some of their competitors are blitzing the market with quick hits—short flights promoting their cost cutting fares."

Gloria Kostyrka, Atlanta office manager for CBS Radio Representatives, agrees that there's been "a definite increase in airline activity in the past few weeks," with some carriers moving money originally budgeted for throughout 1987 to concentrate it into February and March to meet the competitive fare cuts.

Piedmont's switch. Kostyrka says Piedmont switched from 30s to 60s and "also increased the number of points they're buying. Delta, which is a consistent radio advertiser throughout the year, didn't increase their schedules but they did change copy to accent lower fares."

Meanwhile, CBS radio sales chiefs in other offices report that most airlines right now are less likely to make long range plans on their own than "lie back and wait and watch the competition closely. Then, when the other guy attacks, they counterattack, right away."

Back at Eastman, Recher also reports that agrichemicals "have been popping for February and March. Some are even in for longer term, 13 and 15-week schedules."

At McGavren Guild Radio, Lee Bullis, director, agrimarketing division, points out that advertising "will typically start around mid-January for herbicides. In the midwestern corn belt, herbicide applications to prepare soil for spring planting will begin in May or April, depending on the weather. It normally starts first in the lower portions of the north central states, so radio activity does pick up during February and March."

Blair's Sorich sees the pickup in farm business as "What looks like may finally be the start of a payoff for the years of patient farm business development by Bill Alford (Blair Radio's agrimarketing specialist) and his colleagues at NAFB (National Association of Farm Broadcasters). Bill's been doing a missionary job for our stations for years, going directly to the chemical companies. Now it looks like 1987 could be the year his work starts to bear some real fruit for our farm belt stations."

Web radio January rise

After a bang-up 1986, when time sales ran 16 per cent ahead of the year before, the Radio Network Association reports January billings up 18 per cent to $25,250,587. The New York sales territory was up 32 per cent to $16,044,556, aided by the shift there of General Motors web radio billings from Detroit (see *Radio Business Barometer*, February 16), and partially because of that Detroit's January business was down 35 per cent to $1,438,432. Also up by a substantial margin was the West Coast (Los Angeles), climbing 46 per cent over '86 to $1,707,811. Chicago showed a modest rise of 4 per cent to $6,059,788.

High-speed data for ABC

ABC Radio Network will soon be equipped with a satellite-delivered, high-speed digital data service that will provide affiliates with a wide range of information and services, some not now available. The 9,600-baud high-speed service compares with the 1,200-baud service commonly used by state and regional networks and by wire services for their high-speed material. The higher the speed, the more information that is transmitted within a given period of time.

Testing has begun, with completion of testing scheduled for late spring. Service will begin during the second half of this year. Data delivered to affiliate printers will include complete written information on news bulletins and special reports, hourly billboards for news and sports actuality feeds, closed circuit announcements, commercials changes, etc. The data transmission will be mixed in with the digital programming transmissions sent via Satcom I-R, transponder 23, to all ABC web affiliates.

Meanwhile, it was announced that the ABC Radio Network has signed an exclusive agreement with Gannett New Media Services to market and distribute *USA Radio Today*, a data and audio service developed from *USA Today*, *USA Weekend* and other Gannett sources. The data portion will appear on the digital service.

Diary rules unresolved

A meeting of the Procedures Review subcommittee of the RAB GOALS committee last month left unresolved the issue of recently promulgated editing rules for the new Arbitron daypart diary, but arrangements have been made for another meeting in mid-March at which Arbitron people from Laurel, Md., will go over the rules with the GOALS unit. Also meeting on the issue this month will be the Arbitron Advisory Council.

Subcommittee head Jeff Wakefield, senior vice president, marketing and research, at Major Market Radio, noted there were some disagreements among the subcommittee about whether the callback study from which the rules were developed was the proper way to go about it (see *Radio Report*, February 16). There was also disagreement about one of the basic editing rules, viz., that if a respondent indicates a start, but not a stop, time in the diary, he should be credited with 90 minutes of listening, rather than 15 minutes, as had been the rule in the past.

Wakefield believes a thoroughgoing test of the daypart diary is needed to validate it and would like to see Arbitron drop the daypart diary until its usefulness is clearly proven. One proposal came from radio program consultant Rick Sklar of Sklar Communications. He recommends simply dropping the heavy black lines separating the dayparts in the diary on the assumption that they cause listeners to terminate their reports of listening at the black line instead of carrying them over to the next daypart.

Bonneville, Arbitron Sign

Bonneville International has signed a five-year contract with Arbitron for all its stations. The group comprises 12 outlets in eight markets and includes WNSR(FM) New York, KBIG(FM) Los Angeles, WCLR(FM) Chicago, KOIT-AM-FM San Francisco, KAAM/KAFM(FM) Dallas-Ft. Worth, KIRO/KSEA(FM) Seattle-Everett, KSL Salt Lake City and KMBZ/KMBR(FM) Kansas City.

Ratings fluctuations

Another track of results of Arbitron's new daypart diary, this one of the fall survey by Eastman Radio, finds that Arbitron's fall, 1986, reports "showed wide fluctuations in listening levels from market to market, with declines leading gains by almost two to one."

The first alarm, it will be recalled, was raised when listening levels from Arbitron's summer, 1986, survey, the first to use the new daypart diary, took a dip from previous levels generated from the old diary.

Charles Sislen, manager of Eastman's Marketing Services Department, notes, however that most of the declines recorded by the fall '86 survey were less than 5 per cent. The other good news is that the daypart diary, at least last fall, did succeed in boosting response rates, which was one reason Arbitron made the change. Sislen reports that the average market in the fall '85 survey produced a response rate of 39.7 per cent, while the fall '86 survey using the new diary saw the response rate climb to 42.9 per cent. Eighty per cent of the 132 markets analyzed showed higher response rates.

Pyramid buys WRXR(FM)

WRXR(FM) Chicago, a classic rock station, was sold by Flint Chicago Associates to Pyramid Broadcasting for $15 million. Wertheim Schroder & Co. was financial advisor to the seller (via Gary Stevens, associate managing director of W-S).

Sears No. 1 web client by far

Sears Roebuck topped by far all network radio spenders last year, according to BAR figures (see top 10 list below ranked by December spending). Sears showed an increase of 129.1 per cent, but General Motors, Bayer and Schering-Plough registered percentage increases even greater. The figures are considered inflated due to 1986 unit rates submitted to BAR by Mutual and United Stations networks that were considerably higher than in 1985, particularly those of Mutual (see *Radio Report* in the February 16 issue).

Among the top 10 client spenders for the year not shown on the list below were AT&T, ranked third with expenditures of $22.6 million and the only top 10 client to show a decline; Greyhound, $15.5 million, ranked seventh; Ford, $14.9 million, ranked eighth; and Schering-Plough, $11.4 million, ranked 10th.

Top 10 web radio clients, December

Parent Company	Estimated expenditures	Year-to-date expenditures
Sears Roebuck	$4,060,258	$47,657,587
Procter & Gamble	2,603,303	13,878,341
Warner-Lambert	2,488,983	22,707,270
General Motors	2,126,064	22,286,053
Bayer	1,999,843	16,206,044
Zale Corp.	1,916,858	5,783,184
Anheuser-Busch Cos.	1,817,300	16,529,525
K Mart Corp.	1,396,098	6,525,546
Tele Disc	1,340,129	3,172,450
Bull and Bear Funds	1,248,680	3,356,474

Radio Business Barometer

December spot up 4.3% (adjusted)

While it wasn't much of a plus, at least it was a plus. Spot radio's performance during the last month of 1986 was to show billings up 4.3 per cent. This was an adjusted figure, however; December of '85 was a five-week Standard Broadcast Month (SBM), while this past December was four-weeks.

Commissionable rep billings for spot radio in December, as reported by Radio Expenditure Reports, now domiciled in Mamaroneck, N.Y., came to $68,717,100. The figure for December, '85, was $82,373,800, but this was adjusted downward to $65,889,000. (Note: The data for spot radio in December previously published in the February 16 issue of *Radio Report* have been changed slightly. The figures reported in this column are the final, corrected data.)

The final spot radio figures for last year came to $919,850,800, up 1.0 per over the 1985 figures of $910,323,800. This does not include spot radio accounts which are placed locally and thus are not funneled through the reps who report to RER.

Data on the four market groups that RER breaks out followed the same pattern in December as had been developing through '86: smaller markets did better than the larger markets.

The top 10 markets in December accounted for $27,299,900 in business, which, in adjusted terms, was up 1.8 per cent over December, '85. The 11th-to-25th markets edged upwards 0.5 per cent in adjusted terms, reflecting billings of $14,922,700.

The smallest of the market groups in terms of billings—the 26th-to-50th markets—rose 5.9 per cent on time sales of $10,191,500. As for the 51-plus markets, which have been doing better than any other group, they climbed 11.5 per cent to $16,303,000.

The full year figures for the four market groups show only the smaller markets making any progress. Among the top 10 markets, the time sales amounted to $351,218,600, a drop of 1.8 per cent. The 11th-to 25th markets accounted for $197,907,600 in business, down a tad—0.7 per cent. The 26th-to-50th market group tallied $139,831,800, up a smidgin—0.4 per cent. But the smallest markets, 51-plus, were up no less 8.0 per cent to $230,892,800.

Quarterly pattern

A look back at the patterns of 1986 shows the middle six months up a little with the beginning and ending quarters down a little. The July–September quarter was the best, being up 5.8 per cent. The second quarter was up 1.5 per cent. But the January–March period was off 2.9 per cent and the final three months were down 1.2.

The reps are feeling the doldrums more than the stations, of course, with spot accounts being logged "local" and agency mergers encouraging more buying on the scene. In the meantime, the reps are using a variety of approaches from offering research to using unwired networks to bring in new business (see story in the February 2 issue of TV/RADIO AGE).

National spot +4.3%*

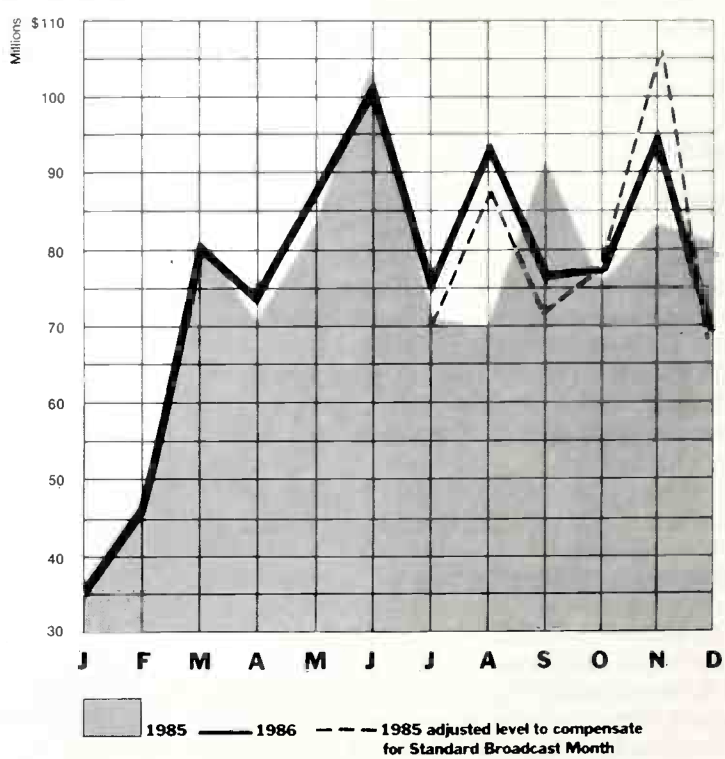
(millions) **1985: $82.4** **1986: $68.7**
1985 adjusted: $65.9

Changes by market group

Market group	Billings (mils.)	% chg.* 86–85
1–10	$27.3	+ 1.8%
11–25	14.9	+ 0.5
26–50	10.2	+ 5.9
51+	16.3	+11.5

Source: Radio Expenditure Reports
* Adjusted

November



with Marketing/Promotions Mgr.
on Hansen.

Don Hall knows more about KSMG because he's been there.

Zana Paiz,
, AE Fred Stockwell
SA Pat Delgado.

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

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

That's why Don Hall, Sales Manager from our Dallas office, recently traveled to San Antonio to work at KSMG.

"Media buyers across the country hear from radio representatives, 'The market is unique – the station is unique.' By visiting, working and learning at MAGIC 105, I can now turn a tired cliche into reality and position the station accordingly."

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

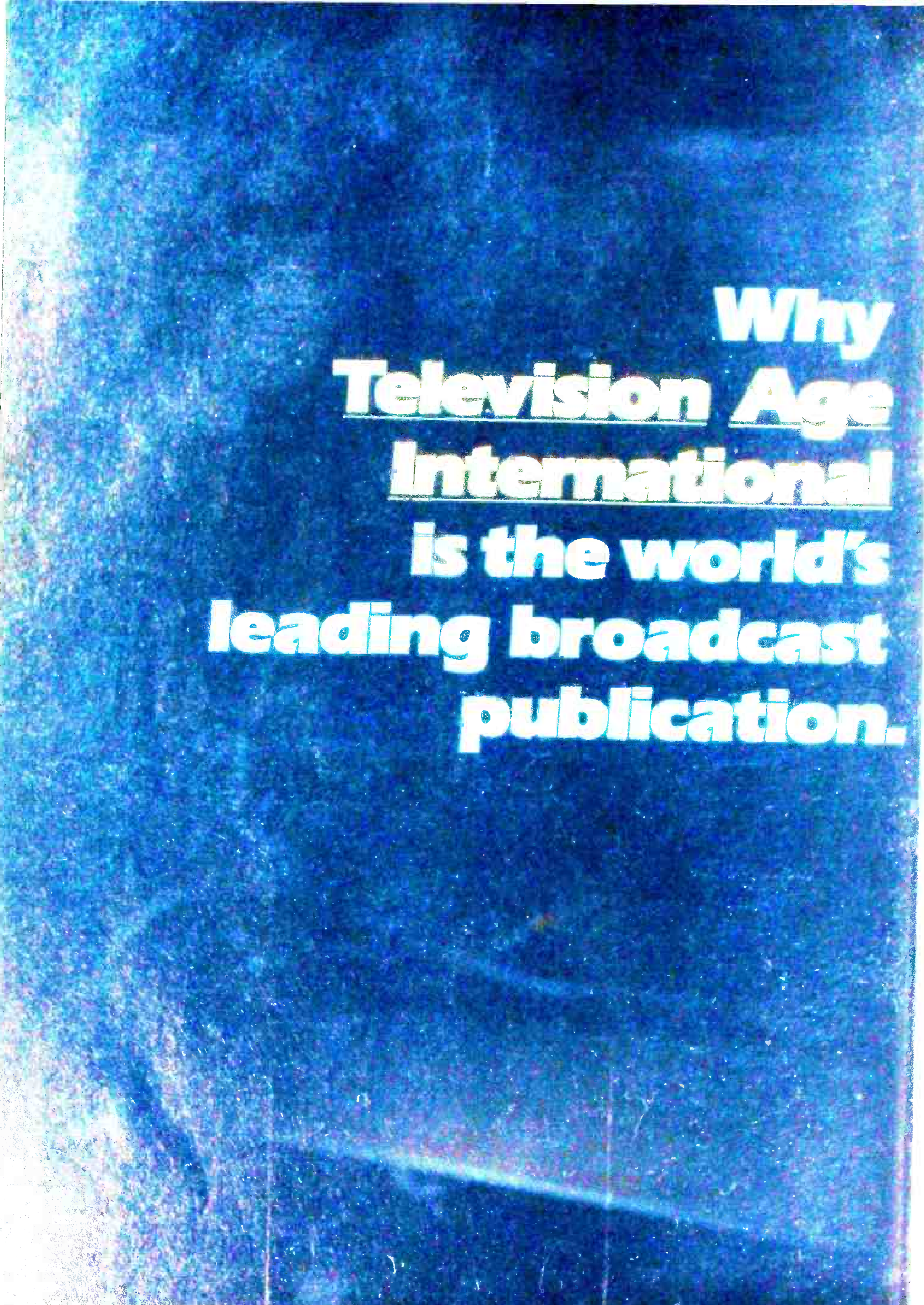
Joyce Scheer-Marshall, Don and
ional/Regional Sales Mgr. Steve Schoppa

McGAVREN GUILD RADIO
Innovative Leadership
AN INTEREP COMPANY

Don, Traffic Director Diane Garibay
and Assistant Bookkeeper Linda Gutierrez

Don with
Chief Engineer
Richard Schuh.

Don with Morning
Air Personality Bruce Hathaway.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Television/Radio Age

March 2, 1987

Network picture split: ABC says it's losing money, while NBC is upbeat

Flagship stations predicting hot TV sales season

By ROBERT SOBEL

With ratings that remain consistently healthy and with forecasts in many markets that bode well for franchises in terms of on-field performance, most of the flagship stations carrying local major league baseball are predicting a hot 1987 sales season. Evidence is already pouring in substantiating their forecast. Most of the local stations are reporting that up-front sales on baseball are running ahead of last year's pace, while ad rates are being increased in the 5–15 per cent range. On the network side, ABC and NBC appear to be on opposite sides of the sales pole. ABC is in a revenue slump and says it's losing money on baseball. Its disappointing batting average in Sunday ratings has forced it to remove the weekend lineup of games this season, replacing them with a variety of different sports. Adding to ABC's difficulties is its big payout to Major League Baseball, which it shares with NBC. NBC, on the other hand, is upbeat on its MLB franchise, noting that its baseball telecasts are profitable.

Total broadcast rights from all sources for major league baseball are expected to hit the $300 million mark, an increase of about 5.3 per cent over 1986's $285 million, according to TV/RADIO AGE estimates. All but about $107 million comes from ABC and

Total broadcast rights from all sources for major league baseball are expected to hit the $300 million mark, an increase of about 5.3 per cent over last year.

Estimated baseball rights and TV-cable coverage for 1987

American League

	Originating TV/radio stations	Total broadcast/ cable rights (000)	Telecasts H	A	Rights Holders TV; Radio; Pay-Cable
Baltimore Orioles	WMAR-TV WFBR	3,560	4	36	WMAR-TV; WFBR; Home Team Sports (65 home, 25 away)
Boston Red Sox	WSBK-TV WPLM	3,510	25	50	WSBK-TV; WPLM (Campbell Communications); New England Sports Network (85 games, mostly home)
California Angels	KTLA(TV) KMPC	4,400	4	46	KTLA; KMPC; no cable games
Chicago White Sox	WFLD-TV WMAO	3,300	14	53	White Sox; White Sox; SportsVision (59 home, 16 away)
Cleveland Indians	WUAB(TV) WWWE	3,500	15	45	WUAB; WWWE; no cable games
Detroit Tigers	WDIV(TV) WJR	3,300	8	37	WDIV; WJR; Pro-Am Sports (60 home, 20 away)
Kansas City Royals	WDAF-TV WIBW	3,000	0	45	WDAF-TV; WIBW (Stauffer Communications); no cable games
Milwaukee Brewers	WVTV WTMJ	2,170	0	60	WVTV; Brewers; no cable games
Minnesota Twins	KMSP WCCO	2,730	4	64	KMSP-TV; WCCO; no cable games
New York Yankees	WPIX(TV) WABC	14,800	37	38*	WPIX; WABC; SportsChannel (in negotiation)
Oakland A's	KPIX(TV) KSFO	2,200	8	25	KPIX; KSFO; no cable games
Seattle Mariners	KIRO-TV** KIRO	1,600	0	62	KIRO-TV; KIRO; no cable games
Texas Rangers	KTVT(TV) WBAP	3,800	0	60	KTVT; WBAP; Home Sports Entertainment (60 home)
Toronto Bluejays	CFTO CVCL	4,680	19	16	Labatt Breweries; Telemedia Broadcast Services; The Sports Network (40 away)

* In negotiation. ** KIRO-TV farms out 31 games to KTVZ-TV.

NBC, which are at present in the fourth year of their major league baseball contract. The pact is for six years, costing both networks $1.1 billion over the full contract.

The rights total as estimated includes the approximate value of broadcast rights in circumstances where the clubs sell the TV and/or radio time themselves. In one case in the upcoming season, San Diego Padres, which had retained the TV rights and sold its own time, has given both over this season to its new flagship station, KUSI(TV) San Diego.

In another deal, which is more unusual, a rights-holder station has "farmed out" half of its games to another outlet. According to Gregg Wright, vice president and general manager at KIRO-TV Seattle-Tacoma, the CBS affiliate will split its 62 contests this season with KTVZ-TV, a new indie. Wright explains that the station didn't want to preempt the time required for telecasting all the games as called for by its contract with the Mariners.

The percentage of increase that MLB will receive in total rights dollars is substantially higher than what it took in for 1986, when the increase from the previous year totaled only about 3.6 per cent. In 1986, it's pointed out, several regional baseball pay-cable outlets didn't return because they went out of business, which contributed to the lag in MLB's total take. But this season all of the cable players are still in, including pay-per-view. Also, one additional service, Tele-Communications, has entered the arena (see cable story on baseball).

Over $100 million

Local television and radio rights will go past the $100 million mark for the first time to about $101 million, according to TV/RADIO AGE vs. 1986's $96.3 million, and CBS Radio will pay about $6.5 million in its third year of a five-year contract with MLB costing $32 million. Pay-cable rights will add up to about $11 million, up from last year's $10 million.

This season, only three television stations signed new rights contracts, although one or two others were in negotiation at presstime. WOR-TV, the New York Mets flagship station, has a new deal with the club, which is understood to be for a considerable increase in dollars, over a five-year period; WFLD-TV Chicago, the originating outlet for the Chicago White Sox, has bought the TV rights from the team and will take over selling the telecasts. Previously, the White Sox owned the rights and sold its own ad time on the Fox station. Also, as mentioned, a new pact was signed between the San Diego Padres and its new flagship station, KUSI. Agreements between the Pittsburgh Pirates and KDKA-TV, the flagship outlet, and by the Montreal Expos, which may change its originating station, have not yet been consummated.

The big contract news is on the radio end, where seven stations have signed new pacts beginning this season. These are KDKA Pittsburgh (Pirates), KMOX St. Louis (Cardinals), WFBR Baltimore (Orioles), KMPC Los Angeles (California Angels), WMAQ Chicago (White Sox), WJR Detroit (Tigers), and WABC New York (Yankees). According to sources, the WABC deal will cost the station $1 million per year in rights.

World Series a winner

Meanwhile, one of the baseball "jewels," the World Series, shone brilliantly last season, while the two others, the All-Star game and the playoffs, performed satisfactorily. According to MLB, the seven World Series primetime contests averaged a 28.6 rating and 45 share in the Nielsen report, for an increase in ratings of 13 per cent, over 1985's 25.3/39, for seven contests each. For five Series on contests in 1984, the daytime telecasts averaged a 22.6/40. This past season's All-Star contest garnered a 20.3/35, about on par with 1985's 20.5/36, according to Nielsen estimates.

The playoffs went seven games in the American League, wrapping up an average of 15.7/28 vs. a 15.4/27 in 1985 for seven games. The National League's playoffs averaged a 14.9/32 for six contests, while the year before, a similar number of clashes registered a 15.6/31.

Of course, one of the reasons for the high numbers garnered for the World Series games was the pairing of two clubs, the Mets and the Boston Red Sox, which represent the Number 1 and Number 6 markets, respectively. The last two games zoomed to a 30.3/52 and a 38.9/56, Nielsen reports.

On the local station level, WDIV(TV) Detroit, the flagship station of the Tigers, continues to be the leading baseball scorer in ratings. Based on the Arbitron May and July books in 1986, WDIV had a 20 rating and 41 share, on average, for its baseball telecasts over the two months, according to Mary Ann Rusch, research director at the station. WDAF-TV Kansas City (Royals) was second with a 19/40; KSKD(TV) St. Louis (Cards) was third with an 18/43. Others in the top 10, in order of ratings, were WLWT(TV) Cincinnati (Reds), 17/39; KOCT-TV San Diego (Padres), 16/36; KDKA-TV Pittsburgh (Pirates), 16/30; WMAR-TV Baltimore (Orioles), 14/30; WTBS(TV) Atlanta (Braves), 11/27; WGN-TV Chicago, (Cubs), 11/25; and KIRO-TV Seattle-Tacoma (Mariners), 10/21.

WDIV has been getting 19 to 20 ratings for the past six or seven years, says Rusch, except for the May and July months in 1984 and 1985, when ratings averaged a few points higher because the Tigers were a strong team. "We're just back to normal now," notes Rusch, in terms of ratings. Detroit, she says, is a heavy sports city and followers are very supportive of their team in baseball and of other sports as well.

Other stations which have been among the top 10 over the past few years are WDAF-TV, KSDK, WMAR-TV and WLWT, in an obvious co-relation with the teams' performance on the field, points out Rusch.

Regular season games on each network wound up about the same in ratings as they did in the previous year. ABC's *Monday Night Baseball* averaged a 9.4/17 for eight contests each year. NBC's 3 Saturday afternoon contests registered a 6.3/2 vs. a 6.4/21 two seasons ago. But the network's two primetime diamond contests spurted from an 8.1 in 1985 to a 9.3 in 1986, according to Nielsen estimates.

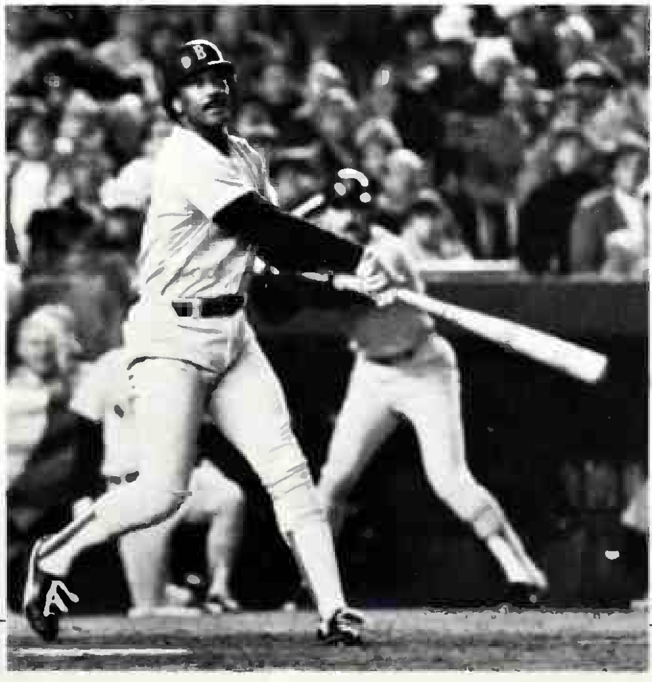
Sunday slump

However, while ABC's Monday night games last season stayed on par with 1985's, the 11 Sunday afternoon games, for which ABC fought hard to get to replace its United States Football League on Sundays last season, boomeranged, with the games failing miserably in ratings. The 11 contests got a Nielsen 2.7/8 average, which prompted the network to drop any plans for continuing to run Sunday baseball for this sea-

The seven World Series games in 1986 averaged a 28.6 rating and 45 share for an increase of 13 per cent over '85's 25.3/39.

Mets' Keith Hernandez

Red Sox's Jim Rice



Estimated baseball rights and TV-cable coverage for 1987

National League

	Originating TV/radio stations	Total broadcast/ cable rights (000)	Telecasts H	Telecasts A	Rights Holders TV; Radio; Pay-Cable
Atantla Braves	WTBS(TV) WSB	1,790	76	69	WTBS & Braves; Braves; no cable games
Chicago Cubs	WGN-TV WGN	2,900	81	69	WGN-TV; WGN; no cable games
Cincinnati Reds	WLWT(TV) WLW	2,300	5	41	Reds; Reds; no cable games
Houston Astros	KTXH(TV) KTRH	3,750	13	61	Astros; Astros; Home Sports Entertainment (65 home, 13 away)
L.A. Dodgers	KTTV(TV) KABC	3,850	0	46	Dodgers; Dodgers; Dodgers—Fox Television Stations via Dodgervision PPV (25 home)
Montreal Expos***	CBFT(FRENCH) CFCF French Radio	3,600	24 French	20	Labatt Breweries; CFAS; CKAC; The Sports Network (40 away)
New York Mets	WOR-TV WHN	9,300	37	38	WOR-TV; Mets; SportsChannel (75 games, split "evenly" between home and away)
Philadelphia Phillies	WTAF-TV WCAU	6,100	20	70	WTAF-TV (Taft); WCAU; PRISM (31 home, 7 away)
Pittsburgh Pirates	KDKA-TV KDKA	3,920	5	40	KDKA-TV; KDKA; Tele-Communications, Inc. (20 home, 32 away)
St. Louis Cardinals	KSDK(TV) KMOX	2,160	0	44	KSDK; KMOX; Cecom Cable Associates via St. Louis Cardinals Cable Network (50 PPV home games)
San Francisco Giants	KTVU(TV) KNBR	2,650	0	38	KTVU; KNBR; KOFY (Spanish); Giants via GiantsVision (36 PPV home games)
San Diego Padres	KUSI(TV) KFMB	2,120	0	49	KUSI; KFMB; Padres-CoxCable (41 PPV home games)

*** *English originating station not yet decided.*

son and probably beyond.

Instead, ABC is planning a sports schedule consisting of international auto racing shows, a Mutual of Omaha *Spirit of Adventure* series, and a variety of specials including an all-star high school basketball game and a golf tournament.

When ABC announced last season it would air games on Sunday afternoons in 1986, local baseball stations carrying competing Sunday contests were apprehensive that the network's games would eat into their ratings. However, based on reports from involved stations, the ABC games had little or no effect on the stations carrying their local team. For example, at WTAF-TV Philadelphia, Steven Mosko, sales manager at the indie (in the process of being sold by Taft to TVX), says the network's didn't hurt its own telecasts "to any noticeable degree."

At KTVT(TV) Dallas-Fort Worth, Charles Edwards, general manager, says, as evidenced by the ratings, competition from the ABC games carried on WFAA-TV, the network's affiliate, had no effect. "This is now the second year we are carrying Rangers' games, and last year, once the audience found they could get their local team on our station, they just kept watching us." This season, KTVT will carry 60 games, 10 more than the number the station started out carrying in 1986.

In some cases, ABC affiliates didn't pick up the Sunday contests. For example, WCVB-TV, ABC's Boston affiliate, chose not to be a player last season, says Tom Warner, sales manager at WSBK-TV, which broadcasts the Boston Red Sox contests. In any case, despite the fact that the ABC games seemingly had no impact on the local stations' contests, the dropping of the clashes by ABC this season is greeted warmly by the stations. "The fact that the games won't be there anymore, always helps," says WTAF-TV's Mosco.

But the Sunday afternoon woes experienced by ABC are small in comparison to the $1.1 billion rights tab the network and NBC are shelling out to MLB over the six years. More than half of the bill is being paid by ABC, and the network is on record as saying the tab is much more than it can afford. Also, it has reported for some time that it is losing millions of dollars yearly on major league baseball. Some estimates put the losses as high as $30 million yearly, which spills out to a loss of some $180 million over the six-year agreement.

While ABC maintains it has been on a severe losing streak in baseball, NBC is saying—as it has been stating over past years—that the baseball telecasts are profitable. Bob Blackmore, senior vice president, sales, at NBC, says, "We're making money on baseball, and it's a stronger marketplace than it has been in past years, as is true with other sports as well. We're about 90 per cent sold for April and May, and baseball is a great franchise for us."

One of the reasons baseball has been doing well for NBC, says Blackmore, is the web's exclusivity on its Saturday afternoon games. Also, sales are even stronger this year because of the high World Series ratings the past season and because ABC's decision to dump its Sunday afternoon diamond games has given NBC some additional baseball revenues from the advertising void. (*continued on page 75*)

Coverage mostly status quo

Cable coverage of local baseball teams remains rather status quo this season. The Pittsburgh Pirates and Tele-Communications, Inc. have signed a new five-year contract, estimated to be worth upwards of $1 million a year. In New York, SportsChannel plans a 150 per cent increase in Yankee coverage, but the courts may have the last word. The New York Mets are increasing their cablecasts by 25 per cent, and the San Francisco Giants are cutting theirs back a bit. But everybody else is doing just about the same as last season.

Ten clubs continue to have no local cable coverage, eight in the American League and just two in the National League. Of these, the Atlanta Braves and Chicago Cubs have national cable coverage via SuperStation WTBS and WGN-TV respectively; both of them gain added revenues by replacing local commercials with national spots for the satellite distribution.

Almost every one of the other non-cable clubs were part of failed cable or STV ventures during the past several years. And they're not planning to re-enter the field until conditions are favorable. Tom Mee, director of media for the Minnesota Twins, says now that the Twin Cities are "pretty well wired," which they were not during the Twins' three-year cable run in the early '80s, "we hope to come up with something for '88."

Randy Adamack, director of marketing for the Seattle Mariners, is more cautious. "We're not really ready to take a risk internally," he says, "and we haven't had a cable company offer to be a rights holder."

For the 16 clubs that do have cable contracts, pay-per-view technology continues to be more of a marketing tool than a programming philosophy. As a rule, the cable operations which have PPV capability prefer selling multi-game packages to viewers rather than taking the pay-per-game risk of declining box office during poor seasons.

Every one of the cable baseball services sells ad time, although they generally offer fewer availabilities during games than broadcast rights holders. And sales seem to be going well, helped along by better efficiencies as several of the cable baseball services have kept ad rates stable while subscriber counts go up.

Here, then, is a market-by-market rundown of local cable baseball, 1987:

Baltimore Orioles:
Home Team Sports, the regional pay service of Group W Satellite Communications, will again cablecast 85 Orioles games—65 home contests and 20 road contests, compared to 64 and 21 respectively last season. At least five spring training games are also scheduled.

HTS has grown considerably since last season, with the affiliate count now up to 86 cable systems from 68—and the number of subscribers more than doubling, from 290,000 to over 600,000. Due to such growth, the service has raised its ad rates by 30 per cent—and the sponsors keep coming. Bill Aber, vice president and general manager, is "confident we'll be sold out." Stroh's has renewed as a sponsor, and All Star Dodge, an auto leasing firm, has come on board.

Aber says HTS will continue its policy of allowing individual affiliates to offer games on a pay-per-view-basis as a sampling tool. "We've found it a pretty effective way to get the product in front of people," he explains. PPV on a regular basis would not make much sense, however, since cable viewers can usually buy a month of HTS for $5 or less—and the PPV games generally sell for $3 apiece.

Boston Red Sox:
New England Sports Network, riding high on the Red Sox 1986 league championship, has raised ad rates "considerably"—to a base of $850 per 30-second spot—for this year's ball games, re-
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For the 16 clubs that have cable contracts, pay-per-view is more of a marketing tool than a programming philosophy.

Boston's Roger Clemens

Baltimore's Mike Boddicker

Flying in face of economy, many stations are projecting double-digit gains in '87

New-business push, marketing approach spur local TV sales

By SANFORD JOSEPHSON

In a sluggish advertising climate, local television sales have held up well. And, based on conversations with TV station sales executives, this segment of the TV business should continue to be strong throughout 1987.

There are the usual variations from market-to-market, but, generally, stations are projecting percentage local increases in double digits or high single digits over 1986. (According to TV/RADIO AGE's *Business Barometer*, local TV sales for 1986 rose 13.1 per cent to $5.274 billion. The Television Bureau of Advertising, based on an analysis of Broadcast Advertisers Reports data, says local TV revenues were even stronger—up 14.0 per cent in '86 to $6.515 billion).

But, more significant than the figures themselves, are the methods by which stations are going after local business. Recognizing that local is the only part of the revenue stream they can control, broadcasters are concentrating on a number of techniques to stimulate business and ensure its growth over the long-term. Among them:

- Restructuring compensation systems in order to reward sales personnel for bringing in new-to-TV accounts.
- Adopting a marketing approach when calling on prospective clients—putting the focus on the advertiser's business as opposed to just talking about television.
- Mounting special promotions and programming vehicles that attract new clients and lay the groundwork for lasting broadcaster-advertiser relationships.

Financial incentives

A typical local outlook is that of John Cottingham, general sales manager of WTOL-TV Toledo, who has forecast a 10 per cent increase this year. Cottingham, however, emphasizes that the gains are coming "from the local development of new dollars, not from the growth of present budgets."

In a move designed to guarantee the continuation of new revenues, the Cosmos CBS affiliate has recently instituted a new commission structure, which Cottingham says, "greatly encourages the staff to concentrate on new dollars. The benefit [for bringing in new direct accounts] is three-to-one over agency business."

Any salesperson at KCCI-TV Des Moines who brings in an account that was not on the air in the last year gets "an extra 4 per cent," according to Ron Briggs, general sales manager of the H&C CBS affiliate. Although the Des Moines area is plagued by agricultural woes, Briggs is projecting an 8 per cent increase in local revenues this year, adding that major goals are to attack print budgets and be as "visible in the community" as possible.

In the Springfield-Decatur-Champaign, Ill., market, WICS(TV) considers a new account one that has never been on the air or has been absent from the station's rolls for three years. "We keep count every month on a large board in the sales department," says Don Squires, general sales manager of the Guy Gannett NBC affiliate. In 1986, he adds, there were 92 new accounts with billings in excess of $250,000.

At WVEC-TV Norfolk-Portsmouth-Newport News-Hampton, 15 per cent of local revenues in January were classified as "new business"—an account that wasn't on the station in the last 12 months.

Other stations contacted that have instituted incentives for bringing in new business include WDIV(TV) Detroit, KGW-TV Portland, Ore., and KOMO-TV Seattle-Tacoma.

Says Chris Rohrs, general sales manager of WDIV: "Our compensation structure for local account executives is heavily skewed toward new business. It's worked very effectively; we have a genuine commitment to new business development."

In Portland, Steve Newman, general sales manager of KGW-TV recalls that, "this market got hammered about three years ago in national business; now we have new business quotas for all our salespeople."

Adds Scott Hayner, general sales manager at KOMO-TV: "Each salesperson has a requirement that 15 per cent of their billings be in new business. They're paid on that basis."

February issue of "Showcase"

WJLA-TV's magazine promotes the station and its programming while offering local clients a combination print-broadcast advertising package

Once stations have made the commitment to pursuing new business, the challenge facing them is *how* to get it. Although a variety of techniques are being employed, the overriding theme seems to be the adoption of a *marketing* approach as opposed to the pound-the-pavement, hard sell posture.

"Our philosophy," says Tony McMahon, general sales manager of WUTV(TV) Buffalo, is, "Let's not sell the station; let's market the station." Traditional newspaper advertisers, he says, "are frightened of the costs [of television]." The Buffalo indie offers local businesses sales packages that include production, but, adds McMahon, "you almost have to be their [clients'] marketing agent."

"2 at Noon" hosts Barbara Simpson and Pat McCormick

Origination of KTVU's "2 at Noon" from Emporium-Capwell provided an opportunity for station executives to interface with store executives.

Full-service departments

A number of stations have established full-service marketing departments.

At KTVX(TV) Salt Lake City, the two-person department consists of an account executive and a marketing manager. The purpose, according to Bob Galle, general sales manager, is "two-fold. It's a resource for our sales department, working closely with the material we receive from TvB; and the account executive makes generic TV pitches, working on a different level [than the sales staff], calling on account executives at the agencies or their counterparts at the client." The department, says Galle, is 14 months old, but the account exec was added about $2\frac{1}{2}$ months ago. The AE, he points out, "doesn't have a regular list; he works off the needs of the marketing department. He's on salary, plus bonus, based on predetermined revenue goals for local sales."

The marketing director at WVEC-TV works directly for Rick Keilty, the general sales manager, and, says Keilty, "his primary function is to assist the account executives in the selling process." Keilty says the Belo ABC affiliate is up 15 per cent in local for the first quarter of this year, and "the market is not performing as well as we are. I attribute our success to our marketing effort; the decision was made a number of years ago for the station to go in this direction, and it's paid dividends."

The approach at WSOC-TV Charlotte is "to do a lot of attitudinal research," says Tom Burkhart, director of sales and marketing. "We present the retailer with information that he's never had before; we develop a marketing strategy. It's selling our credibility as a marketing and advertising source. We're not just spot salesmen. We talk about *their* business, not our business."

WICS' Don Squires, on the one hand, says, "I'm of the old school. I'm a believer in nose-to-nose [sales] calls." But, on the other hand, "I also say, 'don't be a salesman, be a consultant.! The more we learn about his business, the better we're going to do."

New advertisers often must be given a special reason to try television, and stations are increasingly coming up with special vehicles—either unusual promotions or local programming ventures.

At WJLA-TV Washington, the vehicle is a magazine called *Showcase*, which promotes the station and its programming while at the same time offering local clients a combination print-broadcast advertising package.

Showcase was mailed out to 500,000 homes in January. The ads in the magazine were tied to an on-air schedule, and, according to John Long, general sales manager of the Allbritton ABC affiliate, "it generated a lot of billing for us. And after it went to press, several clients who had heard about it wanted in."

The 60-second commercials that were part of the TV package opened with a generic message such as, "Look for *Showcase Magazine* with a behind-the-scenes story on *Amerika*." Then, in the middle would be a 30-second message from the advertiser. The combination worked particularly well for a real estate client such as HomeSearch, which supplemented its TV spots with seven pages of four-color listings. But the advertiser list was varied, ranging from Medlantic Healthcare Group to Mid-Atlantic Toyota Distributors to Diener's, a floor covering retailer.

In Richmond, WWBT(TV) took over the county airport last Labor Day to sponsor the National Balloon Racing Association balloon races. Clients were allowed, in turn, to sponsor individual balloons as part of an agreement to spend a specified amount over and above their normal third quarter on-air schedule.

In addition, says Ellen Shuler, general sales manager, of the Jefferson-Pilot NBC affiliate, there was "lots of on-air promotion, and, in between races, clients had an opportunity to sell goods." The event drew 30–35,000 people and filled a void in the marketplace. "Richmond," adds Shuler, "had no specific thing going on Labor Day."

The emphasis on new client development at WTNH-TV Hartford-New Haven is on attracting more upscale advertisers to television, according to Fran Tivald, general sales manager. The route to that objective has been the local production of primetime hour specials devoted to serious topics such as aging and teenage pregnancy. These *Closeup* programs, which are backed up by segments on the ABC affiliate's early evening newscasts, get "excellent numbers," Tivald says, and they attract advertisers such as utility companies, banks and auto dealers—"people that want to be involved."

A similar strategy is used by KTSP-TV Phoenix, which honors students in local high schools via its *Academic All-Stars* program in the spring. Says Tony Twibell, general sales manager: "We try to make this a sponsorship vehicle." Twibell adds that the Taft CBS affili-

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Larger share of ad market, need for upfront awareness among common goals

United front key to local radio groups' strength

By GEORGE SWISSHELM

Taking their cue from "Team Radio," the theme of this year's Radio Advertising Bureau Managing Sales Conference, a growing list of local radio associations across the country have been following the lead of the pioneering Southern California Broadcasters Association in joining forces to promote and sell radio locally.

In the process, these local radio stations are keeping in mind the warning that RAB president Bill Stakelin delivered in Atlanta: "It's much harder to avoid selling against each other, and to sell radio as a medium first, then sell our own station second."

Although each group has its own way of doing things, most share a number of factors in common.

■ A goal of securing a larger share of market ad dollars for radio.

■ Recognition of the need to keep radio upfront in the minds of clients and agency creative teams as well as in the minds of media planners and buyers.

■ A belief in the need to inform and educate local agencies and retailers about radio's ability to boost sales.

Granddaddy of these local groups is the Southern California Broadcasters Association, founded in 1937. SCBA was started as a clearing house for public service information. Today, it's a marketing, government relations and social organization that will toast its 50th anniversary in November.

Its board is elected from among the managers of its 125 member stations covering the 10 southernmost counties of California, and it has a full-time staff of four headed by executive director Gordon Mason.

At the agencies, Mason reports that SCBA has been concentrating on their creative staffers, "because we've found that they're responsible for about half the decisions to use radio."

Part of this is presentation of SCBA's annual "Sunny" awards for creative excellence in eight categories. This year, SCBA got 319 entries. The Southern Californians also stage a creative workshop once a year, just as it does its annual public affairs and public service workshop. Mason says the group also holds monthly educational seminars for radio station sales staffs, bringing in agency and client people "to give our members' salespeople an inside look at how their advertising decision making works."

SCBA is in its 11th year of the curriculum it organized for UCLA's extension. Mason explains that member station managers, research and promotion people "take turns as lecturers. Graduates earn a certificate in broadcasting."

The association has a sales managers' council, split into task forces that are currently working on four marketing programs:

■ National sales, which concentrates on bringing more radio dollars into the Southern California radio market.

■ Upgrading radio buying standards—an effort to "move buying beyond the one-criterion GRP or CPP-only approach."

■ Coming up with new ways to "get more area creative professionals excited about radio."

■ The Business Development Task Force.

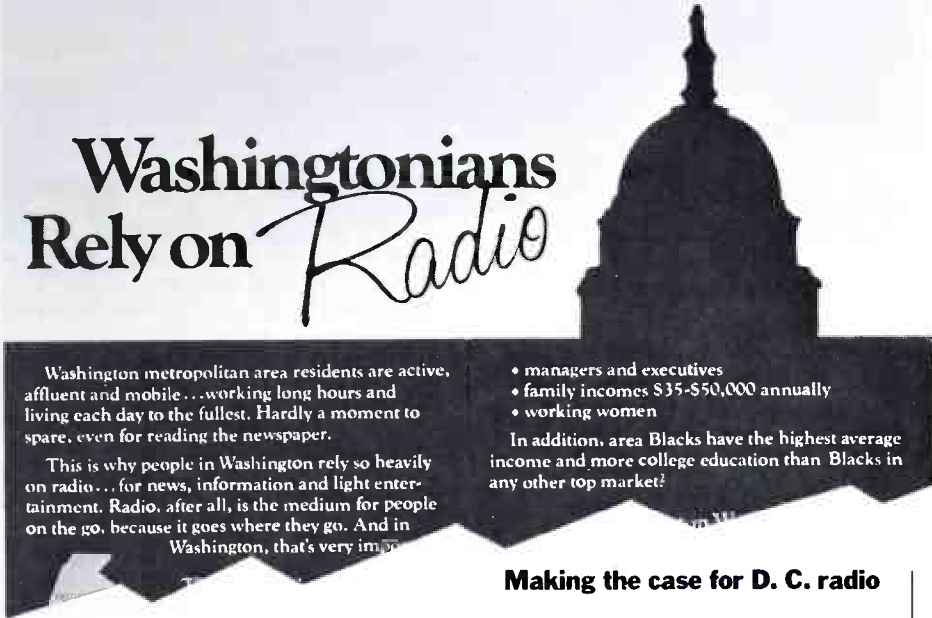
SCBA has already made slide and tape presentations demonstrating radio's power to the Toyota Dealers of Southern California, the Nissan Dealer Board of Directors, International Communications Group, the Chrysler-Plymouth Dealers of Southern California, Basso & Associates, the Disneyland marketing staff, and the Burger King franchisees of Southern California. Now the Business Development Task Force will be presenting and marketing radio to companies in various target categories. First category, says Mason, will be real estate. The first calls are scheduled for March 15.

Using their own airwaves, member stations run commercials featuring satisfied radio user testimonials. Mason explains that the association solicits

Granddaddy of local radio groups is Southern California Broadcasters Association, which presents annual "Sunny" awards for creative excellence.

From l.: *SCBA exec. dir., Gordon Mason; SCBA president, Bob Light; KNOB's Jeannette Banoczi; and "Sunny" m.c., Dennis Weaver*

A_bout 18 months ago, nine Washington radio stations joined forces to market their medium more effectively._



Making the case for D. C. radio

letters from the marketing heads of radio's success story advertisers and that those who have hit the air so far for radio include Jack Johnston, vice president marketing for Pacific Southwest Airlines; Bob Sharon, general manager, Nissan Dealers of Southern California; Fred Sands, president, Fred Sands Realtors; and Bob Anderson of the LFD Chevrolet Dealers Advertising Association.

And like RAB, SCBA, too, maintains a constantly updated library of marketing facts and publishes its monthly *Call Letters*. Latter includes marketing news and radio success stories.

The second oldest local station group is the Northern California Broadcasters Association, which started in 1971 with seven member stations—a number that's grown today to 53.

Howard Kester, NCBA president, says that, "For us, sales is job one. We're different because to pursue our goal of a larger share of dollars for radio, we concentrate, not on advertising people, but on the chief executive officers of prospective client companies. Every pitch is different, too, tailored to the specific company we're calling on."

Kester says NCBA starts with that company's customers, "and then shows our prospect how his customers use media. If it helps, I show him how to manage radio, including the bookkeeping, with or without computer, whichever way the customer does it. And if it's a retailer, I'll go out and hire a merchandiser who's experienced in using radio to run it for him."

Kester also emphasizes that he works on the prospect's creative approach for radio and explains that, "The prospect's product is like aspirin. They should be on radio 52 weeks a year, because no one can guarantee the aspirin company that everyone will happen to have a headache the week he's on radio, if he's only on one week a month."

NCBA also has member stations in Sacramento as well as in and around San Francisco and Oakland. Kester adds that the association does "original research. We've done attitudinal studies on what people think about radio, we've done a wine user study, and we've been helping prospects get vendor dollars for years, back when most radio managers still weren't sure exactly what co-op is. We write and produce audio-visual scripts to sell radio, and we publish a newsletter. We show retailers and their agencies how to make the most of radio and we don't charge them for the help. We can advise them on market surveys, on customer, product and store research, on media planning, copywriting, commercials production, co-op advertising, and, of course, on those vendor support dollars."

Kester reports that NCBA has commissioned "primary research," including focus group attitudinal studies of media, Starch readership studies of newspapers, and point of purchase studies of product take-away, for the same brand, after being presented in different media mixes. And the association subscribes to such syndicated research as Arbitron, MRI, Simmons and Scarborough "in order to serve as a resource to stations, agencies and clients at no charge."

Kester conducts sales seminars for member stations' salespeople, as well as workshops for agency and client personnel, tailored to the specific needs of each particular group. He works at both the retailer end and with manufacturers, wholesalers, distributors and manufacturer reps to create presentations that highlight use of radio and to help boost vendor sales at the time of the sell-in, and in the process, generates promotional allowance budgets to help pay for the retailer's advertising.

Across the country in New York, Shirley Baker did such a great job of business development as marketing director of NYMRAD—the New York Market Radio Broadcasters Association—that just last month the RAB hired her away as vice president, sales and marketing.

Customer targeting

At NYMRAD's fourth annual Sales/Management Seminar in January, she reported that because of escalating costs of mass market advertising, more department and specialty stores, and more drug stores and supermarkets "are learning that the way to grow is to find their own niche and cater to specific groups of consumers, targeting both their stores and their advertising."

In working with area supermarkets, NYMRAD provides customer profiles, market profiles, radio success stories, product use information, and NYMRAD's recently launched quarterly newsletter for supermarkets, *Marketopics*.

One result of the effort, says Baker, has been 'definite increases in local food chains' radio budgets.' According to NYMRAD's retail revenue analysis, supermarkets spent $1.4 million in local radio in 1984, a figure that climbed

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AGB announces system, Nielsen to make proposal, questions remain

Solution to barter lineup verification: electronic coding

By ALFRED J. JAFFE

Program lineup verification—a problem bugging barter syndicators for years—seems on the way to a solution: electronic encoding of programs. But there are still questions that remain to be answered.

Distributors of barter shows have been trying for the past couple of years to have Nielsen expand the networks' AMOL (automated measurement of lineups) system—which has been integrated into Nielsen's NTI service—to include barter programs. But, for one reason or another, nothing came of it.

Now, AGB Television Research has broken the logjam by announcing "the first electronic system for verifying station clearances" of barter shows. Called LineTrak, the system is an extension of its AMOL monitoring system developed to identify station clearance of network shows for its national people meter audience measurement service.

However, Nielsen is now ready to propose its own electronic verification system for barter shows, and indications are that a description of the system will be made to members of ASTA (Advertiser-Supported Television Association) this week (see also story on barter program verification in December 29 issue). AGB made its presentation to ASTA a few weeks ago.

Under present plans, LineTrak will be incorporated into AGB's people meter service this coming September. However, its accuracy in barter syndication will be tested in April in a joint effort with Orbis Communications, which has already subscribed to the AGB service and is the only distributor so far to have done so.

Program identification

For network clearances, LineTrak will be picking up the same program coding signals as Nielsen. Whether it will pick up the same codes as Nielsen for barter shows depends to some extent on discussions between AGB and Orbis as to the terms of the test. Yet to be decided is how many Orbis shows—and which ones—will be coded. There is also the question of whether the specific program and episode will be identified as such. AMOL as now operating does not identify programs directly but codes the date, time of day and source of the feed. "Black boxes" for each affiliate record these codes for Nielsen when the program is aired and this station information is married with the program information supplied by the networks to Nielsen, the webs listing, of course, which programs they fed at which time from which uplink.

Orbis would like more than that. Bryan Byrne, executive vice president, media sales at the distributor, and head of the ASTA research committee, says, "We want [the code] to identify the syndicator, the name of the program and the program episode. We'll probably encode all three." AGB in its announcement of LineTrak indicated it would code at least the program and episode codes.

Nielsen has no intention of employing individual program codes for barter shows and will propose the same "time stamp" and "source identification" approach that's used to code network shows. David Harkness, senior vice president of the Nielsen Media Research Group, who heads up the Nielsen Syndication Service, under which the barter program verification system would operate, believes that specific program codes would create an "administrative nightmare."

He argues that specific program codes would require an elaborate inventory system, that special care would have to be taken to make sure that the right code would be used by the coding entity, which could be a production house, and that every production facility would have to have coding/decoding equipment, rather than only a few uplinking operations. Also, he says, the audience measurement service would have to have a large library of codes to keep track of.

"It's simpler for someone like Wold [Communications] to install a coder unit and since they have to pass along information to stations about what they're going to transmit, they can send the same information to us as if we're just another station. We would rather have the onus on us [to merge codes and program information]."

Dr. Joseph Philport, AGB president, doesn't believe his program verification system presents any serious problems. He is confident that, subject to syndicator demand, AGB will be decoding barter shows by September. This involves, among other things, placing a monitor, the heart of the LineTrak system, in each market, linking them in a national system and writing the software that will verify clearances. One monitor box, he says, will handle all stations in a market. (Nielsen uses one box per affiliate, but Harkness says its new hardware will be able to handle multiple stations.)

Philport believes that "the benefits accruing from LineTrak will encourage syndicators to encode their programs. In addition to obtaining more accurate ratings more quickly, syndicators will be aware on a next-day basis of any clearance discrepancies. They will

AGB's Philport

Says LineTrak monitoring system will be ready for people meter introduction in fall of this year

Monitoring unit

AGB will place units to pick up program codes of both networks and barter programs

know whether any program has been pre-empted or moved to another time slot and, in the latter case, what that time slot was."

Preventive measures

While LineTrak will be more or less the final word on AGB program clearance information, the research service intends to gather information on program clearances *before* the programs are aired. "One of our goals," Philport says, "is to avoid discrepancies before air date." So syndicators will be asked to submit clearance lists beforehand. This, it is expected, will turn up situations where two distributors claim the same time period on the same station. When a network show conflicts with a barter show, the conflict will be apparent through AMOL data. However, LineTrak, as presently set up, will not be able to check on local conflicts.

AGB is also banking on a third source of information—in addition to AMOL and syndicator lists. It's a program guide which, Philport says, can make changes up until one day before airtime—"unlike *TV Guide*." However, he would not identify the service, since AGB is still negotiating with it.

With electronic verification apparently certain in some form for barter shows, syndicators believe that audience data on their shows will become more credible. Dan Cosgrove, president of ASTA and vice president, media, for Group W Productions, points out the association strongly supports encoding, which is one of the reasons for its pro-AGB stand. While he now acknowledges that Nielsen will present a proposal, he points out that for a while the research service had no plans for electronic monitoring of barter syndication programming.

Tim Duncan, president of Boston Media Consultants and research consultant to ASTA, believes the "delay" in Nielsen's submitting a proposal was its apparent conviction that electronic monitoring of syndicated shows would be expensive—"which is probably not true." Nielsen indicated, Duncan says, that AMOL would be costly to modify, that it would cost as much to set up for barter syndication as it cost to set up for the networks. "The figure of $6 million was bandied about," Duncan relates, "though that was not actually a quote." Duncan said that syndicators have been pushing Nielsen for two years to come up with a proposal, including the use of Monitor-Plus for monitoring national barter spots, particularly those stations don't run within the barter show.

Harkness denies that $6 million was ever used as an indication of the cost of monitoring barter shows. In fact, he says, rates for subscribing to the SON (Syndicated & Occasional Network) rating reports, part of NSS, will likely remain the same next season as they are now. SON reports, which are now based on NTI household meters plus NAC diaries, will be generated from a larger sample next season from people meters alone.

Harkness notes that while using AMOL for barter syndication means an extra investment for Nielsen, it also means "increased business. Syndicators are not the only ones who want it. Advertisers and agencies want it, too. The first person to ask for this was a large advertiser in Cincinnati," a reference to Procter & Gamble.

As for Monitor-Plus, whose debut has been delayed from this past January to next January, Harkness reports that it will be used to monitor commercials no matter what the outcome of the monitoring of barter shows or subscriptions to the SON service. He also notes that Nielsen people are working on a method to distinguish between local and national barter spots. However, Monitor-Plus will cover only 75 top markets.

Syndicator reaction

Among those looking on LineTrak with approval are Elissa Lebeck, vice president of research and marketing services at Viacom Enterprises, who says, "It sounds like a dream." The current Nielsen Lineup Management System (LMS), a micro-based service being tested by Viacom and about a dozen other barter syndicators, is, by comparison, she feels, slow and cumbersome. The AGB service means "almost overnight information," says Lebeck.

Comments Cecilia Voccali, director of advertising services for Television Program Enterprises, "I have to give AGB credit. They are trying hard to service the syndicators." But she feels the research firm is very ambitious to be targeting this coming September as a start date for its national audience measurment service. TPE is using Nielsen's LMS and Voccali is confident that encoding will be more accurate in pinpointing lineups and resolving conflicts. About the only barter syndication conflicts that are known promptly at present, she finds, are those involving network shows. Information from LMS about conflicts with other syndicated shows comes much later, she says, "and you have to request it."

At Camelot, the barter syndication arm of King World, Marsha Diamond, director of research, says that LineTrak "seems workable. We certainly need a service like LineTrak." She finds AGB "committed to be flexible" insofar as servicing distributors is concerned and cites as an example of her needs, information on specific episodes ("I would want the episode number."). She also would want "simple reports, for someone with a small staff, like myself."

The barter syndication business is growing "by leaps and bounds," Diamond says, and while she doubts that a monitoring system will work flawlessly, "you have to start somewhere." While she likes LineTrak, Camelot won't buy AGB also if her company subscribes to Nielsen.

Camelot is not using LMS, although Diamond says she was active in helping Nielsen develop it by submitting lists of desired functions. "We looked at LMS, tested it on one show and found it was garbage." But she believes Nielsen has made improvements and when she gets her hardware (IBM PC/XT), she'll

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Vincent's compromise: mixed reviews

"I don't. . .believe that one should be at war with one's customers, so I've always been interested in. . .a deal."

Coca-Cola's Vincent

Francis T. Vincent, Jr.'s call for compromise on the financial interest and syndication issue is getting warm-to-mixed reviews by other program producers and by executives at the TV networks.

At the NATPE International convention in New Orleans in January, the president of Coca-Cola Co's Entertainment Business Sector, admitted he was verging "on heresy," when he suggested that the networks "could have some financial interest in product which first appears on the networks if they will share in some of the production deficits." He also said the networks should accept "a reasonable limit on the hours of in-house production."

$1 billion at stake

At stake in this argument is about $1 billion that local television stations spend annually on television program reruns, according to the latest industry estimates.

In an interview, Vincent notes that his suggestion at reconciliation between the networks and the producers in Hollywood in their sharp and often bitter battle over rerun rights has not been expressed publicly by anyone at his level.

Vincent says he has always been less hawkish on the issue than some other producers. "I don't really believe that one should be at war with one's customer, so I've always been interested in making a deal. The deal with CBS made a lot of sense, I thought. CBS was the most interested of the networks in building a business in a different economic configuration. But the new people at the networks are hard to move."

The "new people," consisting of Laurence A. Tisch, CBS president and chief executive officer, Robert D. Wright, NBC president and chief executive officer, and Thomas Murphy, Capital Cities/ABC Inc. chairman and chief executive officer, rejected, through negotiators, a settlement proposal back in October, 1986, reached between CBS and the Hollywood studios. Under the agreement the networks would have been required to limit their in-house primetime productions to only five hours a week at maximum until at least 1995. In exchange, the studios would have allowed CBS to get a financial stake in a limited number of new programs through joint partnerships.

Under consent decrees signed with the Justice Department, the networks have a cap on in-house productions. CBS can only produce two-and-a-half primetime hours per week until 1990, when the decree expires. Both ABC and NBC are at present allowed to produce three-and-a-half hours of primetime weekly, but can produce as much as four hours this coming season, and up to five beginning with the 1988–89 season and until November, 1990.

Also, the agreement allowed the networks to share in the back-end revenues when they are produced in-house, but still didn't allow them to syndicate the shows by themselves. However, the networks could still sell the off-network rights to syndicators.

A network spokesman who didn't want to be identified notes that Vincent's proposal is similar to one that was part of the discussion between the studios and the network in October, but that things got bogged down because the producers sought to lock in the networks on in-house production until 1995. "We said we couldn't see that far and that we would rather not have any deal."

Letter to three webs

Shortly after, Michael P. Mallardi, president, broadcasting division, Cap Cities/ABC, sent a letter in behalf of the three networks to Robert A. Daly, chairman and chief executive officer at Warner Bros. Inc., a member of the studios' negotiating team, rejecting the agreement. A copy of the letter, obtained by TV/RADIO AGE, noted that "the proposal was evaluated in the light of the most difficult economic environment the networks have ever faced."

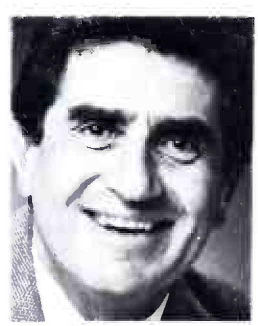
Further, the letter noted, "the rapidly changing state of the industry precludes us from accepting your proposal at this time." Another part of the letter said that there does not appear to be any compelling reason to rush to an agreement. "The rules restricting the networks' ability to syndicate or obtain financial interest remain in place. Moreover, the networks are not significantly engaged in primetime production at the present time, and they operate under production caps that do not expire until November, 1990. We and you should have a clearer idea of the direction our industry is taking well before then, and can perhaps reach a more informed judgment about an agreement that will be consistent with our interests and those of the public we serve." Copies of the letter were sent to Art Barron, president, Gulf & Western

(continued on page 83)

Worldvision's O'Sullivan

Terms on web back-end deals could influence the decision on whether to acquire a show.

MGM/UA's Horowitz



"What he is suggesting is nothing new. . . . It's reasonable but unattainable."

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TELEVISION/RADIO AGE

Spot Report

March 2, 1987

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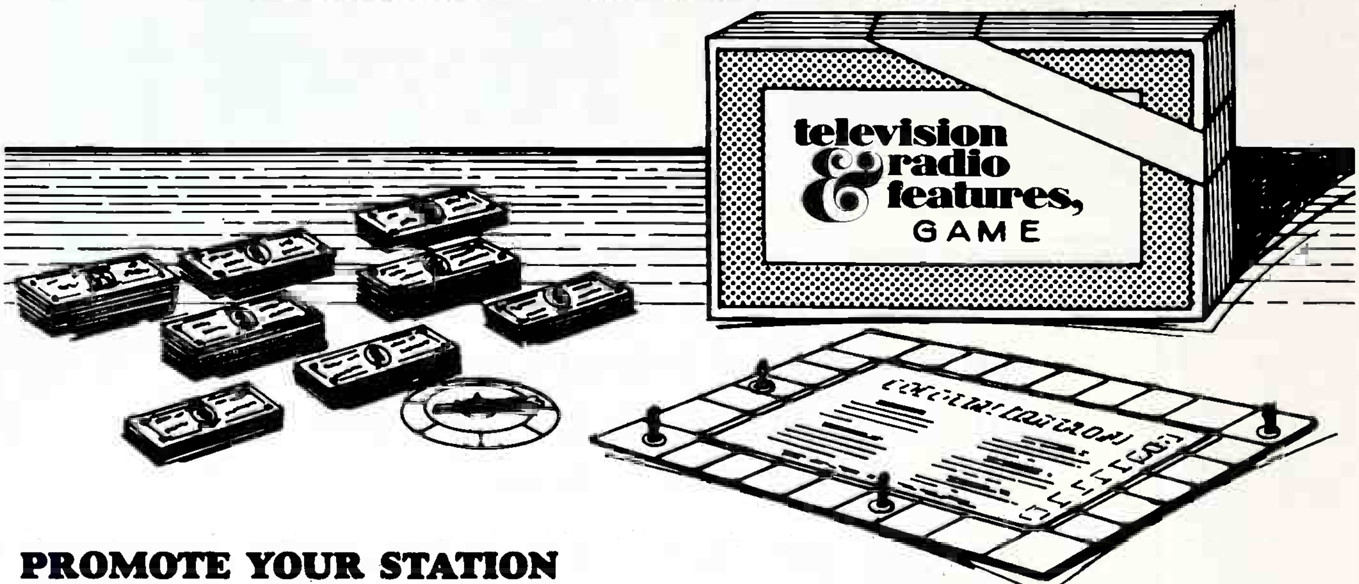

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Spot Report

March 2, 1987

INTV backs new statistical study of 'meter/diary gap'

Hoping to find a formula to "calibrate" diary results in non-metered markets so as to give independent TV stations in such markets the benefits of indies in metered markets, INTV has commissioned a "groundbreaking" statistical analysis of the causes of the "meter/diary gap." The move was announced by INTV president Preston Padden at the ANA's TV/media workshop in New York last Wednesday (February 25). INTV has retained Statistical Innovations, Cambridge, Mass., to provide the analyses.

In the initial phase of the research, data from five metered markets—Boston, Chicago, Dallas, Los Angeles and Washington—will be analyzed in terms of 15 variables over four sweep periods. About 2.5 million individual viewing records will be put through the SI computer, Padden said. Supervising the research will be SI's chief, Dr. Jay Magidson, whom Padden described as the statistician "to whom A. C. Nielsen turned for advice in designing the procedures by which Nielsen currently integrates household meter data with diary persons data."

Padden also released results of an INTV analysis of diary and meter share data from the November sweep in 13 Nielsen metered markets. In all markets, he reported, meter shares for indies were higher than diary shares. The gap ranged from 17 per cent in Los Angeles to 63 per cent in Atlanta, with an average of 29 per cent. Affiliates were down an average of 10 per cent.

L.A. stations seek answers

Because of the longstanding concern in the Los Angeles market about discrepancies between Arbitron and Nielsen TV ratings, the Los Angeles Television Stations Research Committee has commissioned Statistical Research, Inc. (SRI), Westfield, N.J., to make an independent study of universe characteristics in the Los Angeles market.

The study is actually a hitchhike on the annual surveys SRI conducts for CONTAM (Committee on Network Television Audience Measurement) on TV characteristics of households. This covers such areas as number of TV sets, VCR ownership, pay and cable subscription, antennas, including dishes, STV, MTS, etc.

SRI has conducted these random-digit dialing CONTAM studies for about seven years and added New York three years ago. For the local market studies, samples are boosted to about 1,000 households.

The L.A. study was conducted last month and will be available in late March. Cost of the study is $20,000 and it's sponsored by KCBS-TV, KABC-TV, KNBC(TV), KCOP(TV), KHJ-TV, KMEX-TV, KTLA(TV), KTTV(TV), KVEA(TV), plus Arbitron.

Newspaper $$ up 7.2%

Newspaper ad expenditures rose 7.2 per cent during 1986, to $26.989 billion, according to preliminary estimates by the Newspaper Advertising Bureau. But spending by national advertisers increased only 0.7 per cent, to $3.376 billion. Spending on retail advertising, newspapers' largest category, rose 6.5 per cent, to $14.311 billion, according to the Bureau.

During the fourth quarter alone, national advertising dropped 5.2 per cent, to $891 million. Total ad spending in newspapers was up 8.4 per cent, to $7.551 billion; retail spending up 8.7 per cent, to $4.369 billion.

Pepsico No. 1 in spot

Political advertising topped the spending of any one spot TV client during the final quarter of '86, according to BAR data (see listing below). While Procter & Gamble was Number 1 client in spot for the quarter, it was topped by Pepsico for the year. Not appearing in the listing below among the top 10 spot TV advertisers for the year are Anheuser-Busch, with $98,641,396 in spot expenditures, ranked seventh; Coca Cola, $83,184,872, ranked ninth, and Kohlberg, Kravis, Roberts & Co. (Beatrice), $74,334,644, ranked 10th.

Comparisons cannot be made with 1985 spot TV expenditures because national advertising on barter programs is not included in the '86 figures as it was in '85.

Top 10 spot TV clients, 4th quarter

Parent company	Estimated expenditures	Year-to-date expenditures
Political advertisement+	$75,450,438	$160,799,064
Procter & Gamble Co.	64,710,070	233,444,528
Pepsico Inc.	57,434,448	254,237,235
Hasbro Inc.	40,462,424	73,173,158
General Mills Inc.	39,391,421	127,099,181
Pillsbury Co.	34,100,072	132,442,595
McDonalds Corp.	34,099,119	128,199,572
Philip Morris Cos.	30,948,043	133,311,312
Toyota Motor Sales Co. Ltd.	26,139,846	90,284,943
Unilever N.V.	19,495,209	60,703,696
Quaker Oats	17,735,298	45,159,408
Dart & Kraft Inc.	17,415,595	61,488,926

Spot Report

Campaigns

American Greetings Corp., TV
CPM, Inc./Chicago
AMTOY MAD BALLS are scheduled for five weeks of spot appearances that started in late February or early March in a fair lineup of midwestern and southeastern television markets. Buying team placed daytime and kid spot to reach children.

Bank of America, RADIO
Allen and Dorward/San Francisco
BANKING SERVICES are being offered for eight weeks that began in mid February in a good many California radio markets. Media target includes both men and women 25 and up.

Beiersdorf, Inc., RADIO
Posey & Quest, Inc./Greenwich, Conn.
NIVEA BEAUTY AIDS are set for four weeks of spot advertising that commenced in mid-February in a select but nationwide group of sunbelt radio markets. Buyers worked with schedules directed to women 25 and up.

International Minerals & Chemical Corp., RADIO
Colle & McVoy Advertising/Minneapolis
FARM CHEMICALS are being spread across a good many markets in the midwest and upper midwest in a radio campaign that began in late January and is scheduled for a 12 week run. Target audience is farm managers.

Long John Silver's, TV
Foote, Cone & Belding/Chicago
SEA FOOD RESTAURANTS are using 13 to 26 weeks of spot advertising during first and second quarters in a fair lineup of midwestern and southeastern markets. Buyers worked with all dayparts to attract both men and women 18 and up.

Wilson Foods Corp., TV, RADIO
Campbell-Mithun Advertising/Chicago
HAM is being recommended for 12 weeks in a few television markets and for three weeks on radio in a long and widely scattered selection of markets. Target audience is women 25 and up.

Appointments

Agencies

Allan R. Linderman has been promoted to senior vice president, corporate media director, a new post at HBM/Creamer. He joined the agency in 1973, moving in from Ketchum Advertising as a planner. He had previously held a similar post at McCaffrey and McCall, and while with HBM/Creamer he has worked at both its Pittsburgh and New York offices.

Kris Slocum has been named a research supervisor at HCM/New York. She was formerly a research supervisor and analyst for Backer & Spielvogel.

Dee Ziegler has joined Sullivan & Findsen Advertising in Cincinnati as media director. She was formerly a senior buyer at Freedman Advertising.

William Melnick has been named vice president/associate media director, responsible for media planning on all accounts at the Washington, D.C. office of The Earle Palmer Brown Companies. He was formerly a group media supervisor at Dentsu Young & Rubicam in New York and before that with Dancer Fitzgerald Sample.

Nancy Ellis and **Elizabeth Landsman** have been elevated to senior research analysts at BBDO/Chicago. Both move up from research analyst. Landsman will report to **Paul Riechmann**, vice president, associate research director, and Ellis reports to senior research supervisor **Kim Danielson**.

Media Services

Gerald Baldwin has been appointed vice president, media director of Synchronal Media, Inc., a New York based television direct marketing company. He had been vice president, media director for Jeffrey Martin, Inc., and before that had been vice president, director of local broadcast and network radio at Young & Rubicam.

Seller's Opinion

DeLuca

Rainey

Adelsberg

Needed: wider use of Birch to loosen Arbitron monopoly

The **National Association of Broadcasters** recently embarked on a study to ascertain whether or not conditions exist that prevent the entry of new companies into the business of radio audience measurement.

In response to this issue of an audience measurement monopoly, we feel that the problem does not exist on the station level with contract deals, but rather that it lies on the agency side. The fact is, no station would need Arbitron (or any other rating service for that matter) if it were not demanded by the advertising agencies, media buying services or by other media users.

The real issue is that stations have been supporting an audience measurement service that exists primarily to serve the requirements of agencies—who receive all the data produced for a token sum. Whatever contracts or "deals" may currently be in use between radio stations and Arbitron have in fact been created as a negotiating factor for the station—just as any station would negotiate a contract with a long-term advertiser. By whatever means, Arbitron has successfully locked up the advertising agency business up to this point.

Over the past decade, several rating services have attempted to enter the broadcast measurement arena, and these have included some entries with excellent methodologies, such as Audits & Survey' TRAC-7, Burke Marketing Research and The Source. However, for a variety of reasons these entrants failed to survive the competition.

The fact of the matter is that Birch has now been in existence and operational for approximately seven years, and has not made any significant inroads on the agency side. It is only in the last year that Birch has begun to make a real effort to market its product to the agencies. They have relied on station subscribers and on these stations' rep companies to market and sell the Birch product at the agencies. Had it not been for the efforts and support of these two groups, Birch probably would have met the same sad fate as so many of its earlier predecessors back in the late '70s.

The question today is, what is Birch's sales and marketing strategy to promote greater use of its audience data at the agencies? Birch's public relations efforts have gone a long way toward enhancing its image of wide agency acceptance, yet the fact remains that in excess of 90 per cent of all national spot radio dollars are placed on the basis of Arbitron audience information.

The ultimate battle will be fought at the agency level. Whether we have two rating services at this time next year will be determined by the degree of acceptance and *use* of the Birch product. And that will only be verified when the scales show a more equal balance of business placed on the basis of both Birch and Arbitron.—*Research directors* **Mariann DeLuca,** *Torbet Radio*; **Andy Rainey,** *Select Radio Representatives*; **Lori Adelsberg,** *Blair Radio*

Representatives

Mark L. Cooper has been appointed sports sales director for Blair Radio's Representation Division, including Blair Radio, Torbet Radio and Select Radio. Cooper had most recently been executive producer of New York Mets broadcasts for WHN New York under both Doubleday, and more recently its Emmis Broadcasting management.

Michael Schwartz has been named vice president, group manager of the New York Silver Team at Harrington, Righter & Parsons. He is succeeded as vice president, group manager of the New York Gold Team by **Bruce Mello**, who joined HRP in 1976.

Lori Misicka has been promoted to manager of Team C in the Los Angeles office of MMT Sales. She is succeeded as account executive on the team by **Gene Pizzolato**, who transfers from Team B-1 in New York.

William Shaw and **Robert A. Friedman** have been named vice presidents and group sales managers at Petry Television in New York. Friedman came to Petry in 1984 and heads the Roadrunners. Shaw started with Petry in 1979 and is in charge of the Hawks.

New Univision Unit

Univision Spanish International Network, formerly SIN, has formed a regional market sales division to complement its existing sales force and provide additional national representation of leading Hispanic markets. Heading the new unit is Karen Anderson, formerly responsible for national sales for WLTV(TV), the Univision affiliate in Miami. Before coming to Univision, she had been in broadcast sales in San Juan, Puerto Rico. She will now report directly to John Pero, Univision's vice president, national sales manager. And she will supervise three newly named account executives: Lindsay Bloomfield, John Doscher and Sandi Mendelson. Dana Perri is regional market sales coordinator.

Stations

Steve Pontius has been appointed vice president and general manager of WBBH-TV, the NBC affiliate in Fort Myers, Fla. He moves up from general sales manager to succeed **Howard Hoffman.**

Tim Achterhoff has been promoted to president of WMUS AM-FM Muskegon-Grand Rapids, Mich. He will continue as general manager of the stations and as president of WJML AM-FM Petoskey, Mich.

Ray Sullivan has been named general manager of WECT-TV Wilmington, N.C. He moves in from Cape Girardeau, Mo., where he had been general manager of KFVS-TV.

Dave Milner, vice president, general manager of KEX Portland, Ore., has been named to assume additional duties as vice president and general manager of sister station KKRZ(FM). Milner joined Taft Broadcasting in 1974 and has headed KEX since 1984. At KKRZ he succeeds **Dave Crowl**, now vice president and general manager of Taft's most recent radio acquisition, WBCS AM-FM Milwaukee.

Bill Ohlson has been promoted to general sales manager of KNAZ-TV Flagstaff, Ariz. He has been with the station since 1981 and moves up from local and regional sales manager.

Ron Briggs has been named general sales manager of KCCI-TV Des Moines, Ia. He first came to the station in 1974 and steps up from national sales manager.

Buyer's Checklist

New Representatives

Caballero Spanish Media has been appointed national sales representative for KEDA San Antonio, KCCT Corpus Christi and KBOM(FM) Santa Fe, N.M., a new Spanish language station scheduled to debut this month.

Masla Radio has been appointed national sales representative for KJCB Lafayette, La. and for KNSI/KCLD(FM) St. Cloud, Minn. KCLD is a CHR station, KNSI features old and new hits, and KJCB offers an urban contemporary format.

Petry National Television has been named national sales representative for WHLT-TV Hattiesburg, Miss. The CBS affiliate is owned by the News Press & Gazette Co.

Republic Radio now represents KDKO/KHIH(FM) Denver, KZFX(FM) Houston, and WGNA(FM) Albany. WGNA airs modern country, and KZFX offers classic rock. KDKO programs an urban contemporary sound, and KHIH plays classic hits.

Seltel has been named national sales representative for KRLR-TV Las Vegas and for KSAS-TV Wichita-Hutchinson. Both stations are independents.

New from Hardee's

Hardee's Food Systems has been testing a new soft-serve ice cream product, scheduled to start rolling out in April. Gary Langstaff, Hardee's executive vice president of marketing, says the new dessert is expected to be in all Hardee's markets by the end of June.

The fast growing fast food company, now number three behind McDonald's and Burger King, also sees roll-out opportunities for its restaurant operation to eventually expand into states like New York and California, not yet in the chain's current distribution area.

Hardee's agency, Ogilvy & Mather, has recently launched two new "tactical" commercials that broke in late January and are scheduled to air for 12 weeks in about 70 markets. The accent in the advertising is on the meat patties themselves, note Hardee's executives—"not on the toppings and other sidearms like our competitors' spots." Prime target is an all-family audience, with emphasis on 18 to 49.

Media Professionals

Tracking station quality difficult but rewarding

Allen Brydger

Associate media director
Mingo-Jones Advertising
New York

Allen Brydger, associate media director at Mingo-Jones Advertising, points out, "As both general society and black audiences become more sophisticated in what they want to hear and see, the programming we want our clients associated with will have to appeal to these new preferences and tastes. Magazines are already doing this, and so are a growing number of cable programs."

Brydger cites, for instance, "how-to-do-it shows on cable, that include step-by-step instructions on how to do this, and how to fix that—car repair, home repair, hobbies and crafts." He adds, "If there's an audio market for this kind of self-improvement instruction, and radio stations don't pick up on it, my bet is that somebody is going to put this kind of thing on tape, and maybe this is where some of our clients should have their commercials not too far down the road."

Brydger also notes, "Some forward-looking black and urban formatted radio stations are already reformatting to meet the needs of today's more sophisticated listeners. It's true that some stations do it only in certain dayparts when more adults are available to listen. Nevertheless, some stations are providing more news and useable information and are moving into the more constructive forms of community involvement. Upwardly mobile middle class blacks in particular feel a need to be on top of what's happening—in the world, in Washington, and in their own market, as soon as it happens. They also appreciate interpretative reporting of these events."

He observes that following closely which stations are making such changes "makes media selection a more difficult and demanding process. But the rewards for the client are that the GRPs reaped by these stations in those dayparts where they have made constructive changes are higher quality GRPs. They are GRPs that include more of those blacks with the income to buy into an improved lifestyle—in other words, those listeners who are most valuable to most advertisers."

"With the help of Tribune TV Log ads like this...

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having a successful show is no mystery!"

Fred

Fred Silverman
President
The Fred Silverman Company

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The right place
The right audience

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Viewpoints

Erwin Krasnow Barton Carter

Erwin G. Krasnow is an attorney with the Washington law firm of Verner, Liipfert, Bernhard, McPherson and Hand. Barton Carter is a professor at the College of Communication, Boston University.

Much confusion and folklore surround right to freedom of speech

Freedom of expression occupies only one part of one amendment among the 10 constitutional amendments that make up the Bill of Rights. Yet its role is so crucial to the success of democracy that it stands out, in the words of the late Supreme Court Justice William O. Douglas, as "the first article of our faith. We have founded our political system on it."

It took our founding fathers only 14 words to guarantee freedom of expression. These 14 words have given rise to much confusion and unfounded folklore. Indeed, many broadcasters, when unfurling the "free speech" flag in their fight against government regulation, unwittingly give credence to basic misconceptions and myths concerning the First Amendment.

One such misconception—applicable not just to the First Amendment, but to the entire Constitution—is that it means just what it says, "Congress shall make no law . . . abridging the freedom of speech or of the press." On its face that directive seems very clear. But as Chief Justice Hughes so accurately noted, "the Constitution is what the judges say it is." Despite Justice Black's oft-repeated assertion that "no law means *no* law," his colleagues on the Supreme Court have interpreted the First Amendment to mean, "Congress shall make some laws abridging freedom of the press." There are many paradoxes in the interpretation of the First Amendment. For example, the First Amendment prohibits federal regulation of speech, yet the Communications Act imposes extensive content regulation on broadcasters.

Broadcasters who support a more literal interpretation of the First Amendment, will often trumpet their commitment to Jeffersonian ideals. If only they knew. Thomas Jefferson favored prosecuting newspapers that criticized his presidency. He felt that such prosecution would improve the integrity of the press. Jefferson was only restrained from prosecuting the press by his view that it was the job of state rather than federal government to restrain the press. He told the governor of Pennsylvania that it was that gentleman's responsibility, as state governor, to prosecute the publisher of a newspaper. "It would have a wholesome effect in restoring the integrity of the press," he said.

One of the most famous state prosecutions points up still another popular misconception: Colonial Americans enjoyed freedom of the press as it exists today. The reality is that there was extensive repression of speech in the early days of this country. For example, in 1734, John Peter Zenger was charged with seditious libel for criticizing the governor of New York. Zenger was not saved by the First Amendment. Instead, despite the fact that he was clearly guilty under the law of that time, he was acquitted by a jury when his attorney, Alexander Hamilton, convinced the jury that, regardless of what the law said, no one should go to jail for writing the truth about government. Today many remember the Zenger case as a milestone in the development of the U.S. tradition of free speech and press, but a much smaller number remember that Zenger was freed in spite of rather than because of the law.

Our Founding Fathers had a very limited conception of the First Amendment. The main objective of the framers of the First Amendment was to incorporate into American law the English doctrine that prohibited prior restraint of the press for publishing seditious libel. As noted scholar, Leonard Levy, once explained: "The persistent image of colonial America as a society in which freedom of expression was cherished is an hallucination of sentiment that ignores history."

State of development

As far as constitutional law goes, First Amendment law is a young field still very much in a state of development. The first serious judicial construction of the First Amendment did not occur until 1917. The famous "clear and present danger" formula of Justice Holmes did not appear until 1919. Nor was it until 1925 that it was held that the First Amendment applies to the states. First Amendment protection was only extended to movies in 1952. It was not until this year that the Supreme Court decided that cable has First Amendment rights and, even then, the Court failed to decide exactly what those rights are.

Clearly, full First Amendment rights cannot be assumed. As First Amendment law evolves, it is important that communications professionals—especially those in the electronic media—fight for increased recognition of their First Amendment rights. If they don't who will? Certainly it is true that society as a whole benefits from the First Amendment, but how many outside the media understand this? Perhaps, one of the first things that needs to be done is for the media to dispel the confusion surrounding the First Amendment and explain to the public just why it is so important.

Programming/Production

Checkerboarding: down but not out

Despite its poor performance as a whole as reported in the November sweeps books, access checkerboarding of first-run syndicated programs is far from being a dead duck. In fact, according to a TV/RADIO AGE poll taken of the 13 stations which introduced the form in access last September, eight TV outlets are still broadcasting checkerboarding, and a few report that several of the programs performed well or better than expected. Broken down, four affiliates and four independents are continuing to play the checkerboard game, while those dropping the form total three independents and two affiliates. One of the "yes" affiliates has pulled checkerboarding back an hour, and one indie has shifted one of its programs to a weekend spot. The one big plus for checkerboarding is at KTLA-TV Los Angeles.

Al Parsons, general manager of KOCO-TV, the ABC affiliate in Oklahoma City, says, "Our current plans are to keep it [checkerboarding]. We have made agreements for some new shows to use in the format, including *Suddenly, Sheriff*, from Lorimar, and *Sea Hunt* from MGM, and we have renewed *Mama's Family* and *It's a Living* from Lorimar. At this point, it would be rather drastic of us to drop the whole thing."

Difficulties. Parsons says there were difficulties to be faced by any programmer going up, as he is, against the *Jeopardy/Wheel of Fortune* juggernaut. "Before the checkerboard, we are showing *The Price Is Right*, which wasn't doing much, so we weren't putting ourselves at risk by trying a different strategy," he adds. "And all the new shows we've reached agreement on will be coming on with new promotions in the fall."

Martin Colby, vice president and general manager of XETV, an independent station in San Diego, says, "We are programming *The New Gidget* on Monday, *What a Country!* on Tuesday night, *One Big Family* on Wednesday, *It's A Living* on Thursday and *Mama's Family* on Friday. We're not convinced that checkerboarding is not a good idea," despite generally decreasing numbers, Colby adds. "There's a tendency in the industry to be trigger-happy, and we don't want to pull the trigger on this experiment prematurely. With promotion, we hope to get better numbers and have a better effort."

Colby adds that for the fall, XETV has already purchased *Marblehead Manor* from Paramount, *Bustin' Loose* from MCA and *Sea Hunt* from MGM, and has renewed *Mama's Family* and *It's A Living*. In the event that checkerboarding numbers slide disastrously, Colby says, the station is prepared to stack vertical strips on weekends in early fringe, but he emphasizes that it would only be a policy of last resort.

Bill Andrews, general manager of KAME-TV Reno, Nevada, acknowledges, however, "I've already closed down" the station's checkerboarding efforts, substituting *Star Trek* in the slots previously occupied by the experiment. They [the checkerboarded shows] did not do well. But I have not done very well in that 7 p.m. to 8 p.m. time period at all, with the exception of when I was running *Soap* and *Entertainment Tonight*. The highest book we ever had in that slot was a 10. With checkerboards, we had five shows at 7:30, and only two of them—*Mama's Family* and *It's a Living*—were even getting a 2 rating. The rest were getting 1s. So we dropped them in December."

Linda Bayley, director of creative services for KCRA(TV) in Sacramento says firmly, "We're sticking with it [checkerboarding]" at the NBC affiliate station. "We intend to stick with it for the foreseeable future," Bayley adds. "We may replace some sitcoms with others that are being made available, but we have been and will continue to run checkerboarded shows."

Modified. Bob Davis, president and general manager of KMTR-TV, the NBC affiliate in Eugene, Ore., says the station's results with a checkerboard format from 7:30 to 8 p.m. have been disappointing, "so we've modified it, pulling it back to 6:30 p.m. Our numbers were really low, and we're a four-and-a-half-year-old VHF going up against 25- to 30-year-old UHF stations," he adds. "It's difficult for stations like ours to introduce new programs under those circumstances." Davis says KMTR-TV will present *Entertainment Tonight* in the former checkerboard program time period. In the fall, checkerboard will be dropped.

And Pam Graziano, assistant manager of programming at KSBW-TV, an NBC affiliate in Salinas-Monterey, Calif., says the station dropped the checkerboarding format as of February 2. Graziano says the station has been bought by Gillette, which does not believe in checkerboarding and has been running *WKRP In Cincinnati* and *Barney Miller* in slots formerly reserved for checkerboard shows, with plans for further changes in the fall.

As noted in previously published reports, KTLA-TV Los Angeles continues to be the sole exception as far as ratings on the whole in checkerboard format are concerned. Steven Bell, general manager of the Tribune Broadcasting independent, says the station is doing about an 8 or 9 rating and a 13 or 14 share on average since KTLA-TV went checkerboard in access in September, 1986. "We are either Number 1 or Number 2 independent on any given night, and in the case of *Charles in Charge* we are Number 1 in the market." *Charles*, the January entry, replaced *Square Pegs*.

Ranking. In overall ranking in the market the station is either Number 2 or 3. "That's just in rating," says Bell. In demos, KTLA is tops in teens, kids, 12–34-year-olds and is Number 2 in women 18–49 in access, according to the Nielsen November book, he says. Last year, the station had the off-network *What's Happening* Monday through Thursday, which did a 6 rating, plus *What's Happening Now* on Fridays, which did lower numbers, "so we are thrilled with the concept." Also, continues Bell, all the programs are sold out and are very profitable from an advertising standpoint.

Bell says he has *Bustin' Loose* and *The New Monkees* standing by as replacements, if a syndicator doesn't continue producing a specific program in the second year.

Two of the big contributors to the success of checkerboarding at KTLA-TV are its promotion and that Los Angeles is a metered market, says Bell. "Diaries tend to favor the familiar programs and the strip because people don't remember what's on each individual night. All the other attempts made for checkerboarding were done in non-metered markets, which is a handicap."

But also hurting the cause of checkerboarding, continues Bell, is that most of the outlets are weak. In Oklahoma City, the NBC affiliate, KTVY(TV), was weak even when they were stripping the year before, says Bell. Also, he points out, in other cases a checkerboard station is a weak UHF indie or is a UHF affiliate going against two UHF affiliates in the market.

Risk. Bell contends that these stations, because of their weak positions, would not have checkerboarded in the first place. "They need sure-fire programs, not anything that is risky. Even *Wheel of Fortune* would probably die on those stations."

Bell blasts those reps who continually have been proclaiming the death knell for checkerboarding. "It's almost as if they didn't want it to succeed. The reps seem to want something that is absolutely safe, something that will work under any circumstances, such as a *M*A*S*H* or *Wheel*. They are ready to get the hook out on programs even only after 13 weeks. If that kind of spirit existed on NBC when Grant Tinker was there, half of NBC's shows wouldn't have gotten on the air. The reps should look at the failures, acknowledge them and examine why they are not doing well, not just simply throw out checkerboarding because the form got off to a bad start."

Reps. The reps are a "problem," says WTVK(TV) Knoxville program director Bill Eckstein, who notes they need "certain figures to sell advertisers and they weren't getting them." The station, an NBC affiliate, dropped its checkerboarding in access after the November books came out, mostly because only two of the shows did reasonably well. "If another program performed the same way, we would probably have tried to build on the checkerboarding shows. But based on availability of replacement product, we felt it would be throwing good money after bad.

Both *Throb* and *Mama's Family*, the Thursday and Monday fare, respectively, performed well, says Eckstein, but *One Big Family*, *It's a Living* and *The New Gidget* were off substantially from November, 1985's occupant. At this point, WTVK has substituted *Webster* at 7 p.m., the former checkerboard time slot. *Webster* had been playing at 7:30, while *M*A*S*H*, the pre-checkerboard show, now takes over the *Webster* vacancy.

Eckstein doesn't believe that checkerboarding is a dead issue, although the station is not planning to return to the concept. "With the right product and the proper availability of replacement product it should be all right. But it needs a lot of promotion."

At KVVU(TV) Las Vegas, Rusty Durante, general manager and program director, is sticking to his guns on checkerboarding in access, noting that the concept did a lot better than the station expected. "I'm very pleased with its performance overall." Durante says that new programs introduced are not likely to get very good numbers at the beginning. "That rarely happens. You have to develop an audience, especially when you are doing something different like checkerboarding."

Carson's Comedy Classics, which was in the 7 p.m. time period, "was only doing an 8 when we pulled it for checkerboarding, so it's an increase, on average, over that. One reason for some of the poor numbers overall of the checkerboard programs was that the Monday program was up against ABC's *Monday Night Football*, which starts at 6 p.m. in the time zone." In Las Vegas, points out Durante, NFL games "do incredibly well because Las Vegas is a big sports town, so the ratings were diluted for the checkerboarding as a whole. On the other hand, *Mama's Family*, the Tuesday show, averaged a 14 rating."

Checkerboarding has already gone by the wayside at WTGS-TV Savannah, where it has been replaced by *Entertainment Tonight*, says the indie's Robert Keele, program manager. The station dropped the form after the November books showed a dismal performance for all the programs. Keele says one of the reasons for the poor showings is the station's inability to promote them "heavily enough. We are a small station and are on a tight budget. We have no plans at this time to go back to checkerboarding."

WDBB-TV, the indie in Birmingham Ala., also decided to drop checkerboarding after the poor November showing, says Linda Triplett, program director. "It's a good idea, but unless you are willing to give it the time to build, it won't make it. It works in primetime on network affiliates now, and I believe it will do well eventually on independents because they will become as strong as affiliates in many markets. But for the immediate time, it won't work unless you can give it promotion dollars, on-air promotion and the right on-air time it needs. If you have checkerboarding on at 10:30 at night and it fails, it won't hurt as much as having it on in the 5–7 time period, when our time is more valuable."

Tower. She explains that ratings generally shot up for other programs after the station's new tower became operable, extending the reach to Birmingham. But the checkerboard shows remained about flat with last year's program. In checkerboarding, the station ran *Mama's Family*, *One Big Family*, *It's a Living*, *9 to 5* and *The New Gidget*.

But at WOIO-TV Cleveland, the indie will continue to air checkerboarding in access, probably into the end of the season. In November, the lineup was *Silver Spoons*, *The Ted Knight Show*, *What a Country!*, *It's a Living* and *What's Happening Now*. But in January the station replaced *Living* with *The New Gidget*, and moved *Living* into the Sunday slot at 6 p.m.

Still another affiliate that has not given up the ghost on checkerboarding, even though the numbers are not encouraging, is WVSB-TV Columbus-Tupelo, Miss. At the ABC station, Davis Harrison, program director, says he will continue to use the form until the fall, when it will be evaluated.

Syndication shorts

Multimedia Entertainment will distribute *Future Flight*, one-hour special documentary hosted by Christopher Reeve. Arnold Shapiro is producer.

Also at Multimedia, its production of the *Sally Jessy Raphael* series has been moved to WTNH-TV New Haven from KSDK-TV St. Louis.

Colex Enterprises is distributing *Three Wishes for Jamie*, two-hour made-for-TV movie produced by Hill/St. Johns Films in association with HTV Ltd. and Columbia Pictures Television. Jack Warden stars in romantic-adventure telefilm.

Syndicast Services has sold its *Fourth Annual Black Gold Awards* to 40 stations. Among the stations set to air the two-hour music program highlighting the best in rhythm and blues music of the preceding year are WCBS-TV New York, KTTV(TV) Los Angeles, WBBM-TV Chicago, WLVI-TV Boston, WUSA-TV Washington and WEWS-TV Cleveland. Lou Rawls is host. Also at SS, the company has appointed **Program Partners** as sales consultant, operating from SS' New York headquarters.

Select Media Communications has moved its headquarters to 885 Third Ave., Suite 175, New York. SMC, which has been distributing vignettes, plans to introduce a longform program, *World Class Women*, weekend anthology series.

King World is marking the 100th birthday of Sherlock Holmes with a rerelease of 14 movies featuring Basil Rathbone as the detective. Seventy-two stations have acquired the package, including WPIX(TV) New York, KTTV(TV) Los Angeles and WGN-TV Chicago.

Olsen hosts 'Lifequest'

Merlin Olsen has been signed to host *Lifequest*, series of quarterly primetime hour health specials being produced by Group W Television. The specials are sponsored by Bristol-Myers, under an agreement, announced several months ago.

Olsen is a veteran sports broadcaster and actor and played football for the Cleveland Rams. Each special will be produced by one of the Group W stations. *The Hidden Addict* will inaugurate the series in March. *Minutes to Live* will air in June, followed by *Ageless America* in August. *The Best Defense* is set for December. More than 109 stations have cleared *Lifequest*.

LT in new venture

Lorimar Telepictures has gone on tour. The company has formed a joint venture with Golden Images, marking LT's initial entry into the live touring show business. The new entity is called Lorimar Presents, and Steven Goldberg will be executive director. Goldberg is owner and president of Golden Images and is a producer of live events and an international concert promoter. The new entity will serve as a vehicle in the form of a live touring show to cross-promote the company's children's programs in major cities across the country.

The first show will begin in the fall and will continue through June, 1988. The presentation will star characters from animated syndicated programs including *ThunderCats*, *SilverHawks*, *The Comic Strip* and *Gumby*. The first show will open September 16 in Philadelphia. Tickets will be made available to client TV stations.

New syndicator

Larry Lynch, president of the brand-new syndication company, Kelly Entertainment, says he hopes to launch the entity with *TV Light*, one-hour talk/variety show which started broadcast two weeks ago on KCRA(TV) Sacramento, an NBC affiliate owned by John and Bob Kelly, principals of Kelly Entertainment.

Lynch, the former head of first-run syndication for Columbia/Embassy, says, "We're obviously not out there to compete with MGM or Columbia in the sitcom or action/adventure field, but there are a variety of other shows that we expect to do reasonably well with."

TV Light will be hosted by Boston television personality Jack Gallagher and will be tested at KCRA before potentially being moved into other outlets. The Kellys also own KCPQ(TV) Seattle, although it is not clear at this time whether the new show will be tried out there as well.

"We'd like to go into international syndication by fall, '88, and we're exploring magazine concepts one night a week and some late-night product, which we hope to start shooting once we close our pending deals, by mid-summer," Lynch adds.

Kelly Entertainment is a vertically integrated company which Lynch says has the commitment to stick with its programs. "They've earmarked $7 million to get into this business."

Access: enterprising with bright future

Access Enterprises is a new, earnest company that appears to be headed toward a bright and permanent future. Its aspirations in this direction moved closer last October when Access Syndication, a division of Access Enterprises, linked up with Colbert Television Sales in selling product, with Ritch Colbert joining the combined venture as president. The move between the two companies reaffirmed what is fast becoming commonplace in the industry—mergers and interaction among different syndicators. Colbert, in an interview, says the connection by both Access and CTS confirmed what the industry knows: "Everyone is in a sea of mergers and serious consolidation with the bigger guys getting bigger and the little guys getting squeezed. The alliances, therefore, become more important on a level such as ours. If we were to remain competitive in what has become a hostile marketplace, it was imperative we form a more permanent alliance."

Reality. Colbert TV Sales alone, before its involvement with Access, was historically perceived to be a company larger than it was, notes Colbert, "mainly because it had high-profile product with tremendous visibility. But the reality is that the wheels of this business are turning at a much faster rate than a small or medium-sized company can keep up with."

Ritch Colbert

Access, on the other hand, was primarily a company that was established as a preeminent weekly-half hour barter distributor, and found a way to get into the marketplace by that niche, says Colbert, "with a sight on growth and expansion and an eye on the future, which would bring it to a competitive level with the majors, while being mindful of the step-by-step process to do this." Access, Colbert continues, astutely went slowly, and actually cleared four half-hour weekly shows during a time when others with more clout were competing for similar time periods.

Colbert brought to Access what he calls expertise in first-run programming, "which drove the NATPE convention and which drives the industry today, although only a few first-run shows ever get on the air. Very few small companies get up to bat, and of those that do, only a still fewer get on the air, and of those even less—about 8 per cent—are successful, so it takes a lot of wherewithal and stamina to get up to bat every year."

Credibility. Also, Colbert notes, credibility is important to get programming on the air. "Stations are very much our partners. They are very inclined to be very supportive in the whole programming process, and the process of getting programs on the air centers on business being done in good faith and with integrity, which we have always enjoyed."

With both elements synergized—first-run expertise on Colbert's part, combined with Access' high-energy and enthusiastic attitude—the new Access was prepared to move to new goals, says Colbert. First, the company added a feature package via a deal with Crown International Pictures, believing that films are and will continue to be the backbone of the independent station business. At this point, four movie packages are involved, all from Crown: Crown Jewels I, composed of product produced in the 1980s; Reel Men, Hell on Reels and The Killer B's.

Next came *Hollywood Close-up* and then *Honeymoon Hotel* in a tie with the DeLaurentiis Entertainment Group, in which Access became distributor of both. In the case of *Honeymoon Hotel*, Access made a bid for the sitcom strip in line with its thinking about giving the division a profile and visibility in the first-run arena in an important way. Also, Access wanted to secure *Hotel* because the sitcom genre was gaining attention. "The one caveat is that it is the first first-run sitcom strip to be produced for syndication," says Colbert.

When *Hotel* goes on air this fall, Colbert believes it will trigger a lot of activity in the sitcom strip area. If, however, *Hotel* fails to meet expectations, it will fail because a breakthrough of this type is simply not accepted by the audience, not because it failed from lack of efforts given to it by all concerned. Colbert maintains that the proliferation in the one-per-week sitcom arena emphasizes the need for strip programming and created a new business. "But the fact remains that stations are rolling the dice and that only one or more of the weekly shows will be successful long enough for stripping. The producers are taking a high risk and at enormous dollars and deficits.

"People say that only the majors can deliver these shows because they have credibility. But it's really stamina, because they are the only companies to withstand the enormous deficits that it takes to go ahead with the show. It all has to do with how they are bankrolled. We are not in that business [producing first-run, weekly sitcoms] and don't want to be in that business."

DIC. Still another step forward by Access involved its business relationship with DIC Enterprises, animation producer. Colbert says he was very careful in forming an alliance with DIC in distributing kid shows. "If you are not careful, animation can put you out of business. We realized that DIC was so qualified in delivering what they said it would that we felt very comfortable with the arrangement."

Also, as a tertiary alliance with DIC, Access closed a deal recently with Bohbot & Cohn, a major buying service whose clients include Toys 'R' Us. The new trimuverate entry will be called The Kids Network. Colbert says that the only effective way to clear animation in the highly competitive marketplace is not only to go into the market with a good program, but with the wherewithal to get it on the air. This includes getting the ad dollars, commitments from the toy manufacturer and ad agency association. Projects are lined up for 1988. But for the fall, Access is concentrating on selling *Beverly Hills Teens* and *U.S. Space Force*, two animated half-hours.

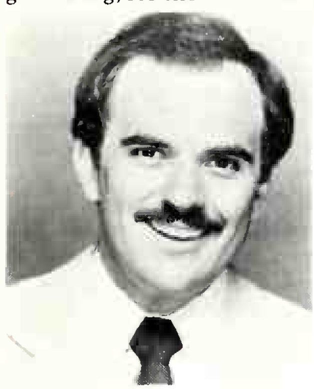
Colbert considers animation a very important by-product in the Access forward-looking mix. "We are looking for longterm usable animation, like the *Tom & Jerry* programs of yesteryear, and that's what we're trying to develop with fully-realized characters."

Another area Access is exploring is primetime specials aimed at affiliated stations. Colbert feels the time is ripe for introducing specials to network affiliates because of the liklihood of ABC and CBS cutting compensation payments to their stations. "That will open the door for a lot of experimentation, not only in the specials area, but also we may see syndicated checkerboard sitcoms end up in primetime on local affiliates."

Colbert continues that stations traditionally have aired good quality, "issue-oriented semi-highbrow specials and put them into primetime, where not only have they gotten good ratings but also attracted advertisers as an in-program buy. "Access will produce eight to 10 one-hour specials called *The American Family Series*, which centers on popularizing and celebrating the American family from an ethnic point of view. Access is seeking co-venture partners on the projected series. Also, Access is reintroducing the Golden West two-hour special, *Being With John F. Kennedy*, for 1988.

Zooming in on people

Gary Lico has been promoted to vice president eastern region, Columbia/Embassy Television. Lico had been Embassy's eastern sales manager for the past two years. Prior to joining Embassy, Lico was with Katz Communications for four-and-a-half years, where he wound up as vice president, programming, for the continental division.



Gary Lico

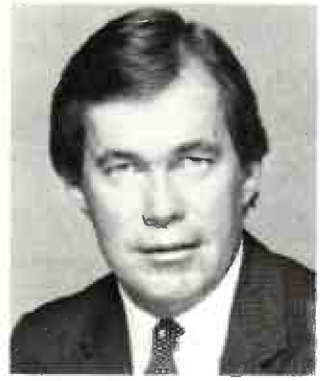
Mitch Black has been named vice president, operations, at **Worldvision Enterprises.** Black was director of operations. He joined Worldvision in 1974 as international booker in the operations department.

Nancy B. Dixon has been promoted to senior vice president, **Access Syndication.** She had been vice president, sales, for the last two years. Before that, Dixon was vice president at Bentley Syndication Services.

Michael Mischler has been appointed vice president, advertising and promotion at King World. He comes to KW from KCBS-TV Los Angeles, where he was director of communications from 1983 through 1986. Before that, he was director of production and marketing for KSL-TV, affiliate in Salt Lake City.

Tom Sedarski has been appointed director of midwest sales at **WW Entertainment.** He comes to WW from Rohrs Television, midwest rep for Victory Television.

William W. "Bill" Doyle has been promoted to senior vice president of **TEN International.** Doyle had been vice president, worldwide sales, since TEN was formed in 1983. Before joining TEN, Doyle was director of sales for a trade publication.



William W. Doyle

Catherine Morrow has been named to the sales staff at **M & M Syndications.** Morrow was in the sales and research department at Blair Entertainment.

At **Blair Entertainment, Mari Kimura** has been appointed account executive.

CABLE

Winky Dink and You, a CBS kids' show from 1953 to 1957, is being updated as a pilot for **The Disney Channel.** Barry & Enright Productions, rights holder to the show originally hosted by Jack Barry and produced by Barry and Dan Enright, says the new cartoons will have '80s-style animation and storyline. But the program, planned as a daily offering, will use the same interactive technology as its ancestor did 30 years ago—a plastic sheet that attaches to the TV screen for coloring with spe-

Programming/Production

(continued)

cial wax crayons. The "Winky Dink Screen Kit," containing the "magic" screen and set of crayons, may be marketed through The Disney Channel itself, says a Barry & Enright spokesperson.

For nearly 20 years, **Entercolor Technologies Corp.** has been colorizing old black-and-white cartoons—including such classic characters as Mickey and Minnie Mouse for Walt Disney. It took Ted Turner, however, to turn the process into a major controversy, with the recent announcement that 120 *Popeye the Sailor* shorts by Max Fleischer are now being converted into color. Once finished, they'll join 114 *Popeye* cartoons originally made in color as part of Turner's MGM library. Entercolor is colorizing three *Popeye* shorts a month, says Turner Entertainment Co., which owns the MGM library, and at least seven of the reconstituted cartoons are already airing as part of the daily *Tom and Jerry & Friends* strip on **SuperStation WTBS.** In a few months, adds Turner Program Services, the newly colorized films will become part of its syndicated cartoon package.

HBO and Britain's **Television South (TVS)** have entered into an agreement to jointly develop and produce original movies, miniseries, variety shows and documentaries. Funding will be split equally between HBO and TVS, the parties say, with the first results to be visible on home screens as early as 1988.

TVS and Titus Productions have previously been associated with the HBO Pictures division on *Murrow* and the upcoming *Mandela*.

Now that **Wrestlemania III** has lined up cable systems serving an estimated 3.6 million addressable homes for its March 29 pay-per-view telecast, the **World Wrestling Federation** has finally released the location of the event itself—Michigan's Pontiac Silverdome. Word has yet to come on names of wrestlers and "special guest appearances."

Peter Graves of *Mission: Impossible* fame has been tabbed to host *Biography*, the new documentary series premiering April 6 at 10 p.m. on the **Arts & Entertainment Network.** The series' first entry, kicking off a week of episodes, will be *Josephine Baker: Chasing a Rainbow*. After premiere week, *Biography* will be seen Wednesdays at 10 p.m.

Marv Albert, who cited a heavy workload in recently ending a long reign as sports reporter on WNBC-TV New York, has signed a five-year agreement with the regional **Madison Square Garden Network.** Terms of the deal were not announced, but MSG says Albert will handle special assignments and play a more "significant" role in overall programming. Albert already does Knicks basketball play-by-play for MSG and WOR-TV, Rangers hockey play-by-play for WNBC radio, and network TV hosting and announcing for NBC Sports.

USA Network will launch "Gameshow Bonanza," a seven-week prize promotion, on March 9. Each week, a different USA afternoon game show will contain daily 30-second segments with trivia questions about the United States. Viewers will call an 800 number, and 100 correct answerers each day will be randomly selected to win watches, cameras and other prizes. They will also be entered in a drawing for such prizes as cash, cars, a fur coat and a Caribbean cruise.

Dr. Sonya Friedman, formerly host of *Sonya* on the USA Network, will join **CNN** March 30 with a weekday afternoon two-hour series, *Sonya Live in LA*. Friedman, who also appears on ABC Talkradio twice a week, will preside over a mix of news, features, and interviews "focusing on the psychological aspects of current issues and topics." *Sonya Live in LA*, at noon Monday through Friday, replaces the longruning *Take Two* on CNN's schedule.

SuperStation WTBS will precede the premiere of *National Geographic Explorer's* "Secrets of the Titanic" episode on March 22 with the 1979 TV film, *S.O.S. Titanic*. The flick, starring David Janssen and Cloris Leachman, will air from 6–9 p.m.

Paramount'a *A Woman Called Golda*, having completed its six syndicated runs via Television Program Enterprises' Operation Prime Time, will premiere on **Cinemax** in April. The 1982 flick, which earned Ingrid Bergman an Emmy in her final film appearance, was syndicated in two parts. Without commercials, the movie comes in at three hours, 12 minutes—and one part—on pay cable.

HOME VIDEO

MGM-UA Home Video has signed an agreement with **S.I. Video,** marketing service, for the company to market *Joy of Stock—The Forbes Guide to the Stock Market* and *Marie Osmond's Exercises for Mothers-To-Be*, plus several yet-to-be released videocassette titles. The titles will be among the first to be included in S.I. Video's home shopping venture, S.I. Video Catalog, which will debut in April.

Joseph Petrone has been named vice president, sales, at **Prism Entertainment**. Petrone joined Prism in December, 1985, as national sales manager and was promoted to director in June, 1986. Before that, he was with Sony Video Software, in a similar capacity.

RCA/Columbia Pictures Home Video's Wrap Up Hollywood price pitch has tallied more than 1,750,000 units in sales, and because of the success of the promotion, RCA/Columbia will do an encore, appropriately titled Wrap Up Hollywood—Encore. The promotion not only includes 20 of its biggest selling library titles, but also three classics: *Lost Horizon*, with restored footage; *From Here to Eternity*; and *Jolson Sings Again*. Suggested retail price is $29.95. The promotion ends June 24.

Lawrence R. Meli has been named vice president, program development, **Rainbow Home Video**. Meli had been vice president of programming and production at SportsChannel New York. Plans for future videos include an Islanders' video highlighting their 14-year history as well as a series of videos on sports personalities. RHV introduced the Mets' video, which sold more than 100,000 units.

Warner Home Video has launched a spring promotion involving two home video debuts and 24 reissues going for a suggested list of $24.98 per title. Premiering are *Calamity Jane* and *The Sundowners*. Reissues include *Bullitt*, *Cool Hand Luke*, *Dial M for Murder*, *Pale Rider* and *Superman II*.

Karl-Lorimar Home Video has appointed three product managers in its marketing department. **Steven Gertz** joins the how-to-product line, **Steven Thompson** joins the entertainment division, and **Anna Snepp** goes to the sports and fitness division.

Barbara Javitz has joined **Embassy Home Entertainment** as senior vice president, programming. Most recently, she was vice president, acquisitions at Heron Communications. Also at Embassy, **David Bixler** has been promoted to director, sales. Bixler was

David Bixler

named national sales manager for Embassy after a stint as national accounts manager. He joined EHE in 1984.

Commercials

Hot 'potatoes' nourish ad viewing

To those familiar with the term, "couch potato" it would appear to be the last term one would want to use to influence a viewer to watch a station, let alone the commercials. It refers to someone who vegetates on the couch, principally watching TV. But in two separate developments, this lethargic legume is being used in a station promotion embracing the all-time potato favorite, *M*A*S*H*, and in a game that is Madison Avenue's dream come true; it requires players to watch commercials.

When Alex Dusek, director of advertising, marketing and public relations at WOR-TV New York, gave the go-ahead to a station sweeps promotion built around a family of couch potatoes, he had no idea that TDC Games, Bloomingdale, Ill., was starting production of The Couch Potato Game this month and expects to have it on store shelves nationwide by May. But the station's promotion has resulted in a significant number of viewer calls for nonexistent photos and posters of couch potatoes—and Spotwise, Boston, which produced the campaign for the station, now figures on syndicating a couch potato commercial for use nationwide, according to Richard Getz, its director of sales and marketing.

As for the game, already introduced to toy retailers at a trade show, it includes 94 cards, five of which are dealt to each player—who can dispose of these cards only by spotting the objects pictured in TV commercials. Typical products like toothpaste are included, along with likely props including the kitchen sink. The game has a suggested retail price of $14.95. A promotion piece for the game states, "When you and your family are vegetating in front of the TV set, do you ever ask yourself, 'Self, isn't there something better to do during commercials than eat, drink or go to the bathroom?' "

Getz feels Spotwise may have the inside track on something that could grow as big as Cabbage Patch dolls, and he says he's heard of a Swiss doll manufacturer planning to make couch potatoes a household word. He notes that, when the commercials go national, a royalty arrangement will probably have to be made with WOR-TV, which supplied the basic idea.

Dusek says the idea was supplied by writer-producer Santi Herrera in a brainstorming session where the staff was discussing how well the California Raisins campaign went with the clay-

Digging up "couch potatoes" for a WOR-TV New York campaign are, top l. to r., Spotwise Productions cinematographer Bill Miller and WOR-TV's Alex Dusek, director of advertising, marketing and public relations; Judi Hernandez, producer; and Santi Herrera, writer.

Commercials *(continued)*

mation raisins, and the general idea of people dressed up as fruits and vegetables. Dusek, himself, had never heard of a couch potato, "but about half of the people we asked at the station had."

When the Spotwise people were confronted with the idea, the first question was, "Isn't this derogatory to people?" But both parties found they could do it in a fun way. In seven 30s, a generic one and spots promoting specific programs, an entire family—father, mother, daughter, son and dog—are dressed up as potatoes. They're given the names Russ, Ida, Patty, Chip and Spud. The message is, "Once in a while, we just like to sit down and relax and watch our favorite programs."

While Dusek indicates the campaign is being considered for future use beyond the February sweeps, Getz says additional footage has been shot for generic use by other stations.

Competitor challenges

Challenges by competitors have failed to knock commercials for Dewey Stevens Premium Light Wine Cooler and Post Natural Raisin Bran out of the box. The former, in an inquiry by the National Advertising Division of the Council of Better Business Bureaus, substantiated its comparative calorie claims against other wine coolers, while the latter convinced NAD of the fairness of a taste test comparison.

In TV and radio advertising out of The Bloom Agency/Dallas, the Anheuser-Busch Dewey Stevens cooler compared its own calorie content to that of a cup of low-fat milk, while it said California Cooler has more calories than a slice of Boston cream pie, Seagrams as many as a plate of spaghetti with sauce and cheese and Bartles & Jaymes at least 30 calories more than a slice of old-fashioned pound cake.

Challenged by Joseph E. Seagram & Sons, the advertiser showed calorie contents of foods in accepted serving sizes were derived from published industry sources and calorie contents of the wine coolers were estabished by independent laboratory tests. While NAD found the claims substantiated, the advertiser had already decided to discontinue the campaign.

Meanwhile, General Foods successfully rebuffed a challenge to its Post raisin bran TV commercial out of Grey Advertising that was posed by General Mills. The commercial indicated a preference for Post Natural Raisin Bran on the basis of it being "tested among leading brands." General Mills, though, showed tests stating preference for its Raisin Nut Bran. NAD dismissed this, pointing out Raisin Nut Bran could not be considered a leading brand with less than 10 per cent of the market and added that its formulation with nut-covered raisins and almond slivers "represents a marked departure from the well-established, simple character of the raisin bran category."

The flavor counts

While a competitor has been comparing its calorie content to that of Boston cream pie (see preceding story), California Cooler is kicking off a $40 million advertising and promotion campaign this month that will continue to label it "the real stuff" and introduce a new flavor—peach. One spot will ask, "Now, just how many California Cooler flavors are there?" It pans through four bottles, stating in Spanish and English, "Uno, dos, one, two, tres, quatro ... Introducing California Cooler Peach ... Also available in quatro-packs."

The Chiat/Day, San Francisco, campaign for the Brown-Forman brand embraces a total of 14 new spots—four 30s, one 60 and nine 15s. This includes a 30 and 15 for the peach flavor. The campaign includes national TV coverage every month for the remainder of the year, spot TV, cable TV, radio and outdoor.

Sharing the pride

Parallel lines of "pride in performance" are drawn between Pittsburgh National Bank and its clientele in a new slice-of-life campaign out of Ketchum Advertising/Pittsburgh. The four TV 30s typically end with the "pride in performance" theme line with a voiceover adding, "Some people build their lives on it. We've built a bank on it."

The spots feature dialogues between typical bank customers: two entrepreneurs whose startup is made possible by a business loan, a couple discussing financial planning, two teachers talking about financing their children's college tuition, and two parents planning to help their daughter buy a home.

Ketchum's creative director on the project was Jim Calderone, and the TV spots were directed by John Pytka.

Drive-in nostalgia

Drawing on its '50s heritage, Sonic Industries, Oklahoma City, has signed an exclusive one-year contract with singer-actor Frankie Avalon to represent its 980-unit Sonic Drive-ins hamburger

Commercials *(continued)*

chain in TV and radio commercials. The chain is primarily in the southeastern and southwestern U.S.

"We feel Avalon, whose popularity began in the '50s, helps represent the image Sonic Drive-ins portray," states Keith Sutterfield, the chain's senior director of marketing. "Sonic is a concept whose time has come again, and to illustrate this concept, we intend to use our strong '50s heritage throughout our advertising campaign."

Avalon's first appearance will be for a July "National Nostalgia" campaign, coinciding with Paramount's release of his movie, *Back to the Beach*.

Dealing with disaster

The faces of disaster victims being assisted by the American Red Cross are combined with a special arrangement of composer Peter Brown's "Material Girl"—changed to "living in a material world"—in a PSA to be available for network and spot use starting this spring. The 30 and 15 from J. Walter Thompson/New York show the victims of storm, flood and fire in a plea for an emerging audience of younger volunteers to swell the ranks of those already serving the American Red Cross.

A studio group was used for the music track, with Patricia Hurley-Rans as the featured singer. Agency creative team included creative director Mimi Emilita, agency producer Randy Hecht, art director Cathy Bangel and copywriter Pat O'Donnell. The spot was produced by The Wolfe Co., Hollywood, with Francis Delia directing.

Up at agencies

Nadeen Peterson has been named executive creative director at **Saatchi & Saatchi Compton.** She had been executive vice president, creative director. Peterson joined the agency in 1986 and has been involved with such Procter & Gamble brands as Tide powder and liquid, Ivory liquid and Cascade dishwashing detergent.

Nadeen Peterson

John C. Byrnes has joined **Ketchum Advertising/Philadelphia** as executive vice president/creative director. He will oversee all Philadelphia accounts including Bell Atlantic, Pizza Hut, CertainTeed, DuPont and Melitta. He had been a vice president/group creative director at N W Ayer in New York.

At **Ketchum Advertising/Pittsburgh, F. Christopher Labash** has been promoted to executive vice president, executive creative director from creative director. In 13 years at the agency he has served such clients as Heinz, Westinghouse and PPG Industries.

Art Ross has joined **Bruce J. Bloom, Inc.,** New York, as vice president, director of creative services. He has been a creative director for McCann-Erickson, Campbell-Ewald, Ketchum and Weiss & Geller, where he most recently was executive vice president, director of creative services and partner.

Sheldon J. Levy has been promoted from vice president, producer to executive vice president, head of television production at **DFS Dorland/New York.** Levy joined the agency in 1984 from Doyle Dane Bernbach.

Wall Street Report

Highly leveraged Outlet makes public offerings with big cash flow challenge

Going public again with two offerings expected to bring in a total of more than $70 million, Outlet Broadcasting is in a highly leveraged financial position. The offerings, both sold out, were for 1,350,000 class A common shares at $11.25 per share (with estimated net proceeds of $13,332,500) and $60 million in 13¼ senior subordinated notes due February 1, 1997 (with net proceeds estimated at $57,125,000). In the aftermarket, class A shares are going for between $14 and $15. After giving pro forma effect to these proceeds, the company expects to be servicing long-term debt of approximately $152.3 million.

Outlet's management observes it will require substantial cash flow to make scheduled payments on principal and interest on its debt and, as a result, may have to consider refinancing its obligations or disposing of one or more of its properties. Earnings were insufficient to cover fixed charges for the pro forma year ended December 31, 1985, and the pro forma nine months and 12 months ended September 30, 1986. The company expects to report a net loss for financial reporting and income tax purposes for 1986.

Meanwhile, Outlet, whose management sold off some station properties in order to repurchase the company from The Rockefeller Group last July 31, is looking ultimately toward some acquisitions, which may call for additional financing. The company indicates it is particularly interested in network-affiliated TV stations located in the top 50 markets that are expected to experience sustained growth and in radio stations with strong signal power in the top 25 markets.

When Outlet management, along with Wesray Corp., bought back the company, two-thirds of the funds for the acquisition—$455.3 million out $677.4 million—came from the sale of three TV stations. These were KSAT-TV San Antonio, KOVR(TV) Sacramento-Stockton and WCPX-TV Orlando-Daytona Beach-Melbourne. Outlet notes it chose these because it was believed that they could be sold for the highest multiple of broadcast cash flow.

Not included in the public offerings are two stations that have been spun off to Atlin Communications, owned by Outlet management and Wesray. WATL(TV) Atlanta and WXIN(TV) Indianapolis, both independents, were purchased from Outlet last January 20 for $30 million. Outlet had acquired them for $52 million, and they had experienced an operating loss of $5.4 million on net revenues of $7.2 million, before depreciation and amortization, in the first half of 1986.

Existing stations

Outlet's two remaining TV stations, both NBC affiliates, are faring significantly better. WJAR-TV Providence-New Bedford ranked first in its market according to Arbitron, for November, 1986, had revenues of $13 million for the nine months ended September 30, 1986, compared with $11.6 million in the like 1985 period. WCMH-TV Columbus, Ohio, ranked second and improved to $14.5 million from $12.2 million. In radio, KIQQ(FM) Los Angeles, after a format change in July, 1985, doubled revenues in the '86 nine-month period from $2.1 million to $4.2 million. Total radio revenues went from $36 million to $42.3 million. The remaining three stations are WTOP Washington, WMMJ(FM) Bethesda, Md. (Washington) and WIOQ(FM) Philadelphia.

In addition to its station operations, Outlet has joint ventures involved in the syndication of a colorized version of the former network series, *Hennessy;* the production of new *Crosswits* episodes and the production and distribution of *Super Safari*. It is also producing *Pro Wrestling This Week*, to be syndicated in the U.S. and Japan.

Outlet Broadcasting: pro forma summaries of operations (000$)

	Year Ended December 31, 1985	Nine Months Ended Sept. 30, 1986	Twelve Months Ended Sept. 30, 1986
Net revenues	$50,224	$42,294	$56,540
Expenses before corporate expenses, depreciation and amortization	30,872	26,013	33,662
Corporate expenses	3,812	3,207	3,748
Depreciation and amortization	10,438	8,171	11,170
Income from operations	5,102	4,903	7,960
Incorporating sale of notes and shares:			
Interest expense excluding amortization of debt discount and deferred financing costs	14,974	11,231	14,974
Amortization of debt discount and deferred financing costs	3,430	2,537	3,430
Other income (expense), net	(4,501)	(4,346)	(5,783)
Net loss	(17,803)	(13,211)	(16,227)

Howard Kester, *president of NCBA:*
"To pursue our goal of a larger share of dollars for radio, we concentrate, not on advertising people, but on the chief executive officers of prospective client companies. Every pitch is different, too..."

Maurie Webster, *executive director, NYMRAD:*
Calls competitive spending data "one of the best tools there is to persuade another store or product in the same category to use radio, or to use more radio if they're already on the air."

Local radio *(from page 45)*

to $1.9 million in 1985. Baker says she's anticipating both "major increases for 1986 and for 1987 for New York market radio stations."

Baker estimates that NYMRAD's efforts to date have brought in over $1 million in new business to area radio, and she attributes much of this success to development of vendor dollars. Last November, NYMRAD brought in consultant Tom Frick to run an all-day vendor seminar where station managers, sales staffers and reps "learned how to work with retailers and how to generate vendor dollars."

Another successful NYMRAD move, according to executive director Maurie Webster, has been the association's monthly breakfast seminars. Speakers have included Baker, RAB president Bill Stakelin and Gary Pranzo, senior vice president and director of the local broadcast group at Young & Rubicam.

Pranzo advised radio salespeople to get in on the media planning at an early stage of the process, before plans are mapped out in the spring. He also noted that more advertisers today "think retail." He told his listeners that this plays into radio's strengths because thinking retail means more advertisers changing their ads at the last minute, which requires the kind of flexibility that is one of radio's chief advantages. He pointed out that radio can react to short lead times and that with radio, an advertiser can achieve dominance without a large investment.

Responding to retailer complaints about lack of uniformity of information they get about radio, and the confusion resulting from same, NYMRAD has been working with, the National Retail Merchants Association (NRMA), to work up a *Retailer's Radio Guidebook.* And while some NRMA executives feel that New York has too many radio stations to whip into lockstep in areas like standardized formats with which to present radio research and rates, the goal of the *Guidebook* is to give those stations that do want to cooperate a format to follow that will make it much easier for retailers to fathom radio than the mish mash they get now in dozens of different forms from scores of different stations. For as Baker says, "As things stand now, too many retailers don't understand radio, and they don't have time to learn. Anything that can cut the confusion will help." And she warns that newspapers, facing similar retailer complaints, already have a three year's head start in trying to clean up their act.

At presstime, Webster reported that NYMRAD was sending questionnaires out to its membership for a survey of ad investment levels on their stations by supermarkets, drug stores and department stores. Webster calls competitive spending data "one of the best tools there is to persuade another store or product in the same category to use radio, or to use more radio if they're already on the air."

And just as SCBA has its awards for radio creativity, NYMRAD, too, sponsors its Big Apple Radio Awards. They've been held over this year until 1988, but NYMRAD awards chairman Barry Mayo, vice president/general manager of WRKS(FM) is planning some new elements to the program, "to stimulate even more interest and participation" in a bigger and better Big Apple event next year.

Video tape presentation

G. Michael Donovan, vice president, general manager of WKQX(FM) Chicago, and president for 1987 of the Radio Broadcasters of Chicago, reports that the RBC includes 25 station members and 10 rep and associate members, and meets once a month. Late last year RBC produced a 10-minute video tape presentation that Donovan says "does double duty as a presentation to local retailers and Chicago agencies, and also as a presentation that our various reps can show nationally."

Donovan emphasizes that, "It's not a travelogue. It's brief and to the point, comparing radio with Chicago newspapers and with top rated television shows. We explain what an avail in shows like these costs, how many people it reaches, and what the same number of dollars will get an advertiser on two or three Chicago radio stations."

In other action, RBC is sponsoring a competition among member stations' promotion people to come up with the best on-air radio campaign "that can convert the points we make in our presentation into a campaign we can put on our own air to raise awareness of both the sales power of radio and awareness of RBC."

Like NYMRAD, RBC, too, is skipping its 1987 awards, but Donovan says 1988 will be the 10th anniversary of the RBC-Windy Awards "that recognize top creative work in every commercial category you can name, from humorous to serious public service."

In Seattle, Kay Spilker, general sales manager of KMPS AM-FM and 1987 president of the Puget Sound Radio Broadcaster's Association, says the association was formed in 1977 to promote more advertising dollars for radio and educate the advertising community in the use of radio as a key medium in any media mix. She says the group is "concerned about the quality of advertising in our Puget Sound area and we want to help maintain quality and let our advertisers know they are getting the best available."

Spilker reports that last year national radio revenues in the Puget Sound area were down 6 per cent, while local ad revenues were up 8 per cent. She says a major project last year 'was keeping McDonald's on radio by impressing the importance of media mix. They specifically elected to use radio to increase their share of market in the breakfast daypart. This was a tough area for them to reach with other media, and a natural for radio. Because of the benefits of this program and the success of their overall advertising in the Seattle market in 1986, radio is a very integral part of McDonald's marketing plan this year. In 1987 their total commitment to radio will exceed their 1986 levels.'

She says that PSRBA members "now feel that radio could be coming into its own, with today's fragmentation of television viewing and newspaper readership," and that this makes it "an opportune time for the radio industry to press forward to sell itself as a primary vehicle for advertising messages."

This year, Spilker says the association will emphasize increasing its membership, fund raising, generating new business for radio, increasing the activity of its Speakers Bureau in the advertising community, and promoting three or four seminars. These will include a presentation by the RAB and PSRBA's annual Soundie creative awards for the best radio commercials produced locally. She adds that the awards "are used to keep creative people aware of the awesome power of radio and to recognize those who use our medium."

'Why Radio?' Eastman's presentation has the answers

For the past year, Bill Burton, chairman of Eastman Radio, has been making the rounds of agencies and local ad associations with a presentation called, "Why Radio?"

He estimates that he's already shown it to "a minimum of 100 advertisers and to almost every major agency."

Eastman brought in some top notch consulting talent from the buying side to help put the pitch together: Herb Maneloveg, long-time BBDO and later Kenyon & Eckhardt media chief. The raw material is from RAB's research library, plus testimonial quotes from top guns at five major radio-using agencies that Burton says invested a total of over a quarter billion dollars in radio in 1985. And the original version has since been updated with results of the Bruskin 1986 study of radio listening for RAB.

The basic slide and audio pitch is open-ended for easy tailoring to whomever the audience happens to be. Additional facts can be inserted, for example, for a particular product category, like air lines or automotive. Or examples of great creative audio selling can be punched up when the audience includes producers, writers, or art directors.

Burton explains that the need for such a presentation grew out of his own insistence that when his 'tigers,' as he likes to call Eastman's sales force, hit the street, "They should never take a 'No' for an answer from a person who can't say 'Yes'—meaning that if the answer is 'No' at the buyer's desk, go on upstairs to the next higher supervisor, 'and keep on going until you hit somebody's boss who *can* say 'Yes' without being vetoed from above. We've found a lot of people upstairs that way who are looking for new ideas—in message delivery as well as in making the message itself."

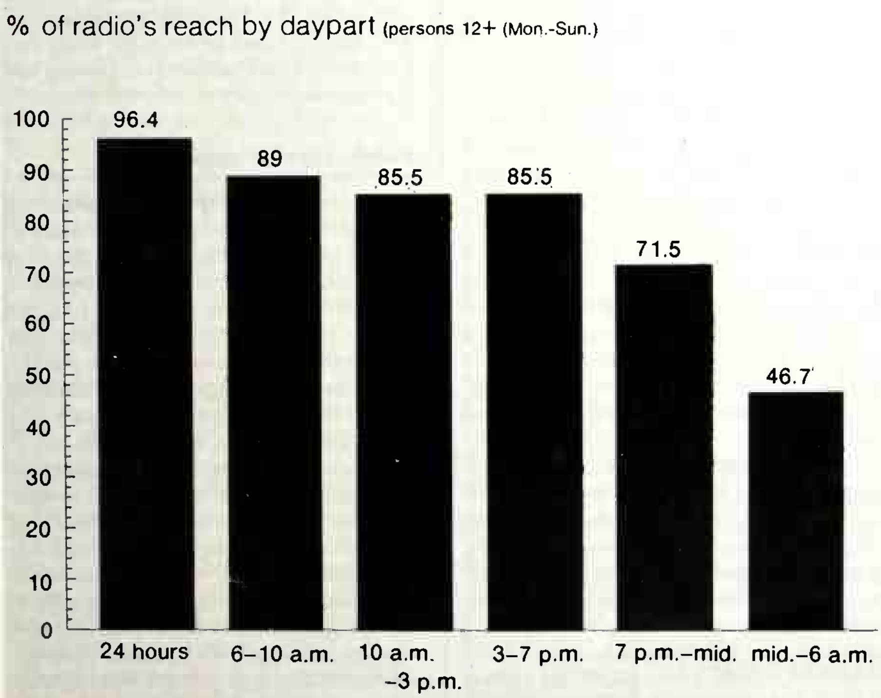
The presentation was needed to "give our tigers something to say, as powerful as radio itself, when they did reach the top. That's why there are so many basics in there that you and the buyers already know. The vice president, sales, at Chevrolet has other things on his mind besides remembering that 64 per cent of full-time working women have radios at work, and that those women spend 54 per cent of their time listening. The numbers he's concentrating on are that there are 44,600,000 working women out there, that three out of every 10 Chevy buyers are women, and that the other seven influence what cars their men buy."

The result of this need, says Burton, was to "call Herb [Maneloveg] in to help us put this together so we could show these decision makers at the top that radio is the sound solution to today's fast-changing marketplace—because of radio's targetability, efficiency, flexibility and mobility." It's a mobility, he adds, "that includes the last advertising message the shopper hears on the way to the store, to the point of purchase. That's because a car is basically a radio with four wheels."

As *Why Radio?* points out, these changes in today's marketplace include fragmentation of brand shares. Four years ago Prell owned 44 per cent of the shampoo market. Today there are dozens more brands, and not one of them holds more than 3 per cent.

The changes also include fragmentation of the TV audience and local daily newspaper circulation continuing to lose out to a handful of big national dailies. Not that radio has been immune to change. Far from it, says Burton. But radio took its lumps in the '50s and '60s—a beating that forced it to readjust to today's marketplace. And that, he says, is "why radio today can offer the flexibility, speed and selectivity to tailor itself exactly to the specific distribution geography of any advertiser, national, regional or local." □

Radio provides consistent reach throughout the day



Source: Eastman Radio

PSRBA meets on the third Thursday of each month to hear advertising and marketing executives from such major companies as Boeing Aircraft, Marshall Fields and McDonald's. Spilker sees this as "an excellent way for our local radio community to establish a rapport with major business contacts." And the guests' prepared talks are followed by question and answer sessions on using radio "that help us to reposition our medium to better meet the needs of our advertisers and prospects."

Chuck Hill, general sales manager of WBUF Buffalo, says his group was set up to educate and inform people about radio, "on the theory that the more people understand about radio, the more effectively they'll use it."

The Buffalo group's first seminar featured a presentation put together with the help of RAB senior vice president, research Bob Galen to tell some 100 key agency media executives and area retail people "Everything you ever wanted to know about radio, including how to understand audience measurement." Then in February Pierre Bouvard came in from Arbitron to explain about "beyond cost-per-point."

Hill says the thrust of this one was to explain how an understanding of reach and frequency, and what constitutes effective frequency, can help advertisers look at what it takes, say, to reach half of a station's audience three or more times "instead of trying to buy by GRPs or cost-per-point, which may work for television, but doesn't make much sense for radio."

If everything goes according to plan, Hill says his Buffalo organization hopes to make its next seminar "something that can spark the interest of creative people, and make them realize the opportunity radio offers to let their imaginations run wild, maybe try some humor, or anything else that makes everybody listen to radio."

Emphasis on working women

About 18 months ago nine Washington D.C., radio stations joined forces to market their medium more effectively. Donna Ragland, general sales manager of WKYS(FM) Washington, says that the group's first product was *Radio, the Medium of Choice*, a 12-minute audio visual presentation spotlighting such facts as the large number of working women in the capital area who drive to work, available for listening to radio.

The presentation also points to Washington metropolitan area sales that reach over $22 billion, and says that of the nation's top 10 metropolitan markets, "Washington leads with the highest percentage of single adults, college graduates, white collar employees, managers and executives and families with incomes between $35,000 and $50,000."

G. Michael Donovan, *g.m., WKQX(FM) Chicago, says RBC is working on campaign "to raise awareness of. . .the sales power of radio. . ."*

The Washington group has sponsored sales seminars "built around radio people talking to radio people" on such topics as "understanding our product" and "reach and frequency vs. cost per point." Speakers have included a representative from the National Association of Broadcasters, and Ray Holbrook, northeastern regional director for the RAB. Another session was conducted by a professional sales trainer, William T. Brower, president, Brower & Associates. He covered such areas as goal setting, time management, how to dress to come across as a professional, and "15 seconds to make that first impression."

To the south of Washington, the Hampton Roads Association of Radio Broadcasters promotes the medium in the Norfolk/Virginia Beach/Newport News metro, pointing out such facts to agencies and clients as:

- The fact that Hampton Roads ranks as the 28th largest metro in the U.S.
- It's significantly younger than most other cities with 60 per cent of the population falling in the 18–44 category.
- Tourism is big business, with some 3.8 million visitors stopping in the area last summer.

Last November, HRARB made a major presentation to more than 300 key decision makers at agencies and clients and has been following up with special task forces made up of general managers, general sales managers, local sales managers and senior account executives. The pitch, called, "We've Got It All Together," urges, among other things, that prospective clients utilize radio to promote special events, avail themselves of radio's production facilities and take advantage of radio's ability to target potential customers by age group, income level, community and lifestyle.

Says Joseph D. Schwartz, vice president and general manager of WNVZ(FM), who is president of HRARB: "We decided that to sit and fight each other was silly. We are going in with a united front, talking the virtues of radio." That the challenge is a big one, particularly in the retail field, is something Schwartz recognizes. "In this market, Thalhimer's and Miller & Rhoads [department stores] spend tiny bits in radio, but they own the newspapers."

In Phoenix, Paul Danitz, vice president, general manager of KTAR/KKLT(FM), reports that the Radio Association of Metropolitan Phoenix imported RAB president Bill Stakelin to help launch the group last fall at the Scottsdale Center for the Arts, with a presentation of RAB's *The Power of Sound*.

RAMP's goal, says Danitz, is "to let this market's advertising community know we're here to show them what an effective component of their marketing program radio can be."

RAMP's plans include classes for member station sales personnel and for advertising decision makers from both the agency and advertiser sides. Guest speakers will include representatives from the ratings services and other research suppliers.

Danitz says the group plans to set up a creative awards program, but adds that, "We may be doing ours with a difference. To be eligible, our entries will have to be advertising that has been *heard* on Phoenix radio—not just created here."

Public service project

Danitz says RAMP is also "searching for a project—probably some kind of public service campaign like support for a Phoenix symphony orchestra—that all our stations can be part of. We want it to be a campaign that can show the power of radio to persuade our listeners to take action. Then we'll be able to use the results as a success story in a future sales presentation."

The first meeting of such local radio associations was called by RAB in conjunction with its February Managing Sales Conference in Atlanta. Stakelin called this look into ways RAB can help coordinate and support these local groups "an extension of RAB's basic mission, and part of our grass roots development project being undertaken in conjunction with the various state broadcasting associations." □

Local TV *(from page 43)*

ate is moving "from a pure selling to a marketing direction. We're very heavily involvd with vendor support and special selling situations." Another programming-related project is the production of vignettes in connection with the Phoenix Open golf tournament.

Health care advertising

In Cleveland, WUAB(TV) has produced a series of vignettes under the umbrella title, *Your Health Today*, designed to attract hospital and other medical-related advertisers. The 60-second inserts (30 for commercial, 30 content) started six months ago, and, according to Bill Scaffide, general sales manager, "We have one [sponsor] already on the air, one other committed and two on the fence.

"We wanted to be an information source [for hospitals] and provide them with the proper environment." The Gaylord indie had already taken the same approach to recruit legal services advertisers.

The health care category, undisputably, is one of the fastest-growing classifications for local television. At WVEC-TV "a total marketing approach" applied to this area paid off in big dividends. "Three months ago we made a major presentation to one of the major health care players," says Rick Keilty. "They gave us information; we did our homework." The result was a 12-month commitment by the client, Riverside Hospital, but the commitment is for more than commercials. "We have developed a series of primetime specials for the hospital that the station will be producing," Keilty says. The commercials began March 1, and the first special is scheduled for March 20.

The station is also producing the spots, an activity Keilty feels is key. "Creative and media are tied together with the research effort," he says. "We are marrying the commercials production effort to the whole [marketing] process."

One of the most enthusiastic supporters of program-related marketing, Group W Television, continues to move ahead with its various projects, the most ambitious of which is *For Kids' Sake*, the total station campaign dedicated to children that was launched two years ago by WBZ-TV Boston (see *Sidelights*, TV/RADIO AGE, January 5). The project, which has been marketed beyond the Group W outlets to 95 stations covering more than 70 per cent of the country, consists of primetime shows dealing with a wide range of subjects such as parent-child relations and divorce. The programs are supplemented by such activities as PSAs, vignettes, print ads and sales literature, and supported by local sponsors.

Tom Goodgame, president of the Group W Television Stations, doesn't envision national [spot] business getting any better soon, and, as a result, he believes, "the only way we can survive is to develop local contacts, local businesses.

"Television in the major markets," he continues, "grew up with a rather strong right arm that was national and an atrophied left arm that was local. You can treat local like national and wait for the budgets to come and wait for your share." Or, he adds, you can look for ways to develop new local accounts.

"We're pure results-oriented," he says. "We don't worry about CPMs; we worry about the cash register ringing."

Automobile dependency

Goodgame is concerned that many TV stations may be relying too heavily on the automobile dealer category at

A day at the races

WWBT's involvement in Labor Day balloon races enabled clients to sponsor contestants, tied in with on-air ad commitments.

the local level, describing this dependency as "one of the truly frightening aspects" of the local sales scene and a "prime concern" for 1987.

On the positive side, however, he sees an emerging trend of "clusters of auto dealers" selling different brands joining together to pitch their geographical locations. He points to one market where there's a "Royal Mile—Subaru, Buick, Oldsmobile, Ford, etc. They've formed an association, and they're saying, 'This is the place to buy cars. If you come out our way, you're going to see everything available.'"

Supermarket action

The supermarket category has been "hot" in Detroit, primarily because of stepped up activity by A&P. "A&P," sayd WDIV's Rohrs, "by coming in in a big way really triggered things." Two other supermarket chains, Farmer Jack and Kroger, were already significant TV advertisers but increased expenditures because of the A&P push. And the supermarket approach is also changing. "They're much more positioning, image-oriented, although they strike a pretty good balance," he says.

An even greater impact on the Detroit market is the entry of retailers from other cities. Main Street, a Chicago-based specialty store division of Federated Department Stores, arrived last year, and a competitor, Mervyns (San Lorenzo, Calif.) and Minneapolis-based Target, a mass merchandiser, are expected this year. That, Rohrs believes, will force Detroit-based department store, J. L. Hudson, "to become a lot more aggressive."

Changes in the retail landscape are also expected to spur activity in San Francisco, according to Jay Sondheim, local sales manager of KTVU(TV). A major specialty store chain, Grodins, closed, and its stores are being taken over in the spring by C&R clothiers, a Los Angeles-based off-price apparel retailer that is traditionally a big TV spender; Handyman, a home improvement chain, sold its locations to Circuit City, an L.A.-based home entertainment chain; and GEMCO, a mass merchandiser, closed and sold its units to Minneapolis-based Target.

KTVU, which is buoyed by several station-specific factors—its high-rated primetime news, its affiliation with the Fox network, and the improvement of the San Francisco Giants baseball team, whose games it carries—also embarked on a recent programming/promotional venture, which, while not designed directly to bring in ad dollars, went a long way toward cementing its relationship with one of the market's local retailers.

The store's new daytime magazine show, *2 at Noon*, originated for one week in November from the auditorium of Emporium-Capwell's downtown department store. Says Sondheim: "The store was excited about it. As Emporium-Capwell moves into 1987, they have set in motion an aggressive TV [advertising] program, and KTVU will be a major part of it." But of more important, long-range significance,"It provided an opportunity for station executives to interface with store executives." □

Cable Coverage (*from page 41*)

ports general manager John Claiborne. Renewing Red Sox cable sponsors (paying far less than that $850, because of quantity discounts) include Anheuser-Busch, Polaroid, Nissan, Chevrolet and Texaco.

Besides the team's performance, says Claiborne, the rate increase is justified by a corresponding leap in subscribers. The regional pay service now has 158 affiliates, compared with 130 a year ago, passes 1.9 million households, up from 1.4 million, and has 170,000 subscribers, compared with 94,000 a year ago.

NESN will show 85 regular season Sox games this year, mostly home contests, one more game than last season. The service also features an edited two-hour Sunday replay of a "game of the week," and winter-time replays of such fan favorites as Roger Clemons' 20-strikeout performance.

Chicago White Sox:
SportsVision will again cablecast 75 White Sox games. There will be 59 home games and 16 road games, one more at-home and one less on-the-road than last season. There will also be seven spring training games cablecast.

The service, which had 850,000 subscribers in mid-February, projects over 1 million viewers by opening day—more than twice as many as last season, according to spokesperson Jim Corno. He says SportsVision has added up to 20 new affiliates in the "outer market" of Chicagoland, with no change in the "inner market." The service is now affiliated with 40 major MSOs, he notes.

White Sox cable ad sales, handled by Rainbow Advertising Sales Co., have been going well, says RASCO president Bob Fennimore. Advertising rates have increased about 20 per cent, he reveals, with renewals coming in from such sponsors as Anheuser-Busch, Toyota, Chrysler-Plymouth, and the Illinois Lottery.

Detroit Tigers:
Pro-Am Sports System will again show 80 Tigers games, 60 of them home affairs (one more than last season). The pay service is now affiliated with 127 cable systems, and Tigers director of broadcasting Neal "Doc" Fenkell expects about 125,000 subscribers by opening day. This would represent about a 125 per cent increase in number of viewers, says Barry Harrison, president of Cable Media of Michigan, the ad sales outfit for Tigers cablecasts.

Harrison says this is the first year "we've got a good shot" at selling out. Renewals, he notes, have already come in from such sponsors as Ford, True

Value Hardware Stores, K Mart's Builder's Square, Stroh and Highland Stores. Rates, at about $450 per 30-second spot, are up about 10 per cent over 1986, he says.

"The Tigers are fairly easy to sell," Harrison comments. He points out that the team has the "highest [baseball] broadcast TV ratings in the country."

Houston Astros:
The National League Western Division champions will have 78 games on Home Sports Entertainment this season, about the same number as last year; 65 of the contests will be at home. The pay service, thanks largely to the Astros success, now has about 240,000 subscribers via some 130 cable systems. Jack Stanfield, HSE program director, says this is about 80,000–100,000 more subscribers and 30–40 more affiliates than a year ago.

HSE, which also carries Texas Rangers games (once again, 60 home games), quotes ad sales information for both teams jointly. Ad rates are up about 10 per cent [to $300–350 per 30-second spot] and sales up 35 per cent, according to director of ad sales Mike Donaldson. Renewing sponsors include Anheuser-Busch, Chrysler and Texaco. New sponsors include Mazda, Coca-Cola, the What A Burger fast-food chain and the Houston Post.

Los Angeles Dodgers:
Dodgervision, formerly a joint venture between the Dodgers and Metromedia, enters its third season under the auspices of Harmon Cove Productions, a division of Fox Television Stations. The change, resulting from the sale of Metromedia's stations to Fox, has little effect on the PPV service's day-to-day operations. Responsibility for ad sales, however, has shifted largely from KTTV(TV) to Harmon Cove, although Walter Kalb, Harmon Cove executive in charge of Dodgervision, says, "We still take assistance from the station."

Once again, Dodgervision offers 25 home games, all in prime-time. The price for the entire package remains at $79.95, with individual games available for $5.95. Dodgervision's 1987 promotion revolves around the 25th anniversary of Dodger Stadium, and package subscribers will receive "Diamond Dust" (direct from the infield), a baseball with an anniversary logo, a special pin, a calendar/poster and two tickets to a Dodgers game. Only the free tickets were part of last year's deal.

Dodgervision also includes one free preview game this season—an exhibition with the hometown rival California Angels in early April. A preview game was offered during Dodgervision's inaugural season but not last year.

Heading toward opening day, Dodgervision has 48 cable system affiliates, compared with about 40 systems that started last season. Number of potential subscribers is up to 1 million, from 800,000 last year, and 650,000 of them are addressable, an increase of 100,000 over the start of last season.

An average of 16,100 households viewed each Dodgervision game in 1986, Kalb notes, a hefty increase over the 7,000–10,000 average he reported for the first season. Kalb says that the majority of each game's viewers were package subscribers, whose numbers increased about 300 per cent over the previous season.

Despite this year's expected audience increase, Dodgervision has kept the same ad rates ($500–700 per 30-second spot), and Kalb says, "We're looking to sell out the time." Miller Beer and Nissan are among the renewing sponsors.

Montreal Expos:
See Toronto Blue Jays.

New York Mets:
The World Champion Mets will show 75 games on SportsChannel this season, an increase of 25 per cent over last year; the lineup will again be split evenly between home and away contests. With the Mets as an obvious enticement, the pay service has upped its subscriber count from some 450,000 a year ago to 750,000; the number of affiliates has increased to 75 from about 55.

For Bob Fennimore at Rainbow Advertising Sales Co., the Mets' 1986 success has been a goldmine. Rates have been raised 30 per cent, he reports, and avails were already 85 per cent sold by mid-February. Renewed sponsors include Anheuser-Busch, Toyota, Buick, Manufacturers Hanover, Texaco, TWA and Nynex. "We've not only increased the rates," Fennimore notes, "but, in some cases, also the number of spots they have."

New York Yankees:
The Yanks, usually overrun with controversies by opening day, have only the dispute between SportsChannel and WPIX(TV) (see accompanying article) to stir the juices this year. At presstime, SportsChannel was proceeding with plans to show 100 Yankee contests; last year, it offered only 40 contests, split evenly between home and road affairs.

Larry Wahl, director of marketing and public relations for SportsChannel, offers the following statement from the recent court ruling: "Since the Yankees have been unable to establish that its contract with SportsChannel was validly modified, it cannot establish that it was entitled to enter the contract with WPIX."

RASCO has raised Yankee ad rates 20 per cent, a sizeable figure but significantly less than the 30 per cent hike charged to Mets advertisers (see above). Renewed sponsors, according to RASCO's Fennimore, include Anheuser-Busch, Toyota, Canon, TWA and Nynex.

Philadelphia Phillies:
For the second straight year, the Phillies have expanded their schedule on Prism by exactly one game. There will be 38 contests cablecast this season, 31 at home and seven on the road; last year's slate consisted of 28 home and nine road games. Donald Heller, Prism vice president, says the pay service now has 375,000 subscribers, an increase of some 5,000–10,000 subs since last season. The affiliate count remains at 91 cable systems.

The Phillies, sticking with last season's ad rates, have signed up at least three new cable sponsors: Personal Choice, a local HMO; First Pennsylvania Bank; and Atlantic City's Showboat Casino. Budweiser remains a major sponsor, notes Dennis Lehman, the Phillies' director of marketing, who adds that sales are up and "we plan to be sold out."

Pittsburgh Pirates:
Following last season's initial fling with Pirates cablecasts, TCI has signed a five-year contract with the club. The MSO expects to eventually use the Pirates as the cornerstone of a new sports-oriented regional program service.

This year's games are being shown via TCI and 15 other MSOs. Executive producer Gil Lucas expects 675,000 subscribers, compared with 602,000 a year ago. Unlike other regional baseball networks, viewers don't pay separately for the Pirates on either a monthly, seasonal or PPV basis. But the Pirates games aren't basic cable either, which would violate the rules of Major League Baseball relating to local cable contracts. Rather, affiliates run the Pirates on either the "upper" or the "super" band, as part of tiered pay packages.

This year, TCI will show 52 regular season games—32 on the road and 20 at home—plus four spring training clashes. The contract calls for a maximum of 81 games by 1991, but Lucas—citing the Pirates' commitment to KDKA-TV and conflicts with superstations—does not expect to reach that limit. In fact, he notes, despite the small number of TCI-originated home games—unusual for a cable baseball network—Pittsburgh area cable viewers will be able to see 78 of the team's 81 home games on TV, thanks to the combined programming of TCI, KDKA-TV and the superstations.

Lucas appears relieved not to have too many home games on the schedule. He doesn't want the Pirates to be able to "point a finger" at TCI and blame the MSO for poor attendance. But he notes that the cablecast home games last season drew higher in-park attendances than non-televised games.

And the Pirates cablecasts did pretty well in viewers' homes as well. TCI paid for three overnight ratings reports last season, and the games averaged a 7.9 rating/18 share in their universe, despite being up against a blockbuster *Dallas* cliffhanger on one of the evenings. On another of the nights, the Pirates were top-rated with a 28 share, Lucas says.

Thanks to such numbers, plus a larger universe and more subscribers, Lucas reports that ad rates—running from $400–500 per 30-second spot—are a "little higher" than last season. And Lucas, who says ad sales should account for 65–70 per cent of the network's total revenues, expects to top last year's $700,000 ad revenue figure.

St. Louis Cardinals:
The Cards' 1986 on-field performance was a letdown after the previous season's pennant-winning campaign. But the new St. Louis Cardinals Cable Network performed up to expectations, according to John Clark, vice president of marketing and programming for both the PPV service and Cencom Cable Associates, which owns and distributes the network. (The games are produced by Bud Sports.) Besides Cencom systems, the games are also telecast over American Cablevision, United Video and Continental Cablevision. Homes passed, at 220,000, and addressable homes, at 130,000, are both up by about 30,000 from last year, according to Clark.

Last year, says Clark, each game attracted an average audience of some 7,000 households. This year, he notes, the service is "running fairly well ahead of last year" in sales of season packages, and he expects an average per-game audience of around 10,000 households.

Since the Cards are not coming off a championship season this time around, Clark realized early on that "earlier and stronger marketing" would be needed to "offset the performance of the team." And, instead of concentrating on the team's stars as last year, the current season's promotion has emphasized "convenience and value."

Once again, the Cardinals network is offering 50 home games for $150 (or $3 per game). But a special $130 price was offered to viewers who signed up before December 31; the network promoted the packages as Christmas gift certificates. Last month, more season ticket renewals were sought through a major telemarketing effort and a special letter was signed by the Cards' Ozzie Smith. During spring training, the emphasis shifted to getting new season ticket purchasers.

Come opening day, however, the focus will start being directed towards PPV sales. The per-game price remains at $5.50.

On the advertising side, Scott Whidham, vice president and general manager of Cencom of Missouri, expects net sales of $200,000, up from $140,000 in 1986. While ad rates have not increased, Whidham says there is far less rate card discounting going on. Renewed sponsors include Anehuser-Busch (which owns the Cardinals), Contemporary Productions (a booking house) and the Bo Buechman Ford dealership.

San Diego Padres:
The San Diego Cable Sports Network, now in its fourth year and the "granddaddy" of baseball PPV operations, will again show 41 home games. The season-ticket price remains at $140 and still includes four tickets to Padres games. There's also an added bonus this year—a coupon for a free Domino's pizza delivery. All subscribers will also be entered into a sweepstakes for a trip for two to the Hall of Fame induction ceremonies in Cooperstown, N.Y.

Besides the 41-game package, the cable service also offers two 20-game packages (priced at $80) and individual games (at $5.95 each). Last year, says Marty Youngman, PPV manager for Cox Cable San Diego (which runs the Padres network in a joint venture with the ball club), 13,000 viewers bought packages, about 9,000 of which were for all 41 games. Only two cable systems (including Cox) had the technology to offer the games on a PPV basis, he notes, but they averaged about 2,500 orders per game—ranging from as high as 6,000 down to 500–600 "at the end of the season."

With the addition of Dimension Cablevision, the Padres network is now available to about 500,000 households, and reaches virtually the entire San Diego market, Youngman says.

Ad sales last year increased to $600,000 gross, up $50,000 from the 1985 figure, Youngman reveals. Rates have stayed the same this season, he says, with Miller Beer returning as the major sponsor.

San Francisco Giants:
GiantsVision, a PPV service, will show 36 home games this season, a reduction of eight games from 1986. Corey Busch, GiantsVision executive producer and an executive vice president for the ball team, explains that viewers did not take well to Sunday afternoon telecasts during last year's inaugural season. So the team is concentrating on weeknight primetime this year, with only four Sunday games scheduled.

Additionally, GiantsVision has dropped all games between the Giants and Atlanta Braves, because of competition from SuperStation WTBS. Cable systems could black out WTBS' coverage of such games within 35 miles of Candlestick Park, Busch explains, but GiantsVision has now gone on satellite and expects to pick up affiliates throughout Northern California from far beyond that radius.

Individual games are priced at a minimum of $5.95 apiece, with a full season package suggested at $144, or $4 per game, and a half-season (18-game) package at $90 or $5 per game. These rates, on a per-game basis, are about the same as last season (when a number of other packages were also offered as tests).

Last year, despite not being launched until the end of March, GiantsVision attracted from 3,500–4,000 viewers per game, Busch says, for an average penetration rate of about 2 per cent. Busch couldn't say how many of these viewers bought each game individually, but points out that half of them were full-package subscribers.

During its initial season, GiantsVision was available via only nine cable systems reaching 175,000 homes, all addressable. This season, Busch expects GiantsVision to be passing 1 million homes by opening day, with about 40 per cent of them addressable. "If we do 2 per cent penetration again," he says, "which is what we're projecting, we'll have 20,000 households per game.

While box seats to a Giants game (four for full packages, two for half-packages) are being awarded to early purchasers (before April 30), Busch stresses that a bigger pull for the service is bonus televised games between other National League teams. Last year, for instance, while the Giants were in a pennant race with the Houston Astros, several Astros games were televised. This year, full-season purchasers will receive 18 bonus games and half-season purchasers nine of them. The number is down from last year's total of 20 bonus games because Major League Baseball does not allow importation of games totaling more than 50 per cent of the number of the local clubs' games being televised.

In addition to the bonus games, all subscribers to cable systems carrying GiantsVision will receive free coverage of an early April exhibition clash between the Giants and hometown rival Oakland A's. GiantsVision will also televise an August Old Timer's Game between the 1962 World Series opponents, the Giants and New York Yankees, but has not yet decided how to market it.

GiantsVision has gone completely in-house this season—including ad sales which had been handled by participating cable systems in 1986. Busch says spot rates will probably range from $450–750 for 30 seconds. Budweiser has renewed as a sponsor, while Safeway has just come on board.

Texas Rangers:
see Houston Astros

Toronto Blue Jays:
The Sports Network, a 24-hour pay service, will again beam 40 Blue Jays and 40 Montreal Expos road contests across Canada (there will also be eight spring training games this month). TSN, which also runs NBC back-up games on Saturday afternoons, now has 940,000 subscribers, up from about 700,000 a year ago, according to spokesperson Janice Ward. As a bonus to fans—and advertisers—TSN airs a repeat of each televised game.

"Sales are going very well, says Bob Stevenson, account executive for TSN at Telemedia Broadcast Sales. "Advertisers are renewing one after another. All are coming back, and others want to get on board."

"The advertisers that want baseball first want the Blue Jays," Stevenson explains, "and then will include the Expos if the price is right." Why are the Jays preferred over the Expos? Stevenson says it's a combination of the team's 1986 performance, plus the "excessive media hype" the Jays receive in Toronto, the "seat of the [Canadian] advertising world."

He notes that Expos fans are "somewhat concentrated in Quebec" while Jays fans tend to be spread around the country more.

Stevenson, however, encourages sponsors to buy "all of baseball"—a 122-game package of the Blue Jays, Expos and NBC games. At $750 per 30-second spot, a complete package of one spot per game costs $91,500. Individual 30-second base rates, which have remained the same as last season, are $1,500 for the Blue Jays, $850 for the Expos and $250 for the NBC games. Three companies, Stevenson says, are "major sponsors," entitling them to exclusivity and three minutes in every game. They are General Motors, Petro Canada and LaBatt's Beer. □

Flagship *(from page 40)*

Blackmore says prices have been increased by about 10 per cent in the second and third-quarter games. Last year, April–June tags for a 30-second spot was $40,000; July–September, $30,000. Miller beer and Ford are again sponsors. Blackmore says that automotive spending has been strong this year. "There are many brands of cars out there and it's possible they were underspent. But they are going more heavily into baseball and other programming, to make sure that their car stands out in the crowd."

But despite the bullish baseball marketplace at NBC, the network is taking writeoffs for 1986, with most coming from sports and from the decreased value of the NFL and MLB rights franchises, in particular. Robert Wright, president and chief executive officer at NBC, justifies the sports writeoffs by saying that "if sports events are not as good as expected, we are obligated to write-down their value" (TV/RADIO AGE, February 16).

Meanwhile, ABC reportedly is not just sitting idly around in the dugout.

Instead, it is understood to be swinging away at the rights agreement and looking to renegotiate its contract with MLB. Reportedly, ABC has been quietly spearheading talks with MLB, and is said to be offering MLB a hefty amount of money as penalty as a means of bailing out of the contract. Repeated calls to ABC sports executives went unreturned.

At NBC, sports executives were reluctant to speak on the record on the rights subject, saying that baseball discussions, both formal and unscheduled, were taking a backseat at present to negotiations on a new contract with the National Football League. However, an official at NBC, who doesn't want to be identified, admits the talks on baseball have intensified recently, and he expects a solution on the contract to be worked out over the next month or two.

Speculation is that, besides the possibility that ABC will bargain to void its part of the baseball contract in exchange for a large sum of penalty money, it may offer another alternative, which could be followed by NBC, to amend the current contract. This would entail the contracts of both being extended, with a lower fee to be paid for the additional years, and a spreading out of the remaining payments over the life of the new contract.

According to a published report, Peter Ueberroth, MLB commissioner, says the 1990 contracts are likely to wind up with smaller payments than in the present deal, because of the networks' sports troubles generally. This would affect the teams, possibly for the better, because they share in the network rights pool. If this scenario holds up, it allegedly may push Ueberroth, who is ever mindful of the clubs' interests, to favor an extended contract and payment proposal.

At MLB, David Alworth, director of broadcast administration, says talks on the rights contracts with the networks have been ongoing. "We want a healthy partner and we will listen to any proposals from them that will benefit all three parties. But baseball must get something in return."

Following is a market-by-market rundown:

WTBS(TV) Atlanta (Atlanta Braves):
The superstation, which owns the Braves, doesn't have to concentrate on selling the Goodwill Games this year and, consequently, is running ahead as far as sales are concerned, says Jim Trahey, vice president of sports sales. "Things are going good," he says, and sales are about 10 per cent ahead of 1985. As for prices, Trahey notes that they are about the same as last year, when the station got an average rate increase of 10 per cent over 1985.

All the major sponsors are back, he says, including Anheuser-Busch, Coca-Cola, Delta Airlines and Toyota, along with Pepto-Bismol, which last year upgraded its participation and became a major sponsor. On the downside is that Redman chewing tobacco, one of the major advertisers, was forced to drop out this year because of the Congressional ban on chewing tobacco commercials. However, Trahey says he's confident that the station will make up the loss in sales by signing other sponsors.

WMAR-TV Baltimore (Baltimore Orioles):
The station is in the last year of its three-year pact with the Orioles and, as of presstime, was negotiating a new broadcast rights contract beginning for next season, says Charlotte English, vice president of broadcast operations and programming at the station. Ratings were back up overall in 1986 as compared to 1985, when the numbers dipped from the year before, she says.

As for sales, Howard Zeiden, vice president of sales, notes that prices are up slightly over 1986 and are running, as expected, a little above last year's pace at the same time. Incumbents include Anheuser-Busch and Nissan Motors, both of which have returned for seven of the eight years the station has carried the games.

Also returning is Jerry's Chevrolet, the local Chevrolet dealer, and Giant Food, retail chain, while new advertisers include Chesapeake and Potomac Yellow Pages. Probable returnees include Provident Bank of Maryland, Equitable Bank of Mid-Atlantic Marketing Association. Blue Cross-Blue Shield may not re-sign, says Zeiden, because it has changed its marketing plans.

WSBK-TV Boston (Boston Red Sox):
"There's a great sense of euphoria in Boston because of the Sox, so we're pacing dramatically ahead in sales from last year," says Tom Warner, sales manager. Ratings doubled last year over the 1985 season, and ad rates are corresponding accordingly.

As for sponsors, Warner says its premature for him to name names, but two or three incumbents are back, with others waiting to sign. In addition to its regular season coverage, the station will carry the Red Sox-New York Mets exhibition game from Shea Stadium at 7 p.m. on May 7.

WFLD-TV Chicago (Chicago White Sox):
The station is having a tough year getting the kind of increase in revenue it had been getting over the past two seasons, says Rich Engberg, local sales manager at the station, mostly because the team lost ground as a competitor. "Our ratings dropped 20–25 per cent in 1986 over 1985," says Engberg, "so we're having problems in selling." For example, he continues, Toyota, which had a national and local participation, will probably only renew on the local level. On the upside, Miller Beer has signed a five-year deal.

WGN-TV Chicago (Chicago Cubs):
Winding up last year with record revenues, points out John Fendley, director of sports sales, the station this year is even above last year's sales pace. "All things being equal, we probably will do 10 per cent better than 1986," he says, and he is looking for a 90 per cent sellout by the time the season opens.

Renewals include Anheuser-Busch, Tru-Value Hardware, Chicago Land Buick Dealers Association, Toyota Dealer Association, United Airlines, Unocal, The Chicago Tribune and Pepsi-Cola, which has one more year to go on the contract with the station. McDonald's, one of last season's sponsors, has not yet signed, but Fendley says he expects to wrap up the fast-food chain shortly.

The pre-game show has a half-sponsorship sale from the Chevrolet Dealers Association, and Fendley is close to selling the other half, he reports. The post-game show is available, but deals are pending with three or four potential sponsors.

WLWT(TV) Cincinnati (Cincinnati Reds):
The station is projecting a record sales year, both based on last year's second-place finish and WLWT's high showing in ratings. At this point, the station is 90 per cent sold out, including both the outlet itself and its network, says Ned Paddock, director, Cincinnati Reds TV Network.

Ratings last year were up 14 per cent, as were demos, while prices have been increased higher than 14 per cent. The network has 19 stations and some cable systems plus some low-power outlets in areas as far away as Florida and North Carolina and in markets adjacent to Cincinnati's ADI. Major sponsors on the network include Budweiser, Toyota, Long John Silver, Delta Airlines and All-State Insurance. On the station side, participants include Ford, Kroger and Pepsi-Cola. Thirty of the 46 regular season games to be telecast by WLWT will be in primetime.

WUAB(TV) Cleveland (Cleveland Indians):
This is the second year of a three-year rights deal with the club, which added

up to a large fee increase the station will pay during the term of the contract. As a bonus, the station added about 10 telecasts last season, including 15 at-home games, and this season will be the same.

Most of the new contests in 1986 were broadcast on Tuesday nights and will be repeated this season, says Ron St. Charles, program director. Ratings on the 15 telecasts were strong, according to St. Charles, including a 15 rating in May. But the station's experiment last season of repeating the Indian games during late-night turned out poorly, and the station has dropped the project.

The outlet, however, will broadcast four pre-season games, a "first." Also, WUAB's regional network is looking into Columbus and Erie, says St. Charles. On the sales end, Bill Scaffide, general sales manager, says he expects to do record business. Tied up are renewals by Anheuser Busch and Toyota, and he anticipates a large number of other returnees.

KTVT(TV) Dallas-Fort Worth (Texas Rangers):
The station is projecting a much better sales season than it had last year, the second season that it carried the Rangers. "Sales are excellent, and our ratings last year were up 25 per cent over 1985, says Charles Edwards, general manager. Also helping the sales picture is that the Rangers have become a quality team, he notes. Major sponsors this season include Budweiser (under a long-term agreement), Nissan, Texaco, Delta Airlines, Midas Mufflers, Chevrolet, True Value Hardware and Goody's Headache Powder. The schedule calls for 60 games, all away, an increase of 10 from the 50-game start-up schedule in 1986.

WDIV(TV) Detroit (Detroit Tigers):
Sales this season are lagging behind last year's pace, but Christopher Rohrs, general sales manager, says he's optimistic that sales will wind up at least on par with 1986's. "Placement of orders is a little late," some of which has to do with the soft sports marketplace across the board. "The network sports marketplace is tough and more of a buyers' market, which affects us as well because the buys all come from the same originating point."

On rates, Rohrs says he's closing renewals at very minor—low single-digit—increases. Incumbents include Miller beer, McDonald's, Michigan Lottery, Blue Cross, Metro Detroit Ford Dealers, Kroger, Pepsi-Cola and Taco Bell. On the new side are Ameritech Yellow Pages and New York Carpet World.

KTXH(TV) Houston (Houston Astros):
The taking over by the station of selling the Astro games last year from the ball club in a 10-year contract has turned out beyond expectations, says Vincent Barresi, general manager. Although early sales ran as expected last year, sales picked up steam as the Astros became a contender in the National League West race, "which was a big surprise, as was their winning the title in the division, giving us very good ratings as well."

At present, sales are running above last year's by double-digit figures, says Barresi, with incumbents such as American Airlines, Coca-Cola and Anheuser-Busch signed. New advertisers include Kroger stores and Goody's Headache Powder.

A total of 81 games will be telecast, 61 on the road and 13 away, plus seven pre-season games.

WDAF-TV Kansas City (Kansas City Royals):
The station came in second in Arbitron ratings as far as baseball telecasts are concerned, says Bud Turner, manager of the Royals' baseball network, which has grown to 17 stations this season. Sales are "pretty good," according to Turner, and are in the 70–75 per cent sell-out range. In addition to McDonald's, and Miller beer and regional advertisers such as Long John Silver, the station has wrapped up a number of local advertisers.

KTLA(TV) Los Angeles (California Angels):
The station's telecast of the Angels' games will be increased to 50, up five contests from last season. Of the total, four are at home. While Tom Arnost, sales manager, says he can't give exact figures on how sales are coming along, he notes that interest is high, and he is projecting a good sales year for the airings.

Arnost says that one of the reasons for his bullishness on sales is that the Angels have been performing consistently well on the field over the past two seasons and the clashes have been averaging an 8 rating over the past several years.

KTTV(TV) Los Angeles (Los Angeles Dodgers):
All the major incumbents have committed for this year's Dodgers' telecasts, including Miller beer, Nissan, Coca-Cola, Farmer John and Union Oil. McDonald's, one of last year's major sponsors, has not yet renewed, says Martin Bergman, sales manager at the station. "McDonald's appears to be looking to bettering their efficiencies," he continues, although talks are still in progress on Dodgers' participation.

In general, he adds, sales are ahead by about 5 per cent over last season, and rates are between flat and the 5 per cent increase range because of the soft ad economy generally. In 1986, the station was looking for price hikes ranging from 5–10 per cent when ratings were averaging 13s. Last season the ratings were down a point, but Bergman says the numbers are still very good, considering the team's poor standing.

WVTV(TV) Milwaukee (Milwaukee Brewers):
Sales are running somewhat behind the pace of last year, but the station has begun a "media blitz" to bolster its ad lag. According to Lyle Schulze, operations manager and executive producer of sports, past losing seasons by the Brewers have influenced advertisers' decisions "negatively," but the station sees the Brewers becoming contenders this year. And in conjunction with its optimism, WTVT has produced video sales presentations, stressing the new and positive elements of the team.

This year's number of telecasts is the same as last year—60 away. Schulze points out that the station's network is growing. For this season, nine are projected to sign as affiliates. The network had four last season.

KMSP-TV Minneapolis-St. Paul (Minnesota Twins):
Stu Swartz, the station's general manager, sees sales on the Twins' telecasts looking stronger this season than they were in 1986. "Our prediction is based on a combination of things; national is up a little, but local sales are much heavier. But also the reason is that the club's owners have done an excellent public relations job, and we have put together a new team of announcers in connection with WCCO, which carries the Twins on radio."

The two announcers hired, John Rooney from CBS and John Gordon, will rotate between both TV and radio. Although the team didn't fare as well on the field, the ratings stayed basically the same in 1986 as they did in 1985, says Swartz, "which shows the stability of baseball." Added to this year's schedule will be two pre-season games, for a total of five. In regular season games, 68 are set, including 60 in primetime. The station is so bullish on this season that it expects to increase its rates by double-digit figures.

CBFT Montreal (Montreal Expos):
The station, which is part of the Canadian Broadcast Network, is again handling the telecasts in French, after settling on a new contract with Labatt Breweries, the TV rights holders of the

Expos' games. However, the TV rights for airing the games in English have not yet been determined. According to Labatt sources, negotiations are underway for either CMBT to renew its contract or for another station to broadcast the contests.

WOR-TV New York (New York Mets):
The station paid a hefty increase in its five-year contract renewal with the ballclub, for 75 telecasts each year, 15 fewer than last season. Ratings were consistently high in 1986, says Peter Leone, general manager, because the Mets performed in championship style. The Mets' highest ratings during the regular season were a 19.5/31 in Arbitron, for the contest with the Chicago Cubs on September 17.

Ad prices have gone up substantially this season, says Leone, and sales are running ahead of WPIX New York, sales at this time. Major incumbents include Budweiser, Manufacturers Hanover Trust, Nissan and Royal Crown Cola. WOR-TV will telecast seven pre-season games plus an exhibition game with the Red Sox, which will be held in New York.

WPIX(TV) New York (New York Yankees):
While the telecast schedule is in a state of flux because of the court battle between the Yankee owners and SportsChannel, the station is going ahead on selling based on a 75-game schedule, according to a station spokesman. An appellate court had lifted the restraining order placed by the Yanks on SportsChannel and ordered the conflict to trial to determine which of the contracts—WPIX's or SportsChannel's—is valid.

The Yanks are expected to file the suit in the Bronx Supreme Court. If the owners lose their suit, WPIX will carry only 40 contests, with the pay service carrying about 100. Meanwhile, last season the WPIX telecasts averaged a Nielsen 6.8 rating, according to the spokesman, about even with the year before.

WTAF-TV Philadelphia (Philadelphia Phillies):
Sales for the Phillies' 90 telecasts are spurting at a 25 per cent increase over last season at this time, according to Steve Mosko, sales manager, who attributes much of the rise to the Phillies' fine performance from June through September. "Fans believe that the ballclub is of championship caliber. The team is really starting to jell, and the bottom line is that advertisers are responding."

Back as sponsors this year are Nissan, Mellon Bank, Mid-Atlantic Milk Marketing Association, Budweiser, Subaru and Blue Cross, which has increased its participation with its introduction of a new personal health plan. New major commitments include Bell Atlantic Yellow Pages, the Ford Dealers and Valvoline motor oil.

KDKA-TV Pittsburgh (Pittsburgh Pirates):
The team's new management invested in new production facilities last year, ushering in a new era for the Pirates and paying off in higher ratings and good demographic numbers, plus increased attendance at the ballpark. According to Jayne Adair, program manager at the station and executive producer of the Pirates telecasts, the team has a new slogan this season that the Pirates are "in a new era of hardball." This year's broadcast schedule calls for 40 away contests and five at home, up four from last year's total of 41.

KSDK(TV) St. Louis (St. Louis Cardinals):
While the Cards didn't perform on the field nearly as well as the year before, sales are currently running ahead of last year's pace, says Bill Katsafanas, sales manager. "We're about 75 per cent sold out," he notes, "with sponsors including Taco Bell, McDonald's, Southwestern Bell, Toyota and Snapper lawn mowers all renewing."

In addition, new advertisers include Slyman Brothers, a local appliance business, and Schnucks, a supermarket, which is replacing the closed Kroger chain. The station is asking for a 10 per cent increase in ad rates over 1986, says Katsafanas.

KUSI-TV San Diego (San Diego Padres):
The team owners have taken over selling of the Padres' games and have moved the broadcasts to the independent station from KCST, NBC affiliate, according to Jim Winters, director of programming at the Padres. The team made a similar move on the radio side last year with excellent results, he says.

Winters continues that he's looking for a rate card increase of between 7–10 per cent depending on the type of package sold to advertisers. Major sponsors include Anheuser-Busch and Union Oil Co. A new major advertiser is the San Diego County Mitsubishi Motor Dealers and Mitsubishi Motor Sales of America, in a one-year deal.

KPIX San Francisco (Oakland Athletics):
This season marks the third year of the a schedule contract with the Athletics in a schedule that calls for 33 regular season games and one pre-season. And, according to Kennen Williams, general sales manager at the station, sales are running about 10–15 per cent of last year's, although prices have been increased by 20 per cent. The re-signing of Reggie Jackson and Vida Blue is seen as a plus for the good early start by KPIX in grabbing sponsors.

Also, points out Williams, the station has created more attractive merchandise-related packages for advertisers than last season. Among the incumbents are Anheuser Busch, Unical, and Toyota.

The uncertain status *of the New York Yankees TV schedule was the subject of some gentle needling recently by "New York Daily News" cartoonist Bill Gallo.*

KTVU(TV) San Francisco (San Francisco Giants):
With the Giants scoring especially well in on-field performance in September, 1986, the station wound up the season at a hot sales pace, fetching rates for its spots that doubled the upfront fees, says Tom Jaermain, national sales manager at the station. Last year's Giants ratings were up 60 per cent, from a 5 in 1985 to a 7.5 in 1986, he says, while attendance went from about 800,000 to 1.5 million over the same two years, for a rise of 90 per cent.

The Giants were especially hot in September, Jaermain points out, winning 16 of 25 that month and 83 games in the season overall. While it's too early to get a fix on sales, Jaermain says he expects to sell more upfront than last season, based primarily on the team's on-field strength. At this point, Miller beer is a full sponsor, and Toyota is half-sponsor, he notes. This year, the number of telecasts is up by one, to 38 regular season games.

KIRO-TV Seattle-Tacoma (Seattle Mariners):
The station was so encouraged with last year's ratings and sales results that it has wrapped up a five-year rights contract with the Mariners beginning this season. In its initial season, in 1986, the station aired 37 contests, but this year the airings will total 62, including two pre-season contests, according to Gregg Wright, vice president, and general manager.

In a unique arrangement, KIRO-TV will split the telecasts with KTVZ, new independent, with KIRO-TV carrying 31 and KTVZ airing the rest. Wright explains that the station "farmed out" the 31 contests because, as an affiliate, KIRO doesn't have the spare hours necessary to air all 62. Also, he continues, it gives the station an opportunity to add to its sales revenue.

Under the deal with KTVZ, KIRO-TV controls production of the games and the selling of major sponsorships and keeps all the inventory except for some spots in the game, to be sold by KTVZ. The arrangement is advantageous to KTVZ, points out Wright, in that it gives the new station a sports franchise that will probably help its ratings. In sales, so far locked up is Budweiser, and Wright is projecting a good sales season. Last year, the station got out late on the street because the rights were not firmed until mid January.

CFTO-TV Toronto (Toronto Blue Jays):
Sales of full package sponsorships are slightly ahead of 1986's pace, says Sean Delaney, general sales manager at CFTO-TV, with buyers including Chrysler and Black's cameras. Prices are up about 9 per cent from last season. The sales division is now working on lining up May and June spot advertisers. Games this year will total about the same as 1986's, which were 35, 19 away and 16 at home. CFTO-TV is one of the stations on the CTV Network, which has a lineup of 21 stations. □

When KING-TV Seattle-Tacoma *decided to throw a party to benefit the University of Washington's Harborview Medical Center emergency assistance program for needy patients, the NBC affiliate appropriately borrowed the name of one of the network's primetime shows, dubbing the event, the "St. Elsewhere Ball." But some real glitter was added to the evening with the appearance of two of the series' stars, Eric Laneuville (Luther Hawkins), c., and Denzel Washington (Dr. Chandler), r. Introducing them is John H. Lein, M.D., vice president for health sciences at the university.*

AGB system *(from page 47)*

try it again. She points out, however, that LMS "is to manage lineups, it's not for verification."

Harkness estimates that LMS is installed in some form in 13 to 14 "locations." He says that in all locations, LMS is "technically in test, though some people are using it." He expects that in the long run, AMOL will replaced LMS, though he can see some uses for the latter in some form of lineup management.

"If AMOL is in all markets, it's not

Nielsen's Harkness

His proposal will be presented to ASTA members, won't involve any increase in costs of ratings data

necessary to have LMS. But we don't have clout with the indies, so every market won't have AMOL (across all stations) in the foreseeable future."

What Harkness was referring to was the fear that some independents would strip the codes from incoming signals. The barter syndication codes will be transmitted on line 20 of the vertical blanking interval, as are the network program codes now.

However, Philport argues that this isn't likely to happen except in rare
(continued on page 82)

In the Picture

John McGuigan

New media chief at HCM/ Chicago is beefing up the agency's broadcast capability and is bullish on the potential for actual ratings for commercials, the possibility of electronic sensing as backup verification for people meters, and on the opportunities radio offers for clients.

'We have technology for computerized avails,' and 'It's time we used it'

It's not everyone who lands a brand new job, has a baby, and has a big bash thrown in his honor, all in the same month. But last month it happened to John McGuigan.

His new job is vice president, media director at HCM/Chicago. His new baby (he admits to some help from his wife, Debby) is a nine pound-plus and growing boy, Tafford. The bash was to introduce McGuigan to some 250 people, most of them media reps, at Spiaggia's, a restaurant featuring Italian cuisine and big party rooms upstairs, where the guests were also treated to a look at the agency's latest TV commercial reel and samples of print ads produced by McGuigan's colleagues in creative.

At the agency next day, once all hands got back down to business, that business included the process of "beefing up HCM's broadcast capability" and continuing to break in a recently hired additional new planner, plus Mary Jo Ausman, HCM's new associate director of spot buying.

McGuigan himself hopes that "After all the years of talk, we're finally close to the point when agencies will be able to receive our avails electronically, directly into our computers." Ideally, he says, such a system should be programmed "so we can bid electronically from our terminals, instead of spending all the time we waste now, shuffling paper."

He adds that, if the reps worry about being cut out of such a speedup in the buying process, "Instead of worrying, I think it's up to them to take an active role in developing the system. They should be leading the charge, to make sure they continue to be key players by becoming the data centers that avails are fed into by their stations and from which avails are distributed to the agencies."

But whoever does the job, adds McGuigan, "It's about time. We have the technology. It's taken care of the back end of our buying for years. There's no technical reason it can't finally speed up the front end, which is the avails."

McGuigan sees people meters as, "A step forward that should bring us closer to the ideal scenario of providing the actual audience numbers for the commercials themselves and putting them on-line into our systems at the agencies. Ideally, we'd like to be able to input our clients' commercial air times into the computer and have it electronically cross tabbed with the demo rating for the exact minute they ran."

He observes that, "Of course the networks don't think too much of this idea, because minute-by-minute measurement will capture all the people changing channels during the commercial break."

He notes that, "Historically, the ratings services have designed their methodology and product to meet the needs of the networks and stations, because that's where the Nielsens and Arbitrons get their money. But on the positive side, to the long-range benefit of both the networks and everybody's clients, this kind of agency capability to use actual ratings for the commercials would force the networks to think harder about where and how to place commercials to minimize audience loss."

Testing for least loss

McGuigan says the networks will have to start experimenting "to come up with the right least-loss balance between losing audience to the kitchen and channel switching during long commercial breaks, and the loudness of viewer uproar they'll produce by more program interruptions with more, but shorter, commercial breaks, with fewer messages in each shorter pod. The goal of the trial and error will be to find the balance between number of program interruptions and pod duration that leaves the maximum number of viewers in front of the set when the pods do run."

McGuigan also points to another development that holds out some promising potential: the possibility of using some kind of photographic or electronic sensing system to back up and verify the people meter results and "give clients proof positive that someone's still in the room where the set is while their commercials are running."

He concedes that a big collie wandering into the room might confuse the system, "but not if it can be refined to flash a cue line across the tube, like 'Please press your meter button' each time it detects a new body entering the room."

The other side of that coin, though, he adds, "may be that sonar seems a little Big Brotherish. I'm not all that sure that Americans are ready for a spying eye like that, watching them in their own homes."

Turning to radio, McGuigan notes that the networks "offer some good opportunities for clients, and that includes the unwireds, if we can get reliable verification. But if they blow the morning drive spot on the Number 1 station in Los Angeles, how do you make up for it? On a CPM basis? On a cost of the spot basis? If it's not spelled out in front, the station will do it the way that's to its own best advantage. It's a tough call on what's best for the client, because we don't get disclosure on cost for each spot. And when they do blow it, it's always the best spot on the schedule that's the one that gets lost."

AGB system (*from page 80*)

cases. Stripping, he says, is expensive and it's not easy. Also, "most ASTA members feel that most if not all stations will accept this code." Cosgrove confirmed this and feels that it's a "small problem."

Still not clear is the issue of what kind of code would be employed by AGB, and who would bear the cost of encoding. Philport speaks about the possibility of a standard industry code that would identify specific shows, including, presumably, the distributor. He also sees satellite carriers bearing the cost of encoding, which suggests the likelihood of a "time stamp" and "source identification" code. But Orbis' Byrne talks about the likelihood of production houses having the codecs (coders/decoders). If enough syndicators give a tape house their business, the latter would bear the cost of encoding, he says. Tape houses would likely be involved in encoding if barter programs are bicycled. But Philport notes that most first-run shows, which make up by far the bulk of barter programs, are not bicycled.

If program/episode codes are not used, the costs of encoding would not be great. Andrea Cetera, director of syndication services at AGB, says the LineTrak code costs about $10,000. The market monitors are a cost borne by the research house, of course. However, if program/episode codes are used, the administrative costs are another matter, though their level can only be speculated on at this point.

Another question regarding AGB is verifying commercials. Coding commercials is not part of AGB's current game plan (the monitoring equipment doesn't have the precision necessary to pick up short commercial pods), but Philport feels his company must contend with cases when a program is moved out of a time slot where national barter spots are committed to run.

'Spin Reports'

"When a station drops or moves a show but runs the commercials (in the vacated time slot) we'll issue a special report on the rating." Philport calls them "spin reports." They will be produced on a custom basis and they will depend on an affidavit from the station after the fact, or notification by the distributor or station beforehand. □

Vincent (*from page 48*)

Entertainment, and to Merv Adelson, chairman, Lorimar Telepictures Corp., both members of the studio negotiating team. Vincent says the past negotiations have "really been an attempt by the studios to get a limit on in-house production which would carry forward after 1990. This would be in exchange for some opening on financial interest on our part. If they make their product, they have a financial interest because they own it. But what I'm saying is that a company such as ours would be willing to talk about financial interest in our product if they would agree to a limited number of in-house productions."

An attorney for one of the networks says his company would be amenable to accepting some limits on the network's in-house production past 1990, on an exchange basis, "as long as they are not permanent." The attorney, who declined to speak for attribution, adds, however, that "I don't think we would make any deal that had limits in perpetuity." The issue, he points out, is not whether there should be limits but "how much and for how long."

The spokesman characterizes Vincent as one of the softliners in the production community, compared with an "unyielding group" who are taking a firm stand on not compromising on the financial interest rules. And, he adds, more could be accomplished if others would talk more openly and in more conciliatory ways, as exemplified by Vincent. "Public rhetoric has been defined by those looking to make headlines, including Jack Valenti (president of the Motion Picture Association of America) who have taken a hard view. We are not getting any signal from Valenti that the producers are ready to modify their demands."

Another network spokesman who didn't want to be quoted finds Vincent's statement as "encouraging and meaningful. He's basically saying that if the networks would give up some of the rights in producing programs themselves, they would be given some rights on the back-end. But of course, there has to be a modification of the financial interstet rule which would permit it."

He points out that a tradeoff of the type advocated by Vincent was the framework for most of the discussions entered into between the networks and the studios over the past few years. "While what Vincent is saying is nothing revolutionary, it certainly is unusual in that it seems to recognize that if the studios want to cut their deficits, then the best way is to let the networks obtain an interest in the back-end of

the marketplace

the programming by coming up with more money upfront. In other words, if a person owning the program is willing to share on the back-end on the chance that it may become successful, he might be willing to pay more for the program in the first instance. What is encouraging is that a person of that caliber was reiterating that it was the right formula for solving the problem on both sides."

Preempting cancellations

One of the advantages pointed out by Vincent in giving networks a share of the rerun revenues is that it would keep shows on the air that might otherwise be cancelled. "If they are with us on a show, I would think that the judgment on cancellations of primetime programs would be a much more interesting one from the networks' point of view. For example, ABC dropped *Hart to Hart* a few years ago. We would have been better off if the network had a financial interest in the show. If they did, I don't think they would have dropped it so quickly."

He maintains, too, that *Archie Bunker's Place* wouldn't have been dropped by CBS so quickly if the network had some back-end rights, "so I'm for redoing the whole economic configuration. This would give us a much better profit situation upfront, sharing some of the revenues from the show with the network on the back-end." Vincent points to MCA TV as a case whereby the business is being misdirected. "Look what happened at MCA. They invest in an hour show and then find out the market is soft and that all the deficits have built up."

Producers' views

On the producers' side, the views of Vincent's proposal are mixed. Norman Horowitz, president, MGM/UA Telecommunications, has some serious reservations about the proposition. "What he is suggesting is nothing new, but I would support it if it was reasonable and attainable. It's reasonable but unattainable. What's not understood is that some $200 million is spent in developing programming for which the producers get nothing. The overhead is running whether the networks buy from the studios or not. But the networks get their money back from the programming they make when they get advertiser sales, so "the constraints put on them by the FCC are reasonable."

At this point, Horowitz notes, he believes in a status-quo on the rules, as opposed to a modification, as outlined by Vincent. "It's a situation which at present is not broken. If someone would tell me which part is broken, I would suggest we examine ways to fix it."

Kevin O'Sullivan, chairman and chief executive officer at Worldvision Enterprises, recalls that "the networks back in 1971 were forcing producers to take deals which were onerous and harmful to producers, actors and others in the industry alike. It was an extreme form of hegemony, inflicted by the networks on the production and distribution community. That's totally unacceptable."

O'Sullivan continues, however, that from the standpoint of the networks, if a program goes on the air "and sees the light of day and becomes a tremendously successful program, then perhaps it is fair for a network to benefit in some aspect from the back-end province. They had confidence in the show, and had to have creative confidence for the show to get on the air." But, he adds, the networks have to take the risk of covering the cost of the production upfront. It's his opinion that the production community ultimately will yield on profit participation on the back-end, "and I think that's fair."

Single danger

The single danger that Worldvision's O'Sullivan sees in giving networks a share of the back-end profits pie is that a decision on acquiring a particular show could be influenced by the network's deal with the producer on the back-end rights. Hypothetically, he continues, a network could favor acquiring a program over another if it got a better profit-sharing deal on the reruns than what the competitor was offering.

While the proposal accepted by CBS in October called for a 50-50 split on a limited number of back-end programs, the feeling among a few producers is that some will violate the agreement so as to get their program on the air.

But Vincent says that these views are "more concern than real. The networks basically don't want to run anything that won't do decently. It will be a very close call, I admit, and you have to measure a show that winds up for the night as a very poor third, no matter how good the deal is on the back-end. The question is, will the show get extended. The loss of ad revenues upfront will never be offset by future sales and, moreover, the back-end of a weak show isn't worth very much."

Vincent adds that very few series which have not done well in ratings on the networks have been successful in reruns. The one exception he points to is *Silver Spoons*, which is doing very well in syndication. Originally produced by Vincent's company, *Spoons* is among the top 25–30 syndicated shows.

'Favoritism' concern

At Fries Distribution Co., Charles W. Fries, chairman and president, sees the "favoritism" concern as being without foundation. "I don't think it would have any meaningful effect on the industry, even if there was some, given the number of programs which potentially would be involved. There would be so few programs involved that it would be inconsequential. Besides, the percentage of sharing on the rerun rights would be the same for all the producers and the networks, which was a pre-determined condition in the October negotiations."

As for Vincent's proposal on financial interest, Fries is hesitant on predicting its outcome. "I don't know whether it will re-open the door on further discussions between the networks and the producers."

Al Rush, chairman of the MCA TV Group, is non-committal about Vincent's proposition on the rules. He notes that Vincent was airing some conciliatory thoughts on the issue, "trying to reconcile the parties in some reasonable manner." However, Rush continues, Vincent does not speak for the production community at large, and he suggests that the issue should continue to be handled by an all-industry committee and Valenti.

Also, he adds, "it would be foolish for me to comment further, because I don't know what the current state of affairs is. I would rather not project my thoughts because I'm not privy to what's going on, and because I'm not directly involved in talks, if there are any going on at present."

Wright proposal

The latest dialog in an otherwise stalemated situation came last December when NBC's Wright made a proposal to the Hollywood community that would eliminate the financial interest and syndication rules temporarily as an experiment for two years. According to Wright's proposal, the experiment would be dropped if the temporary elimination of the rules impaired the TV industry during the two years. Also, Wright proposed that NBC would be willing to pay more in upfront costs during the experiment if it could share in the programs' syndication rights down the line.

The offer was rejected out of hand at that time by the production community, who collectively have stated they will continue to fight hard for the rules to be retained. □

Inside the FCC

Edward J. Markey

New chairman of the House Telecommunications Subcommittee in a speech before a conference on communications policymaking in the 100th Congress

Return to regulatory stance for FCC pushed by new subcommittee head

The job facing me as subcommittee chairman is to work with the full committee chairman and the members of the subcommittee to resolve many of the telecommunications policy issues *in* subcommittee. I think that the subcommittee is uniquely qualified to wrestle with these complex issues and craft sound policy. Both the nonpartisan nature of the debate in the subcommittee and the sophisticated knowledge which subcommittee members bring to these complex issues augur well for carefully considered and balanced positions to be reached by the subcommittee.

One remarkable aspect of the debate on communications policy is the strong tradition of nonpartisanship in the Telecommunications Subcommittee, and that is a tradition I hope to continue. Thankfully, telecommunications policy is not as divisive as nuclear energy. We are not talking about nuclear plant meltdowns but about how much money is too much. We are not splitting the baby but dividing the pie. That lends itself much more easily to rational discussion and compromise.

Bipartisan solutions

Over the past several years, Democrats and Republicans have shared views and votes to resolve critical issues in the telecommunications arena. This nonpartisan nature of the debate has enabled us to form bipartisan solutions. I strongly believe that our country has been served well by a bipartisan approach to telecommunications issues. I hope to foster a similar environment during my tenure as subcommittee chairman.

My tenure as chairman, coupled with other changes on and off the Hill, marks what I hope will be a substantial change in communications policy. With the shift of the Senate from Republican to Democratic hands, the presence of Senator Hollings as chairman of the Senate Commerce Committee and the departure of Mark Fowler as head of the FCC, I believe that we will witness a dramatic shift.

It is time to resurrect the FCC as a *regulatory* agency, not an agency which dispassionately watches an unbridled marketplace work its will while turning a blind eye to the interest of the consumer. Too frequently, the current FCC under Mark Fowler has taken the position that *deregulation* is the mission of the FCC, and the Communications Act of 1934 is an annoyance which must be circumvented.

The FCC was born out of the same concern which gave rise to the other major New Deal regulatory agency within the subcommittee's jurisdiction, the Securities and Exchange Commission. Picture 1934: The marketplace had gone wild, consumers and the economy were not protected and government intervention was determined necessary. A half a century later, Ronald Reagan came to Washington preaching that this concern about the marketplace was silly. Ronald Reagan said that government should get out of the regulation of communications and securities, that government was the problem, and the marketplace was the solution.

The Boesky scandal, the first chapter of a very long book on corruption in Wall Street, highlights what goes wrong when the marketplace acts unchecked. The SEC has not been doing its job for the past six years, and the result is rampant insider trading and massive distrust of the system by consumers.

Unfortunately, I fear the same atmosphere has been present at the FCC for the past six years. Regulation for the sake of regulation is no one's goal. But instead of carefully assessing particular planks in the regulatory structure, the FCC engaged in a wholesale dismantling of our communications policy.

Redirecting the FCC

I think it is time we reacquaint the FCC with its statutory obligation: to protect the public interest by establishing rules governing the conduct of communications firms. Thankfully, the scandals that have rocked the securities industry have not hit the communications industry. Nevertheless, the public interest has not been protected by the laissez faire attitude of the FCC. I think that with a new FCC chairman, and with Democratic leadership in the House and the Senate, we can redirect the commission toward its original and vital mission, to protect the public interest.

If we accomplish the goal of setting the FCC on the path of protecting the public interest but fail to ensure that the benefits of our communications policy result in increased opportunity for all Americans, then we would have failed as representatives of the people. As important as it is to make certain that our national policy protects the interest of the people, it is equally important that the people share in these benefits.

The "information age" represents an exciting new era in our country's history *only if* all Americans participate in the fruits of high technology. Sophisticated communications equipment cannot be the exclusive prerogative of the rich. To be true to our obligation to represent all the people, we must be watchful to guarantee that the chairman of the board and the foreman on the floor have the same opportunity to realize the benefits of the "information age."

Specific issues

Now that I have beamed a vague picture of the communications scene, let me provide some "high definition" to that picture and discuss particular issues which may be of interest.

First, the subcommittee will grapple once again with proposals to lift the line-of-business restrictions imposed by consent decree on the Bell Operating Cos., known as BOCs. While many BOC competitors believe it would be unfair to lift the restrictions, the BOCs want freedom to enter new lines of business without having to get a note of approval from Judge Greene. The issue is critical to many businesses and is one of the most significant telecommunications policy decisions the subcommittee will face in 1987.

One reason we did not move forward on this issue last year was the desire of many to wait for the Justice Department's now famous "Huber Report." Well, as you know, the waiting is over; the Rosetta Stone has been uncovered. A review of the filing with Judge Greene offers no surprises. The department supports lifting the restrictions entirely on manufacturing and information services, and partially on long-distance service.

The second issue is access charges. Under rules adopted two years ago, the FCC cannot raise these end-user charges above $2 per month without completing a study and a formal vote. Some of my colleagues are prepared to fight any new increases. Rep, Wyden introduced such legislation recently, as has Sen. Gore. This is a political hot button that puts a congressman in the position of either acquiescing to an increase in local phone bills or jumping in with legislation to save their constituents money. For most of Congress, that's an easy decision. It is made easier by the vague and unquantified threat of "bypass," a threat which the FCC cites as justification for access charges but has failed to produce evidence of its effect on local rates.

But even on this issue, the FCC has fudged and waffled. The impending threat of bypass, which received urgent action in the form of the access charge, is still a speculative threat at best.

Fairness Doctrine

Third, the time has come to legislate in favor of the Fairness Doctrine. The FCC has mounted a concerted attack on this common sense rule which imposes a minimal burden on broadcasters to respect differing points of view. The FCC's decision to open an inquiry into the constitutionality of the Fairness Doctrine flouts the express desire of Congress that the FCC not modify or repeal the Fairness Doctrine. This doctrine is central to the public trustee concept that has served the public so well for more than 50 years. As is Chairman Dingell, I am a strong supporter of the Fairness Doctrine, and I look forward to working with him to reset this pillar of the Communications Act of 1934.

There are other broadcasting issues which may or may not deserve legislative remedies, but which will, in any event, require the attention of the Telecommunications Subcommittee. The FCC's repeated failure to resolve the "must-carry" rules is one such example. The cable and broadcasting industries worked hard to craft a solution which restores must-carry rules that reflect the legitimate concerns of the cable industry without undermining the health of over-the-air broadcasting. This compromise is now threatened by a foreign object—the so-called "A/B switch."

When it became clear that the switch was a hindrance, not a help, to the resolution of the must-carry rules, the commission decided to stay the entire process, leaving independent stations and public television stations up in the air and, in many cases, off the air. The commission is on notice from both the House and the Senate to take rapid action to resolve the must-carry question. An unbalanced marketplace continues to penalize vulnerable broadcasters—especially public and new independent stations—while the commission continues to suffer from its regulatory failure of nerve.

The commission has taken an equally unreasonable approach to minority and female preferences. Here again it has demonstrated an unhealthy urge to question the constitutionality of long-lasting congressionally-approved policy. In this case, in particular, the commission seems to be challenging the heart of the diversity principle which it is charged by congress to protect and nurture.

Finally, we most certainly will revisit the issue of telecommunications trade. Last year, as part of the omnibus trade legislation, the Commerce Committee developed a trade package designed to open foreign telecommunications markets in return for the open access we grant to our trading partners. Every major telecommunications supplier in the world needs and wants access to our market. Is it asking too much for reciprocal access in return? I think not. If we want to stabilize the wild swing from surplus to deficit in telecommunication trade over the last four years, then our trading partners must agree that reciprocal access promotes free and fair trade and is a tenet of our trade policy.

Regulation vs. risk

In conclusion, I anticipate that the 100th Congress will continue efforts to find the correct balance between regulation and risk, between competition and the comprehensive ideal of universal service. We are in the post-divestiture era, but we recognize that AT&T still controls more than 80 per cent of the long distance market, the BOCs retain a 100-year head start over many of their competitors, and our foreign competitors hide behind protectionist barriers at home while U.S. companies do the best they can to navigate through foreign barriers and domestic uncertainties.

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