The Arnold family is moving to syndication... and they're taking their audience with them.

The WONDER YEARS

The next syndication superstar.

Produced By:

NEW WORLD TELEVISION

Distributed By:

TURNER PROGRAM SERVICES
© 1990 Turner Program Services, Inc. All Rights Reserved.
I hear something big in first-run is coming from Warner Bros.

Hmm...
27 / MEDIA WAR HEATS UP
By dramatically slashing prices in the scatter market, the three major television networks have managed to lure money away from spot television, first-run syndication, cable, and radio broadcasters in some cases, even network radio.

31 / VOTING RETURN
The debut of a new cost-saving election night network research pool was marred by technical glitches last Tuesday, but network executives are standing by the potential of Voter Research & Surveys. Election night also marked a rare decision by CBS and NBC to air commercial-free coverage.

32 / SATELLITE RIVALRY
The merger between Britain's rival home satellite services, Rupert Murdoch's Sky TV and British Satellite Broadcasting, has left questions about News Corp.'s debt refinancing, the new five-channel service's program configuration and the extent of pending layoffs. Most agree, however, that Murdoch has emerged a winner in the deal.

37 / RADIO BUSINESS
Halfway through the fourth quarter of 1990, many radio broadcasters still are shuddering from the unexpected events that indicated the end of what one analyst termed the "go-go years" of the late 1980's. While much of the industry remains in relatively good health, many radio stations are operating below expectations—signaling that the boom times upon which many of the medium's hopes were predicated, are over. Broadcasting's radio business special examines the national economy, financial predictions for 1991, the health of major group operations and the causes and effects of the "great radio station feeding frenzy." Additionally, major trade associations, radio rep firms and advertiser-supported networks report their views of what happened in 1990—and what lies beyond.

51 / INQUIRING MINDS
The National Enquirer, the paper that wrote the book on the splashy, flashy and trashy, is coming to first-run syndication next fall. The show, called The Gossip and Fame Show, has exclusive first-run series rights to the Enquirer's archives. It is being proposed as a half-hour strip, targeted to prime time access.

52 / TAKE YOUR PICK
MTM Television Distribution President Kevin Tannehill has unveiled a new multi-option marketing plan to stations that encompasses the original off-network WKRP in Cincinnati and the fall 1991 first-run revival, WKRP II. The three separate plans are generally applauded for their creativity and flexibility by industry executives, but some question the desirability of a 10-year term for off-network episodes and a five-year backend term for WKRP II, offered in the largest plan.

55 / DAY SHIFT
A spin-off serial from NBC's Days of Our Lives is in development at Columbia and is a candidate to replace the struggling Generations, which will have its future decided in the next two weeks. NBC affiliates will find out this week what network plans are for daytime schedule changes when NBC executives make their presentation to the affiliate board. Other candidates to make the daytime schedule changes include a project from MarkSysky and Warner Brothers featuring former NBC newswoman Linda Ellerbee.

57 / CABLE AD GROWTH
Local cable advertising salespeople are reporting revenue growth of 20%-30%, with a sizable portion of that increase directly related to several sports product additions. Even better news: the same is expected for 1991.

59 / THE DISNEY TOUCH
In a year when other pay television services have taken...
their lumps, subscribers and ratings are up for the Disney Channel, which is continuing on its course of original production of made-for-television movies and episodes of The Mickey Mouse Club and Avonlea.

61 / EXCHANGING INTERESTS

Group W Satellite Communications and Affiliated Regional Communications (Prime Network’s five regional sports services) have agreed to swap minority ownership positions in GWSC’s Home Team Sports. No percentages were revealed, but Prime will get a “substantial minority interest” in HTS, which serves 1.9 million subscribers. GWSC will get a “less substantial” minority interest in ARC, which serves 20 million subscribers.

62 / GOLDEN OLDIES

Organizers of the Golden American Network, a new cable service aimed at the 50-plus market, said they are planning a launch next September. Like any other fledgling network, they have run into the tight channel capacity environment and MSO uncertainty over the direction of financial and legislative issues. But Golden creators remain optimistic that they can reach some 10 million subscribers at startup.

65 / CAUTIOUS VENTURING

Venture capital firms for the most part have joined the banks and subordinated lenders sitting on the sidelines in today’s weak merger marketplace. Venture capitalists interviewed by Broadcasting are shying away from broadcast TV properties, declining audience share and lower compensation for network affiliates being among the factors. Despite impending deregulation, cable is still considered a safer investment.

67 / STOCK SHOPPING

Capital Cities/ABC and The Washington Post Co. are among those publicly held companies buying their own stock, which, while not showing up in the tallies of stock trading nor considered a part of mergers and acquisitions, often has a similar rationale.

70 / STABILITY OR TROUBLE?

The satellite television encryption picture will likely turn even muddier with the introduction by year’s end of a new decoder that a Canadian company claims can emulate VideoCipher II or any other new or future encryption system. Decisc Inc. claims its Secure Universal Norm will both solve satellite piracy and create a new multiple system interface standard. But some industry officials fear the market may flood with unbillable decoders.

71 / HILL SHAKEUP

Among the casualties of last Tuesday’s elections impacting communications

INDEX

Advertisers Index ........................................94
Business .......................................................63
Cable ..........................................................57
Cablecasting .................................................60
Changing Hands ...........................................64
Classified Advertising ....................................82
Closed Circuit ................................................6
Datebook ......................................................12
Editorials .....................................................98
Fates & Fortunes ...........................................91
Five Estater ..................................................95
For the Record .............................................77
In Brief ......................................................96
Mailbag ........................................................18
Monday Memo .............................................24
Open Mike ...................................................22
Programming ...............................................51
Radio ..........................................................37
Satellite ......................................................70
Stock Index ................................................70
Syndication Marketplace .................................55
Technology ..................................................75
Top of the Week ..........................................27
Washington ...............................................71

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TELEVISION

Broadcasting 

Washington

All-digital decision

Philips-Thomson-NBC consortium may elect this week to scrap hybrid HDTV broadcasting system for all-digital one, according to informed sources. If it does as expected, it will become one of only two entities (General Instrument is other) proposing all-digital systems in five-way HDTV standards contest being conducted by FCC's industry advisory group. Also expected this week or next: advisory group's final word on testing schedule, which could be significant factor in which system prevails. Since all systems are still undergoing changes, those with later testing dates will have more time for development. "Everyone wants to be last," said advisory group source.

Ballot box

When ballots are counted—they are due this Friday (Nov. 16)—Wire Service Guild Employees are expected to have voted to accept a 90-day, 35% pay cut. UPI management had agreed to its own 35% cut two weeks ago (BROADCASTING, Nov. 5). Wire Service Guild recommended rejecting proposals because of UPI's refusal to negotiate any terms, said Guild spokesman. Members are hopeful that new buyer will take over UPI in 90 days, when salaries are supposed to return to normal. UPI price tag has not been disclosed, but new buyer would have to initially absorb at least $10 million in debt, and sale price is said to be somewhere between that $10 million and approximately $50 million Infotech paid for UPI in 1988, with $38 million-$40 million price most frequently mentioned. If UPI assets are sold individually total may drop 10-20%.

Regrouping

Powers that be at National Cable Television Association want organization to go into 1991 with well-defined strategy on legislation front—something it didn't have when cable bills started moving last year. Lack of consensus among NCTA members early on and independent lobbying by various factions and companies as legislation gained momentum last summer contributed to NCTA's being less effective than they might have been.

Forging strategy for Capitol Hill and FCC is expected to be primary object of NCTA's board meeting Wednesday (Nov. 14) in La Quinta, Calif., although finalization of plan may not come for several weeks. Also on board agenda: discussion of industry-wide image campaign and adoption of budget for next year.

New York

Sports talk

Group of regional sports network executives, including Prime Ticket's John Severino and Prime Network's Ed Frazier and Dick Barron, hope to meet with NBA commissioner David Stern this week over furor caused by NBA fee increase for games regionals carry in outer markets. Networks are upset over amount of hike, which goes from 30% to 75% over four years (see page 60).

Medical move

What are Hearst/ABC-Viacom Entertainment Services plans for The Learning Channel? H.A.V.E.S., which bid $50 million on 51% InfoTech-owned property, plans to move Lifetime Medical Television, now seen only on Sundays in Lifetime Television's 50 million homes, onto TLC. Name of channel will be retained and Lifetime
"Everybody says that the new shows we've done are the best we've done yet. You know, it feels like we're getting better and we're growing. It really feels good to be working this season." Roseanne on ROSEANNE

Get Roseanne.
TO THE 221 TELEVISION STATIONS WHO PROGRAM CAPTAIN PLANET AND THE PLANETEERS™— YOU’VE HELPED MAKE IT THE NUMBER ONE BARTER SYNDICATED KIDS’ SHOW TWO WEEKS RUNNING!

Captain Planet thanks you
The Planeteers thank you
Turner Broadcasting thanks you
DIC Enterprises thanks you
And the Environment thanks you

TURNER PROGRAM SERVICES
© 1990 TBS Productions, Inc. and DIC Enterprises, Inc. All rights reserved.
Source: Nielsen Syndicated Service, 2 Weeks Ending 10/21/90. GAA Household Rating.
Please recycle.
Medical will be portion of programeing on TLC. Infotech and FNN's financial problems though, could still impede sale.

**Long haul**

Barring "repeal of laws of physics," said one NBC source, proposed launch of SkyPix midpower DBS service next year will not move NBC to pull out of Sky Cable, even if CapCities/ABC or other major broadcast powers become SkyPix partners or programers. NBC's own studies say SkyPix cannot further improve its picture quality nor reach project ed two-foot dishes within midpower parameters. Although lack of law mandating access to cable programing could still lead NBC to bail out of DBS, that network dismisses notion that 1991 launch of SkyPix would steal market before Sky Cable launch in 1994.

Meanwhile, "many people" from ABC Video Enterprises, "those involved with cable," have visited Connecticut for private demonstrations of SkyPix's compressed digital satellite transmissions, finding that "obviously, there's something there," said ABC corporate source, describing interest as high and opinion of quality as "it's great."

**Soft spot**

Three networks have increased inventory on their NFL broadcasts this season from 51 to 54 30-second spots per game. However, selling inventory is another story. NFL ad sales continue to be soft, one reason being that beer wars are over for now with Anheuser-Busch winner. ABC's Monday Night Football, with its prime time rates, is said to be hit hardest. Some inventory tightened up when World Series champions won games but not enough to negate longer NFL season, additional inventory on TNT and more.

*More games afoot*  
Local stations paying top dollar, plus barter, for syndicated game shows that do little or nothing for their schedules may want to consider producing their own local game shows. That's what KXTV(TV) Sacramento, the CBS affiliate there, is doing. Station has hired local disc jockey Mark Allen of KSFN to host local game show that will pit competing high school teams in College Bowl-type format.

**Britain**

*BSB/SKY fallout*  
New cable-exclusive program channels in Britain are more likely than ever now that UK cable operators face single formidable satellite competitor in form of newly merged Sky Television and British Satellite Broadcasting (see story, page 32). Forcing issue is opening of channel capacity, as Sky and BSB drop combined number of services from nine to five, combined with growing need to distinguish cable product from that available to home dish owners. Following U.S. model, for instance, cable industry players there last week launched six-hour-per-day version of CNN, focusing on UK's House of Commons, while other ideas floated would create common channel lineup in London for local cable channel, or national service with local prime time cutouts. Among hands to watch are those of United Artists Entertainment (backed by United Cable, Comcast, US West, Insight and possibly one or two new partners in coming weeks), Disney and Time Warner.

**Philadelphia**

*Come together*

Group W Radio will move ahead next year with plans to consolidate operations of KYW-AM-TV and WMMR(FM) in one building, says Group W Radio President Jim Thompson. Company will also be looking for similar opportunities in New York (WINS/JAM) and WNEW-FM and Los Angeles (KFWB) and KTWW-FM. "We are looking for ways to merge more quickly and bring us some economies," said Thompson. Three FM stations were part of Legacy Metropolita group that Group W purchased in December 1989.
Why have Donahue's ratings been unaffected by his competition?
**DATEBOOK**


**Nov. 12—Fifth International Advertising Awards, Royal Lancaster Hotel, London. Information: (44) 71-734-0682.**

**Nov. 12-14—"Regulating the Cable Industry," satellite-delivered course from Cable Management Education Program, with collaboration from Women in Cable and University of Denver, originating from Pennsylvania State. Sites scheduled to receive course are Atlanta, San Francisco, Chicago and Boston. Information: Christine Kane, (312) 661-1700.**

**Nov. 13—"Broadening the Business: Cable Challenges in the '90s," program sponsored by Women in Cable, New York chapter. Panelists include Gus Hauser, Hauser Communications; Mitchell Rubenstein, Sci-Fi Channel; Ruth Gilbert, Gilbert Media; Leslye Schaefler, VH-1, and Bruce McKinnon, Microband. Viacom Convention Center, New York. Information: Laura Wendlt, (212) 512-5828.**

**Nov. 13—Third annual radio/television summit, hosted by IDB Communications Group Hotel Parker Meridian, New York. Information: Beth Morris, (213) 280-3775.**

**Nov. 13—Sixth annual Nancy Susan Reynolds awards dinner, honoring television programs for "outstanding portrayal of sexuality, family planning and reproductive health." Among award winners: Ted Turner, Turner Broadcasting System. Regent Beverly Wilshire, Los Angeles.**

**Nov. 13-14—"America's Fitness Crusade: Good Food, Good Health and Good Looks," conference for journalists sponsored by Washington Journalism Center, Watergate Hotel, Washington. Information: (202) 337-3603.**

**Nov. 13-14—European Satellite User's Conference, organized by Johannessen & Associates, Luxembourg. Information: (352) 45-84-73.**


**Nov. 14—American Women in Radio and Television, Washington chapter, meeting, Topic: cable.**

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**MAJOR MEETINGS**

**Nov. 14-16—Television Bureau of Advertising annual members meeting. Lewis Anatole, Dallas.**

**Nov. 17-19—LPFV annual conference and exposition, sponsored by Community Broadcasting Association. Riviera, Las Vegas (800) 225-8183.**

**Nov. 28-30—Western Cable Television Conference & Exposition, sponsored by California Cable Television Association, Anaheim Convention Center, Anaheim, Calif.**

**Jan. 3-6—Association of Independent Television Stations annual convention, Century Plaza, Los Angeles. Future convention: Jan. 7-10, 1992, Fairmont Hotel, Stanford Court and Mark Hopkins Hotel, San Francisco.**


**Jan. 21-23, 1991—Satellite Broadcasting and Communications Association trade show. Bil's, Las Vegas. Information: (800) 604-5276.**


**Feb. 27-March 1, 1991—Texas Cable Show, sponsored by Texas Cable TV Association, San Antonio Convention Center, San Antonio, Tex.**

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**March 24-27, 1991—National Cable Television Association annual convention. New Orleans Convention Center, New Orleans.**

**April 7-8, 1991—Cabletelevision Advertising Bureau 10th annual conference. Marriott Marquis, New York.**


**April 19-24, 1991—MIP-TV, international television program marketplace. Palais des Festivals, Cannes, France. Information: (212) 750-8899.**


**June 8-11, 1991—American Advertising Federation national advertising conference. Opryland.**
Because he has no competition.


Nov. 14—Television Bureau of Advertising annual members meeting. Loews Anatole, Dallas.

Nov. 14—Annual Private Cable Show, Caesars Tahoe, Lake Tahoe, Nev. Information: (713) 342-9826.


Nov. 14—Communications Turkey 90, Istanbul Hilton Convention and Exhibition Center, Istanbul, Turkey. Information: (201) 652-7070.


Nov. 15—C-SPAN "Capitol Experience" seminar "to provide cable operators with insight into the network's programming philosophy and why C-SPAN can and should promote it among their general audience." C-SPAN headquarters, Washington. Information: (202) 777-3220.


Nov. 16—University Network (U-Net) annualafil—...
Phil Donahue’s ratings have been steadily climbing for the past 24 years. Even with increased competition over the past five years, his ratings still climbed to new heights. Which proves once again that you still appreciate class and professionalism.
ERRATA

Broadcasting reported that recent PBS best-case cost implementation was based on FCC selection of all-digital transmission system (Oct. 29 and Nov. 5). According to PBS's Mark Richer, hybrid analog-digital systems (as proposed by Zenith and Massachusetts Institute of Technology) would also transmit low-power signals and fit within best-case estimates. Similar CBS study released at same time does assume selection of all-digital system.

The Year Ahead, seminar sponsored by Center for Communication. Among speakers: Reese Schonfeld, president, Current Trends Productions; former president, CNN, and past president, NBC; Bob Cooper, NBC Fiber in America, Center auditorium, New York. Information: (212) 836-3050.


Dec. 14—Deadline for entries in Academy of Television Arts and Sciences 12th annual college television awards. Information: (818) 953-7575.


Dec. 13-14—C-SPAN "Capitol Experience" seminar "to provide cable operators with insight into the network's programming philosophy, reasons to carry C-SPAN and ways to promote it among their general audience." C-SPAN headquarters, Washington. Information: (202) 737-3220.


Dec. 17-20—"Fiber Optic Installation, Splicing, Maintenance and Restoration for Cable TV Applications," training class offered by Siecor Corp, Siecor, Hickory, N.C. Information: (704) 367-5000.

Dec. 18—"On Location at Channel 13 [WNET]," tour sponsored by Center for Communication. Information: (212) 836-3050.


Dec. 31—Deadline for nominations for Breakthrough Awards, sponsored by Women, Men and Media, a national research institution of University of Southern California. Information: (202) 775-3611 of journalism, honoring "media industry's most significant breakthroughs in the portrayal and employment of women." Information: (213) 743-8180.


JANUARY 1991

Jan. 3-6—Association of Independent Television Stations annual convention, Century Plaza, Los Angeles.

Jan. 6-9—Cable Television Administration and Marketing Society research conference. Scottsdale, Ariz. Information: (703) 549-4200.


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THE LATEST DESIGN
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THE NEWS YOU NEED. NO MORE. NO LESS.
30-DAY CONTRACT. SERVICE TOMORROW. CALL 1-800-525-2175.
Jan. 15—Nebraska Broadcasters Association winter meeting and Hall of Fame banquet. Cornhusker Hotel, Lincoln, Neb. Information: (402) 384-3030.


Jan. 31—Deadline for entries in annual awards sponsored by Investigative Reporters and Editors, including new award for crime reporting. Information: (314) 882-2042.

FEBRUARY 1991

Feb. 1—Deadline for entries in Action for Children's Television Awards for "significant contributions toward improving service to children on broadcast and cable television and home video." Information: Sue Edelman, (617) 876-6620.


Feb. 5-6—Arizona Cable Television Association annual meeting. Sheraton Hotel, Phoenix. Information: (602) 257-9338.


Feb. 27-March 1—Texas Cable Show, sponsored by Texas Cable TV Association. San Antonio Convention Center, San Antonio. Information: (512) 474-2082.

MARCH 1991

March 4-8—Basic Videodisk/Design/Production Workshop, sponsored by Nebraska Videodisk Group, University of Nebraska-Lincoln. Information: (402) 472-3811.


March 11-13—North Central Cable Television Association annual convention and trade show. Hyatt Regency, Minneapolis. Information: (612) 641-0268.


March 24-27—National Cable Television Association annual convention. New Orleans Convention Center, New Orleans.


April 1991


April 9-11—Cable Television Administration and Marketing Society service management master course. Chicago. Information: (703) 549-4200.

April 10—Presentation of RadioBest Awards, sponsored by Twin Cities Radio Broadcasters Association, Minneapolis Convention Center, Minneapolis. Information: (612) 544-8575.


April 15-18—HDTV World Conference and Exhibition, sponsored by National Association of Broadcasters, to be held concurrently with NAB annual convention (see item below). Hilton Center, Las Vegas. Information: (202) 429-5300.


April 19-24—MIP-TV, international television program market, Palais des Festivals, Cannes, France. Information: (212) 750-8899.


MAY 1991

May 6-9—Nebraska Interactive Media Symposium, "A New Decade of Technology," forum for exploring strengths of various interactive formats, sponsored by University of Nebraska-Lincoln, Nebraska Center for Continuing Education, Lincoln, Neb. Information: (402) 472-3611.


May 13—George Foster Peabody luncheon, sponsored by Broadcast Pioneers, Plaza Hotel, New York. Information: (212) 588-0000.


JUNE 1991


June 11-13—ABC-TV annual affiliates meeting. Century Plaza, Los Angeles.
"A, B, C, D, E, F... G, ...uh... P...Q ...uh... S, T..."

GREAT EXPECTATIONS
A 2-year education project by
WCVB-TV BOSTON
A Hearst Television Station

Nobody gets closer to

Freedom of speech. It's an awesome responsibility. The people of Hearst believe that it demands the highest standards of quality communication and a total commitment to the communities we serve. Whether it is a TV project to improve education, a new product
people than Hearst people.

study in the Good Housekeeping Institute or the editorials in today's newspapers, we treasure the responsibility. It's our heritage. It's our commitment.

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ON TARGET

EDITOR: Bravo to your double header in the Oct. 22 issue. I refer to the “Monday Memo” describing “Optimum Effective Scheduling” and the article, “Ad Agencies Look to Radio.” We are a radio-only ad agency. I have always felt that “frequency” (as in reach and frequency) needed another element. Messrs. Marx and Bouvard are correct in saying that the scheduling of spots is critical. For example, a five-spot (10 a.m.-3 p.m.) schedule will have a greater effect run over a two-day period rather than a five-day period, even though the reach and frequency is the same. It’s the scheduling that makes the difference.

I believe another factor is the station’s format. Different formats dictate different schedules. Our clients have agencies for print but use us for radio. They have seen that radio, when used properly, makes the cash registers ring and that’s why they’ve continued to increase their radio advertising budgets each year. —Arnie Raskin, M.R. Advertising, West Caldwell, N.J.

FINANCIAL ADVISER

EDITOR: It was with some amusement that I read about the cable industry’s plans to spend millions of dollars on an advertising campaign to improve their image. As a video production professional and cable subscriber, I can safely say that cable performance and service is terrible and no amount of advertising will change that.

Every day I am treated to Comcast’s slick image commercials. If only those same production values were used in the commercials made by Comcast for its customers. They aren’t. The production quality of local cable commercials is terrible. Often, the commercials are clipped or they clip the program being watched. The message is crystal clear: Commercials for cable must be film-like to show cable cares, commercials for cable’s clients just don’t matter.

Despite lip service MSO’s have been giving to better service, service problems plague the industry. System-wide ghosting is prevalent on several channels and complaints are summarily dismissed as being in your set. Installation and repair appointments are ignored. Rates are raised without a single note of explanation. The message we consumers receive is obvious: the only thing that cable really cares about are our monthly checks.

In the Baltimore area, we have several MSO’s, including Comcast, United, and Jones and the same problems exist in each system. The millions spent on image advertising should be spent on better equipment, adequate personnel training, increased staffing and quality control.

The real reason the cable industry is afraid of the telcos is that cable operators know that their service is poor and that anyone that makes a halfhearted attempt can beat MSO’s on the customer service and quality issue. No amount of money spent on advertising can change that. —Carl F. Birkmeyer, Blue Sky Studio, Baltimore.

MARATHON MAN

EDITOR: I wish to clarify certain points raised in Mary Hutchings Reed’s Oct. 29 “Monday Memo” analyzing issues relating to exclusive broadcasts of public sporting events such as the Boston Marathon. Ms. Reed’s description of the legal proceedings relating to WBZ-TV’s contract for exclusive coverage of the 1990 Boston Marathon is not entirely accurate.

WBZ-TV acquired from the marathon’s sponsor, The Boston Athletic Association, the exclusive local television broadcast rights for wire-to-wire coverage of the 1990 and 1991 races. As a long-time champion of First Amendment rights, WBZ-TV made sure that other stations were afforded the opportunity to provide news coverage of the marathon. WCVB-TV, which had submitted the losing bid for exclusive rights, sought an injunction guaranteeing access to the actual race course while the BAA and WBZ-TV sought an injunction preventing WCVB-TV’s broadcast of what it had announced would be continuous, live coverage. While the judge did not prohibit WCVB-TV’s broadcast, he did not rule on WCVB-TV’s request for access.

The denial of the preliminary injunction sought by the BAA and WBZ-TV is on appeal to the Federal Court of Appeals. In the meantime, a trial has just been completed with respect to the BAA’s and WBZ-TV’s claims against WCVB-TV for trademark infringement and misappropriation. A decision from the trial court is anticipated in time to plan for the 1991 marathon.

WBZ-TV is confident that at the end of its and the BAA’s legal marathon, the widely accepted industry practice of stations acquiring exclusive rights from the organizers of public sporting events will be upheld by the courts. —John Spinola, general manager and vice president, WBZ-TV Boston.

COUNTERPOINT

EDITOR: It was only a matter of time before someone with no understanding of the economy of scale in the broadcast industry opened his mouth and stuck both feet in it. David Levy (“Open Mike,” Oct. 29) has blazed the trail! I suggest Mr. Levy get in touch with reality and talk to the broadcast owners around the country who are just able to keep the station on the air and service their debt. Perhaps Mr. Levy is looking to pick up a few “deals” from the many stations that will go under if they have to pay additional fees to anyone. Maybe he can employ all those who will lose their jobs so that the spectrum fee can be paid (with their former wages). Mr. Levy, look at the taxes broadcasters pay annually, just like any other corporation or manufacturer.

Personally, I am not for the Medicare cuts enacted (nor foreign aid, nor the space program, nor the many other wasteful government programs you failed to mention). What a wonderful business broadcasting would be if we could all enjoy deficit spending and know that someone else would bail us out. (The last time I tried that, my bank charged me $10 on my personal account.) Mr. Levy, 5% is not a “modest fee.” —Michael McGann, general manager, WKKH(FM) Richmond, Va.

Priorities

EDITOR: The federal government is out of money again, the deficit is at an all-time high and yet we can still come up with 10's of millions of dollars to beam Kate & Allie reruns to Havana (TV Mart). Is there something wrong with this picture? —Larry Fus, president, Contemporary Communications, Fayetteville, Ga.
The only true comparison of programs is head-to-head. And TALE SPIN is way ahead. In 4 of the 5 markets where it competes directly with Tiny Toons, there's no question who has the upper hand.

<table>
<thead>
<tr>
<th>Market</th>
<th>Image</th>
<th>Share</th>
<th>KITN</th>
<th>Share</th>
<th>Advantage</th>
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<td>Minneapolis, 4:00 pm</td>
<td>KMSP,  7.9/24</td>
<td>KITN, 1.5/5</td>
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<td>Sacramento, 4:30 pm</td>
<td>KRBK,  4.4/11</td>
<td>KSCH, 3.1/7</td>
<td>+ 57%</td>
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<td>Indianapolis, 4:30 pm</td>
<td>WTTV, 6.2/14</td>
<td>WXIN, 5.3/12</td>
<td>+  17%</td>
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<tr>
<td>Cincinnati, 4:00 pm</td>
<td>WXIX, 6.2/16</td>
<td>WSTR, 2.1/6</td>
<td>+167%</td>
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Head-To-Head Market Average 5.5/14 3.0/8 + 75%

Source: NSF Overnights 10/90, Minneapolis, Sacramento, Indianapolis, Cincinnati, Boston.
Buried in the FCC's recently released "AM Improvement" rulemaking notice is a proposal to reimpose a limit on program duplication or "simulcasting" by commonly-owned AM and FM stations serving the same market. Given the economic uncertainties facing broadcasting and the nation as a whole, the commission could not have selected a poorer time to resurrect this restriction. Its reimposition may spell the final death knell for numerous marginal stations scattered throughout the country.

Until 1964, there were no limits on simulcasting. In that year, the FCC adopted a rule prohibiting FM stations licensed to communities of over 100,000 residents from duplicating more than 50% of the programing carried on a co-owned AM station in the same area. The FCC had two objectives: to foster FM growth through the development of separate FM programing, thus encouraging consumers to buy ad use FM receivers, and to reduce the spectrum inefficiency that the agency claimed was inherent in the duplication of programing by two radio stations in the same geographic area.

Over the next 20 years, the FCC tinkered with the rule on several occasions, generally tightening the restriction and broadening its applicability. In the mid-1980's, however, as part of its effort to deregulate broadcasting, the FCC deleted the nonduplication rule in its entirety. Because FM radio had emerged as the dominant radio service, the FCC said the program duplication rule was no longer necessary to foster its growth or independence. The FCC claimed that elimination of the rule might even result in extended hours of operation because some stations had curtailed their broadcast day to avoid exceeding the duplication limit.

In addition, and perhaps of primary importance, the FCC claimed that the marketplace and a licensee's decision to respond to it were the best mechanisms for producing spectrum efficiency. The rule imposed an unnecessary and artificial restraint on the ability of AM-FM licensees to respond to market forces. If a station's potential audience is sufficiently large and diverse to support independent programing, the FCC said, market forces can be expected to induce the licensee to provide separate programing in order to reach the maximum number of listeners. On the other hand, in situations in which it would be economically undesirable to offer separate programing, the FCC said duplication would be preferable to having stations curtail their hours to comply with the nonduplication limit or if finances required, to go out of service altogether. Either outcome would deny service to potential listeners. The FCC specifically singled out marginal AM stations as a group that would be able to reduce costs if the rule was abandoned.

Absolutely nothing has changed in the last five years to warrant reimposing the rule. Nevertheless, without warning, the agency has proposed an about-face. No longer does the FCC express any interest in allowing programing decisions to respond to market forces. Instead, the FCC claims limits on duplication are needed because of the agency's newly professed concern over interference and its heightened but unexplained awareness of spectrum inefficiencies. The agency asks whether AM-FM duplication really aids marginal broadcast operations or whether it would not be preferable, through reimposed regulation, to cause marginal stations that survive only by duplication to go dark. The FCC hypothesizes that other entrants would then apply for the vacated channels or existing stations would improve their facilities in a manner previously foreclosed by the marginal station.

The FCC's interest in reducing AM congestion and interference is laudable; however, there are many technical changes the commission could implement that would further its goal more directly without interfering with a licensee's control over programing. The agency's recently-approved measures to facilitate interference reduction arrangements and expansion to the frequencies above 1605 kHz will have a direct impact on the problem. Tinkering with non-technical requirements is not necessary and, given the congestion on many AM channels, will not have a significant effect in reducing interference.

The marketplace has been functioning well without excessive FCC meddling. If a station offers duplicated programing, it is only because audience desires or financial exigencies so dictate. As long as licensees determine issues of significant concern to their communities and provide programing responsive to these issues, the FCC should be indifferent to the extent to which stations offer duplicated programing. If duplication fails to attract any listeners and consequently any advertisers, stations will eventually alter their programing fare or go out of business on their own. Stations already face sufficient financial obstacles in today's economic downturn. They do not need an extra kick from the FCC.

As the FCC acknowledged when it deleted the duplication rule, limits on program duplication may infringe on First Amendment rights. Although the issue has not been litigated, this is an area in which the commission should exercise special sensitivity.

The radio industry has an obligation to bring these concerns to the agency's attention. Strong opposition from broadcasters is needed to register their opposition to the FCC's attempt once again to place limits on simulcasting.
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SLASHED NETWORK SCATTER RATES HURTING OTHER MEDIA

Spot, syndication, cable, radio scramble to keep ad dollars; low rates, scatter guarantees draw advertisers to TV networks

By dramatically slashing prices in the scatter market, the big three TV networks have managed to lure money away from spot television, first-run syndication, cable, unwired networks and in some cases even network radio.

"We've been going after budgets and I know we have gotten spot, cable and syndication money," said one network executive. Added another: "Any free money has to be put up for grabs and in a situation that is very competitive you do things that are expedient because the market demands that." Right now it would appear that the network market is scrambling for inventory no matter what the price. Said one media buyer: "There are virtually no dollars out there and those dollars that are out there are being scooped up like crazy by the big three. I have had instances where I have had calls at 4 p.m. from the networks offering 30-second spots in prime time for $20,000 that night." Currently, according to industry estimates, scatter prices are off anywhere from 20% to 40% compared to upfront prices. And, in some cases, if the price is right, the network will throw in a guarantee—something seldom seen in the scatter market.

A random sampling of agencies and rep firms indicates that spot sales may be hurt most by the network discounting. William Koenigsberg, president of Horizon Media Inc., an independent media buying service that also tracks spot billings, said the fourth-quarter spot market has "come to a halt." One reason is that the political advertising season is over, but the network reductions are also a factor. Explained Koenigsberg: "The networks are trying to take anything they can at this time and deals are being made dramatically below the upfront prices. We know of several clients who had budgeted $20,000 that are being scooped up like crazy; those are the price. Said one spot media buyer: "Spot, cable, syndication, cable, radio." Koenigsberg, prime time and sports are where the networks are the softest. Spot, he added, is also being hurt by a very soft retail market: "Spot is waiting for December to happen. Normally at this time most retailers are booked. And in my opinion, they are booked."

Seltei executive vice president and chief operating officer Ray Johns has also seen spot money go network. Said Johns: "Money that would have been in spot, cable and syndication is being siphoned by the networks. Spot is not getting killed...but when the big guy drops rates it hurts the little guy." First run syndication has not been left unscathed by the media scramble for ad dollars. All American Television President George Back and sales executive Steve Engelson said they assume they are being affected by network rate cutting. Said Back: "It's hurting us, we're selling units, but not at the price we expected to.... We are having to make decisions to chase the same dollars at lower costs."

Dan Cosgrove, Group W senior vice president, media sales, agreed that "[syndication] scatter buys are finding their way to scatter." Cosgrove added that so far the first quarter has seen very few cancellations. "It's an unusual year in that the fourth quarter was probably the lightest in upfront selling," said Cosgrove, adding that "we'll just have to suck it up and live through a bad fourth quarter."

Some syndicators who sold as much as possible in the upfront are not feeling the sting. Said Karl Kuechenmeister, vice president, advertising sales, Warner Brothers: "The networks' changing the guarantee rules in the upfront gave great pause to national advertisers who perhaps invested more in cable, syndication and Fox than planned."

Mark Hirsch, president, Premiere Advertisers Sales, the co-venture of Paramount and MCA, said that the current environment "has to impact cable and other syndicators." Fortunately for Hirsch, he's all sold out. "If we did have to sell I hope we would not have to sell at their prices. Everybody who has inventory will be impacted. Broadcast and cable cost-per-thousands (CPM's) have also started to come within sight of one another, especially in sports, preventing cable networks from significantly raising scatter CPM's.
above upfront rates. "We’ve had to be more competitive in the marketplace," said John Silvestri, senior vice president, advertising sales, USA Network. The network at first started to raise prices this quarter, but then was forced to keep them flat due to economic conditions and the broadcast networks' price slashing frenzy. Even softer business in early October and late December has meant an even further relaxing of CPM rates, Silvestri said. Nevertheless, USA's revenue is up 28% over fourth quarter last year, and is within 2% of the network's projections.

The Arts & Entertainment Network's fourth quarter sales are up 45% over the same period last year, according to Ron Schneier, vice president, advertising sales. He said the network has been able to add on modest increases to its upfront prices. But there "have definitely been a few isolated cases where advertisers said they needed a change in the CPM rate," and A&E has heeded those requests, he said. A&E came into the fourth quarter with 50% of its inventory sold out from upfront, and November is 95% sold out, Schneier said.

Lifetime Television has been able to maintain CPM's at higher levels than were sold during the upfront market, according to Doug McCormick, executive vice president, for which he credits Life-time's 30% rise in prime time ratings over the same time last year. He said broadcast price decreases have had a "minimal effect" on Lifetime, which came into the fourth quarter 50% sold out.

High CPM's aren't going to win the cable networks any kudos from advertisers, though. "We did not buy cable networks that tried to keep their prices at upfront levels or higher," said Tom Winner, executive vice president, director of media, Campbell-Mithun-Esty. Dollars are shifting from cable to broadcasting, although not in droves, according to Bart McHugh, senior vice president and director, national radio and television programming, DDB Needham Worldwide. McHugh named two instances where his clients who had allocated money to cable switched it to broadcast, to the tune of $750,000.

But whether or not cable can hang onto its upfront dollars in the first quarter of next year remains to be seen. Cable and advertising executives both contend that that market is hard to predict. Some say that as the network's slashed prices create more demand, those prices will rise back up, and return the market to its normal, though economically depressed state. But with first-quarter option deadlines already reached at many cable networks, some advertising has been lost. Lifetime has had a 15% cancellation among those who have the right to exercise options. A&E has had two cancellations for $50,000 and USA partially lost two contracts. A&E's Schneier acknowledged that "pricing will be more sensitive in the first quarter due to lower [broadcast] network prices.''

The scatter market is not as important for cable as it is for broadcast, according to Robert Alter, president, Cabletelevision Advertising Bureau. He acknowledged, though, that anytime the networks drop their prices it affects cable. "Happiness to us is having the three broadcast networks sold out at high prices," he said. Cable had such a strong upfront (at $750 million) that the scatter market "is gravy, in effect," said Winner.

Unwired networks have also lost dollars to the broadcast networks. ITN President Mike Camera said that while his unwired network has not had any options exercised it has "lost competi-
tions with the networks that we would not have lost a year ago because of pricing." TVRC President George Nuccio agreed that "it is happening.

TVRC recently retained Advertising Information Services Inc. (A.I.S.) to verify its unwired television network schedules. While not being a direct reaction to the current advertising environment, it may prevent more dollars deflecting to other media. There has been concern from some advertisers about the monitoring and verification of unwired networks.

Radio network executives are divided about the effect that the television rate reduction is having on the radio networks. ABC Radio Networks' Lou Severine, senior vice president and director of sales, says the effects are being felt industry-wide. "The problem with this medium is what you don't know, mean-

ing we don't know how many plans we were in and taken out of at all the agencies," he said.

When the opportunity arises, Severine said, for a cheaper buy in network television, clients go there first. If a client had earmarked $1 million for network radio and $2 million for network television, he said, and was suddenly presented with "fantastic rates" for television, more often than not that client would put the whole $3 million in television. "So the answer is, I know I am getting hit, but I don't know by whom or how many times," Severine said.

Severine doesn't recall a single previous Fourth quarter claim about a dearth of advertising dollars at one time. "I've seen bad years before," he said, "but obviously advertisers are taking advantage of the network television marketplace and there really isn't a hell of a lot we can do about it."

The radio networks can only continue their new business development and presentations and "sell, sell and sell," said Severine. "We are doing OK," he added. "We are in good shape, but we'd be in a lot better shape obviously if the marketplace was a little bit stronger."

Unistar's Nick Verbitsky hasn't seen the impact of the television rate reduction trickle down to the radio networks yet. "I think that they [the television networks] are more or less competing with cable television at this point. Whenever any major medium slashes rates it has a trickle down effect on other media. We haven't seen a problem at this point, but that is not to say we won't," he said.

In Verbitsky's estimation, if the television networks keep depressing their rates for a prolonged period of time, all media will be affected. "Mostly it will affect [network television] when they find that they cannot meet budgets after they gave all their inventory away—so it will probably hurt them worse than anybody," Verbitsky said. "We don't feel that we are being left out of budgets right now," said Westwood One's Bill Battison. "We haven't cut our rates and are doing the amount of business we need to do." Westwood has seen some smaller, select accounts try to pressure the radio company, he said, but overall the quarter is doing "pretty well" he said.

Of more concern to Westwood now, Battison said, is the uncertain retail market and Christmas season. "There is a waiting to see what happens at the stores, clients are buying pretty late, and consequently, December still looks pretty soft," he said.
The three-network revenue increase of 4.7% reported for the third quarter contains the cancellations of the Pat Sajak Show and inroads by the syndicated Arsenio Hall Show.

Special considerations explain a decline in other dayparts, including sports, which a 2% decline to $222.8 million was helped by fewer baseball games carried versus the prior-year period. Specifically, ABC had carried four prime time games in last year's third quarter, while this year those same time slots carried entertainment programs, thus helping to boost prime time revenue, which grew 8.3% to $791 million.

The strong news increase of 11.8% to $166.5 million may reflect both underlying demand and some advertising benefit from news specials related to the Middle East situation. The children's daypart was up 1%, to $32.5 million.
TCI’S WIN IN TAX COURT IS VICTORY FOR CABLE INDUSTRY

Judge says a franchise is a franchise is a franchise; decision on similar case involving FCC licenses and network affiliation agreements due out soon

I

industry tax lawyers were cheering a decision worth perhaps hundreds of millions of dollars to the Fifth Estate. Rendered by Judge William Goffe of U.S. Tax Court in Washington, the decision would allow the gradual deduction, or write-down, of that portion of a cable system acquisition allocated to the system’s franchise.

Previously the IRS had asserted the cable franchise did not qualify for depreciation rights granted other franchises. Those commenting said the sweeping nature of the decision bodes well for a parallel case asserting that FCC broadcast licenses and network affiliation agreements also qualify as franchises. A ruling there is expected before the end of this year.

Last week’s case pitted Tele-Communications Inc. (TCI) against the IRS, which had denied a deduction TCI claimed on franchises that were part of several systems acquired in 1978 (see BROADCASTING, Feb. 12).

The court’s main decision, in agreeing with TCI, was that cable franchise agreements qualify as franchises for the purposes of Sec. 1253 of the Internal Revenue Code. That section allows such franchises to be subsequently depreciated over the shorter of the franchise lengths or 25 years—10 years for acquisitions prior to October 1989.

The judge rejected the IRS argument that Congress, in passing section 1253, had not intended to include the cable television industry. Goffe said Congress was aware of the cable TV industry at the time, and could have carved out an exclusion if it wanted to. Furthermore, he said there was no ambiguity in the statute’s definition of a franchise as an “...agreement which gives one of the parties to the agreement the right to distribute, sell or provide...services...within a specified area.”

Having decided that cable franchises fit the above description, and that they passed certain tests to qualify for depreciation, the judge then determined how much the franchises in the case were worth. After subtracting “tangible” assets such as property, plant and equipment, the court then sought other components of the price. He rejected “goodwill”—roughly defined as reputation or other advantage-giving attributes identified with a specific company—as one of the items paid for reasoning that goodwill did not apply to a monopoly, which he said cable was. Goffe did find some value in the “going concern” aspect of the system—roughly meaning the difference in value between starting a system and buying an existing one. The residual value allocated to the franchise was roughly 40% of the purchase price of the three systems involved.

Stoner said last week’s decision, assuming it stands on appeal, would not provide a material windfall for TCI since the MSO has already been taking depreciations using another controversial section of the code, which Judge Goffe declined to rule on last week. Also limiting the initial effect of last week’s decision is the limited amount of taxable income most MSO’s currently have, and the fact that acquisitions structured as “stock” deals are not as affected by the depreciation rules.

But tax specialists such as Joe Sullivan of Latham & Watkins and J. Michael Hines of Dow Lohnes & Alberton said last week’s decision provides owners with additional legal “authority” in tax negotiations with the IRS, and reduces any fear of penalties for taking such deductions. And there are currently some cases, said Stoner, on the judicial docket which may now rely on last week’s decision.

Hines and Sullivan said the general conclusions on the applicability of Section 1253 to government franchises should apply equally well to the FCC license case that involves Jefferson Pilot—as well as to cases that could come up involving the cellular telephone or other spectrum-related industries.

In addition to a possible government appeal Sullivan also noted that the decision, and the current budget crisis, might prompt Congress to revisit Section 1253. Edward Rustigan, partner at Mayer, Brown & Platt and TCI’s lead attorney in their victory last week, said, however, that Congress would be unlikely to make any provision retroactive.

Troubled Infotechnology up for sale

FNN and its parent, Infotechnology, which disclosed financial troubles at the beginning of October, are now officially on the block.

Alan J. Hirschfield and Allan R. Tessler, brought in three weeks ago as chief executive officers after Chief Executive Officer Earl Brian was ousted, said they recommend selling the companies’ principle operations, which also includes UPI, 97% owned by Infotech.

According to FNN President Mike Wheeler, FNN and its related market data companies will be offered independently, although some prospective buyers have expressed interest in buying all of it. UPI, which has been laying off employees and instituting salary cuts, may be sold as is or divided as well.

Infotech and FNN aim to sell off the companies by the end of the year, possibly to beat the deadline of the 90-day moratorium on $88 million in leasing payments that the companies obtained two weeks ago. The companies are also seeking a 90-day moratorium on their interest payments, which total $49.5 million for FNN and $20.7 million for Infotech. They recently reported that they do not have enough operating cash flow to meet expenses and debts.

According to a Hanifen Imhof Inc. research bulletin, the company needs a cash infusion during the sale process as well, possibly less than the $25 million to $50 million FNN said would last it a long time.

The companies have retained Wertheim Schroder & Co. as their investment banker. Co-CEO Hirschfield is on leave as a managing director there. Prudential Bache, which has been Infotech’s and FNN’s investment banker, is still handling the sale of The Learning Channel (51% owned by FNN). Hearst/ABC-Viacom Entertainment Services recently bid $50 million for the entire channel (“Closed Circuit,” Nov. 5), and is also a possible buyer for FNN.

Despite speculation that the TLC sale might be halted and combined with the sale of other properties, Wheeler said that transaction was negotiated before the Infotech sale was announced, it will continue.

SOM

30 Top of the Week

Broadcasting Nov 12 1990
ELECTION POOL ENCOUNTERS CHOPPY WATERS

Debut of VRS hits snags in delivering exit numbers

A new cost-saving election night network research pool designed to ease coverage actually resulted in headaches for busy network news executives last Tuesday. But even though technical glitches marred the debut performance of Voter Research & Surveys, users are standing by the four-network venture.

The key problem for VRS appeared to be delays in rounding up data on national exit polls, some of which came in as late as 11 p.m., or two hours later than network news executives expected. State projections went more smoothly.

"There are a certain amount of growing pains," said David Corvo, vice president, public affairs programming, CBS. "Results came in later than expected or later than we were used to."

ABC's Jeff Gralnick, executive producer and vice president for special broadcasts, said computer problems called for excessive manual work at the network. "The data stream to some of our graphics machines could just as well have been in Latin," he said.

Each network had prepared for possible VRS shortcomings. CBS, for example, had commissioned a pre-election survey along with The New York Times and brought in four top pollster-analysts to oversee in-house research.

"When we realized early on that there were problems, we hit the phones," said Corvo.

There was also some concern that the pool had served to diminish the competitive spirit among networks on election night, which traditionally found networks racing to be the first to report election numbers.

"Personally, I hate VRS because I miss the competitive element," said Gralnick. "The fact that it is now a multi-agency pool allows other broadcasters to have a capability that they previously did not."

Not everyone missed the competitive element. NBC's John Terenzio, executive producer of news specials, said he liked the idea of VRS, adding, "I think we had gotten to the point where we placed too much emphasis on getting the numbers first."

The Big Three and CNN, which have collectively invested $12 million to carry the service through the 1992 elections, are optimistic that VRS will have its wrinkles ironed out in time for the presidential race.

"I know it had some rough spots, but I was very pleased," said CNN's Tom Hannon, director, executive producer, political unit, "and we had an opportunity to work out the bugs before the presidential election."

The service proved to be a particular boon for CNN, which previously had no election exit polling unit in place. VRS also fed information to about 60 subscribing nonnetwork news operations.

Hannon, who will meet with other members of the VRS board this week to discuss the just-completed election and outline future strategies, said rebates might be considered for last Tuesday's problems.

VRS director and long-time CBS executive Warren Mitofsky acknowledged problems in providing national exit polling data on Tuesday, but was quick to add that was just one portion of information provided by the service. He attributed any shortcomings to a late launch of VRS, which was announced in March.

"I wish we had had more time to get ready," said Mitofsky.

The 1990 election not only marked the debut of VRS numbers but also that of a competing polling system by The Roper Organization. The company's Roper Elections Service, quietly launched in June with an initial investment of about $250,000, conducted election night research in Massachusetts
Británicas satélites TV up in air after merger

After joining of Rupert Murdoch's Sky Television and British Satellite Broadcasting, questions remain about how channels, personnel will be realigned and to what extent move will help Murdoch to service debt

An unexpectedly early end to Britain's star wars—the multimillion-dollar battle between the rival home satellite services of Rupert Murdoch's Sky Television and British Satellite Broadcasting that ended with their Nov. 2 merger (Broadcasting, Nov. 5)—has left a substantial cloud of cosmic debris.

Still unclear late last week was to what extent the $200 million-plus that Murdoch stands to save from combining operations would help his heavily leveraged News Corp. to service short-term debt.

Also unknown was precisely how the two service's nine channels would be reprogrammed as five and how many of BSB's 530 staffers or Sky's 800 will soon find themselves jobless.

But winners and losers are quickly emerging from the merger, a concept floated for months, but which few expected to happen so soon after BSB's launch last spring.

The biggest winner in the new venture is probably Murdoch himself. While apparently driven by indirect pressure to reduce News Corp.'s debt load and risk—the biggest on both counts being Sky, with an estimated $700 million in losses—terms of the merger appear to strongly favor Murdoch's media company.

Murdoch will provide the new service, refurbished British Sky Broadcasting and to be known as Sky, just £30 million in operating capital as against BSB's £70 million in operating capital and another £300 million in BSB loans.

In addition, Sky will absorb just 20% of the losses until the service reaches profitability, further compounding the approximately £500 million investment made in BSB by its shareholders, Britain's Reed International, Granada Group and Pearson, and France's Charges.

Murdoch will also take 80% of the first £400 million in profits, once the service reaches break-even.

BSB shareholders will take 50% in profits in a second phase of profitability, calculated under the deal's complex terms to be a period twice the time it took to earn the first £400 million. A third phase gives 80% of the next £400 million to BSB, after which profit-sharing revets to 50-50.

Murdoch will retain additional advantages in the management structure of the new enterprise. While BSB shareholder Reed International has tapped Deputy Chief Executive Ian Irvine to be chairman of the joint venture, and BSB Financial Director Ian Clabb as a deputy managing director, real power appears to be concentrated in the hands of Murdoch appointee Sam Chisolm, recently brought in from the Australian television industry by Murdoch as Sky chief executive and now to serve as the new venture's managing director, and with deputy managing director Gary Davey of Sky.

Few senior BSB executives may make the cut. BSB chief Anthony Simmonds-Goode has already been dis-
missed and others have also left. Speculation has it that the majority of expected layoffs will come from BSB, which one source said stands to lose up to 90% of its staff.

Also favoring Sky is likely to be the eventual channel configuration and primary satellite delivery method. Although details are still being worked out, the new Sky five-channel package will probably include two movie channels, the general entertainment Sky One with the best of BSB’s Galaxy service, the 24-hour Sky News with some elements of BSB’s News information channel and a combination of the two service’s sports channel.

Lost in the shuffle will be BSB’s music channel, Power Station, and much of the programming developed for its other channels.

Likely to be mothballed will be BSB’s several hundred million dollar high-power satellite and its backup (as well as its London operational center), in favor of Sky’s transponders on the Luxembourgn satellite Astra. The new venture could try to build a data or telecommunications transmission business for the birds, although such a move would face significant regulatory hurdles.

Other losers on the technical front will be the select group of BSB dish and decoder manufacturer that are expected to be stuck absorbing the cost of any stock beyond the 100,000 or so dishes already installed.

And backers of the European standard MAC satellite transmission system have also suffered another, possibly fatal blow with the new venture’s abandonment of BSB’s D-MAC technology in favor of Sky’s continued use of the broadcast PAL standard.

One uncertain result of the Sky-BSB merger will be its effect on the rival new media of cable, which has seen significant North American investment in the last two years after a virtual abandonment during most of the 1980’s.

The combining of the two incompatable satellite services appears initially to take away an important marketing advantage for cable, which has pitched consumers on avoiding the Sky-BSB choice by subscribing to cable services that carried most or all of the nine channels, along with numerous others available on the Astra satellite.

On the other hand, Sky’s new dominance of the satellite airways and the sudden availability of four vacated BSB channels on cable systems, may push the cable industry faster toward a long-held goal of developing its own cable-exclusive programs.

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FCC SETS CHILDREN’S AD LIMITS

Weekend shows can have 10½ minutes of spots per hour, 12 minutes on weekdays

The FCC last week limited commercial time on children’s programing to 10½ minutes per hour on weekends and 12 minutes per hour on weekdays, and told broadcasters that their commitment to serving the needs of the children will be considered at license renewal time and redefined “commercial length” programs. In 1984, the commission eliminated requirements calling for limits of 9½ minutes per hour on weekends and 12 minutes per hour weekdays.

The commission’s actions last Thursday (Nov. 8) resulted from the Children’s Television Act of 1990 becoming law three weeks ago (Broadcasting, Oct. 22). The FCC’s actions did not come without some reservations. Chairman Alfred Skiles: “I certainly understand President Bush’s concerns regarding certain free speech aspects of this legislation.... I don’t think this legislation is in any sense a panacea.”

The measures, said Regina Harrison, an attorney in the FCC legal branch, policy and rules division, are designed to “protect children from over-commercialization.” She said the FCC commercial time limits apply to those shows “originally produced and aired primarily for an audience of children 12 years of age and under.” The commission has decided, in this case, that children are those people 12 years old and under (although it defines children as being 17 or under when it comes to indecency matters). But the new guidelines deal with “commercial matter” and not advertising. Commissioner Sherrie Marshall said the FCC was “defining a term that’s not in the statute. It’s putting a limit on advertisers, not on commercial matter.” The distinction between the two, said Harrison, is that the former is purchasing air time and editorial control to sell products—such as infomercials—while advertising airs in purchased time within a program.

The broadcaster, in order to comply with the act, Harrison said, must “assess needs according to market factors...circumstances within the community...other programing on the station...program on other broadcasting stations within the community” and “what other programs are generally available to children within the community of license.”

The broadcaster must maintain and submit compliance records with renewal applications in order to be granted a renewal expectancy, and be able to demonstrate that it provided programs that specifically serve the educational and informational needs” of children viewers, Harrison said.

But specificity was somewhat lacking in the commission’s actions. Commissioner Ervin S. Duggan wondered if it is “possible for us to impose specific requirements on licensees in the field of children’s television...that are not intrusive, onerous and in a way that preserves the editorial discretion.”

The scope of the policy is a plus for broadcasters, said Jim Hedlund, president of the Association of Independent Broadcasters. He said the FCC’s actions “afford licensees flexibility in meeting these new requirements, but is unambiguous enough so that stations will not be subjected to second-guessing at renewal time.”

Still up in the air is whether setting the age limit at 12 with regards to programing is appropriate and what penalty, if any, cable operators face for non-compliance. The commission left those issues to a Further Notice of Inquiry. Comments are due Jan. 10, 1991, and replies Feb. 10, 1991.

Peggy Charren, president of Action for Children’s Television, said of the FCC’s actions: “We’ve come a long way baby...[but] it’s a little bit late.” The net effect, she said, is that it gives local communities the ability to monitor broadcasters compliance and judge their commitment to children’s television. Compliance with the rules “can get to be a hassle, [but so far] nothing is a hassle to broadcasters” in children’s television, she said.

The commission, said, Harrison, defines a program-length commercial “as a program associated with a product in which commercials for that product are aired ...[and] are so interwoven with, and in essence auxiliary to, the product advertised.” Commissioner James Quello said: “I don’t see it as a problem.... He-Man [and the Masters] of the Universe is a program, it is not a program length commercial.”

But Charren disagreed in general with the commission’s definition and specifically with Quello’s characterization of
He-Man, He-Man, Strawberry Shortcake, G.I. Joe: A Real American Hero, Care Bears, Super Mario Brothers, Super Show and GoBots are a few of the 70 programs whose genesis was the result of marketing a product, she said.

The FCC's solution of defining a commercial-length program as being a program that airs commercial for that product during the show does not adequately address the problem, Charren said. Many programers, she added, have found that airing commercials for the product during the show tends to be less effective than airing commercials for the product during the following show. The product associated with the subsequent show would be aired during the earlier show, she said.

Charren said the FCC "has to deal with the problem" no matter how it gets defined. She said the biggest problem is that product-oriented programs such as He-Man have built-in incentives that keep them on the air. These include massive local marketing (including buying commercial time on the station) for the product, which acts like commercials for the shows, and can increase the viewership.

With higher ratings, the station can charge more for commercials. Many of those shows are done on a barter basis, she said, so there is no programing cost to the broadcaster. Those incentives keep "legitimate" children's programs off the air, she said.

FCC CHANGES ITS MIND ON TRANSFER REQUIREMENTS

In wake of request by Gammon and others to move radio stations from smaller town to big city suburbs, commission adopts stricter standards

A year and a half after opening the Pandora's box of allowing changes in communities of license, the FCC tried to put the lid back on some of the unexpected troubles that resulted. Although no one at the commission would say it on the record, many felt those troubles came in the form of Tom Gammon and others who want to move stations from a small community into a larger one that just happened to be a suburb of a major metropolitan area. At their open meeting last Thursday (Nov. 8), the commissioners adopted a Report and Order that still allows changes of a station's community of license, but has clarified what factors will weigh heaviest when it decides such requests.

Those "factors" may doom proposals such as Gammon's well-publicized efforts to move WHMA(FM) Aniston, Ala., to Sandy Springs, Ga. (Atlanta); KRR(FM) from Carson City, Nev., to Fair Oaks, Calif. (Sacramento), and WKKJ(FM) from Chillicothe, Ohio, to Reynoldsburg, Ohio (Columbus). In each instance, Gammon's move would provide the first local service to those suburban communities.

If the commission allowed the move of stations from "smaller and isolated communities to a larger suburban community that presently has no local transmission service but receives numerous signals from the adjacent metropolis," said Karl Kensington, assistant to the division chief, FCC policy and rules division, "the award of a first service preference would appear to condone an artificial and unwarranted manipulation of the commission...in such circumstances no waiver should be granted."

One FCC insider said the commission "set a tone that [these moves] are not going to be easy..."

Another heavy "factor" in granting or denying such requests, said Kensington, is the FCC's "recognition of the public's legitimate expectation of continued existing service." That consideration, he said, "should be weighed independently against the service benefits that may result from the reallocation of the channel from one community to another."

Kensington said the previous FCC ruling "had the effect of allowing licensees and permittees to propose improvements in their service to the public without risking loss of their existing authorizations."

The FCC, he said, "continues to believe" that mass migrations from small, rural areas to larger communities "will not be the case."

Commissioner James Quello, who dissented in the 1989 ruling, because, he said, it "would encourage people to try to serve the large urban areas while neglecting the local areas that they were licensed to serve...the applications we received after [the 1989 decision] has a tendency to confirm my fears and suspicions."

Rainer Kraus, an attorney with Kothen & Naftalin, a Washington law firm among whose clients is Great American Broadcasting, referred to Quello's comments as indicative of the direction in which the FCC is headed.

While few broadcasters or communications lawyers chose to speculate exactly how the commission's Report and Order might affect future move-in applications, Dow, Lohnes & Albertson partner Werner Hartenberger said it appears the commission "has tightened things up so that stations can't just move willy-nilly from one small community to a suburban community."

Gammon told Broadcasting he would not comment on any commission action until after his proposals have been decided. However, earlier he had expressed doubts that the commission "would change a rule that only is in the interest of the American people."

National Association of Broadcasters Executive Vice President and General Counsel Jeff Baumann said the NAB applauded the FCC's actions, "which indicate a true sensitivity toward broadcast allocation and the role of broadcasters in serving the American public."

The FCC also said it would "entertain waivers" of the restriction preventing the migration of sole providers of local service to another, more populous community, because Kensington said, "There may be some rare instances in which the removal of the sole local transmission service would advance the public interest."

Commissioner Sherrie S. Marshall called the rulings "a bit inflexible in terms of staff analysis." The FCC, she said, "might actually preclude some licensees to respond to population changes."

Kensington said that 70-80 petitions to change the community of license have been filed, but only a few involve moves from smaller communities to larger ones. Many have been dismissed, and the rest are being taken care of in sequential order. There is no timetable for the Gammon petitions, it is still under staff review, but another FCC source said "it sure looks like the policy has been set up in a way that it will be hard to grant" Gammon's proposals.
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By most accounts, 1990 was a year of transition. It was a year when the bull market of late-1980's speculative buying caught up with the real-world market realities of budget woes, a projected negative downturn and new taxes. Consumers once again found oil held hostage by international politics. New definitions of government regulations on the banking industry greatly altered the dyspeptic buying patterns of the 1980's, while economic sluggishness driven by automotive and real estate downturns and retail softness yielded lower consumer spending than previously anticipated.

Economists are having a difficult time determining whether the U.S. is headed for a recession or is already in one, while Washington budgeteers disagree over whether the nation is experiencing negative or modest positive growth. As the nation faces the possibility of war and anticipates the holiday buying season, a new year of financial opportunity—or uncertainty—is close at hand.

For broadcasters, the economic picture is even more clouded. Unbridled optimism and spending of the 1980's—and the feeding frenzy that accompanied it—was fueled in large part by Lotus 1-2-3 spreadsheets and "a certain naivete of both broadcasters and bankers on one anothers' businesses," according to one broadcast broker.

Whether this naivete was grounded in collective risk-taking or general inexperience with LBO's and HLT's and junk bonds and subordinated debt and station assets and projected cash flow multiples, the beginning of the last decade of the 20th century sent a signal to the industry that 1990 was the year of the bear.

One broadcast broker who wished to remain anonymous said the industry has to move away from the influence of talking heads who still are trying to prop up their bull market theories. "To a great extent, these are the people who still have an interest in the radio marketplace," he said. "They are sellers who don't want to believe they might lose their equity, brokers who fear they might lose clients if they are perceived as market realists, and analysts who

Radio shifts gears in 1990 as industry reshuffles marketplace principles; braces for economic downturn for possible recession in first quarter 1991
brought broadcasters together with investment bankers and created the spreadsheet myths in the first place.”

Lynn Christian, National Association of Broadcasters senior vice president, radio, predicted that most broadcasters who were caught at the peak of the speculative market “probably will survive, but they may have to sell off a property here or there. We’ll lose a few people along the way, but our industry has a shakeout every 10 or 15 years anyway.”

He said that, while much of the current debt woes are felt by medium-to-large market broadcasters, those in small markets also are in trouble “because of such adverse economic conditions as factory lay-offs and retail store closings.”

Lest the picture of gloom and doom take strong root, however, some industry analysts are “cautiously optimistic” on several fronts. Despite shaky revenue gains in the first three quarters of 1990, and a raft of economic uncertainties as the industry heads into 1991, radio is not in dire straits. Operationally, the industry is sound, according to veteran broadcast broker Bob Mahlman Sr. “The business is, in fact, quite healthy,” he said. “Some stations are doing extremely well and they represent a majority of the radio industry. People are still advertising locally and broadcasters are running their radio stations just fine.”

This industry optimism is largely based on regional and market-specific factors, said Mark Fratrik, NAB vice president, economics. While predicting overall economic stagnation for the rest of 1990 and through the first quarter, Fratrik cautioned broadcasters not to base their expectations—and fears—just on the national financial picture. “Downturns are becoming much more regional in nature,” he said. “For instance, the West Coast isn’t having the same downturn as the Northeast. What this means is that ‘recessions’ occur some places, while slow growth occurs in others.”

Still, Fratrik said that if current economic indicators continue through March 1991, the U.S. could experience a recession, at least as currently defined by two consecutive quarters of negative growth. “But for radio, labeling the national economy in a recession isn’t a major factor, because so much of what affects radio is a regional and local matter,” he said.

As a result, the general feel of many industry observers is that broadcasters should proceed into the new year cautiously. Depending on the source, 1991 will bring either continued turmoil or bright—albeit limited—possibilities to radio. According to the bleakest scenario, many broadcasters will find their equity eroded or altogether dried up; sellers will have to accept prices based on cash flow multiples of no greater than eight times trailing, and those who bought properties based on assessed stick values may find that concept—at least in some markets—obsolete. Banks that continue to lend are going to do so only on greater amounts of equity and at reduced cash flow multiples, and will require more seller paper and little or no subordinated debt. Margin or noncash-flow stations—many of which are those with the greatest current debt troubles—will continue to be a hard sell. And debt restructuring (BROADCASTING, Oct. 15) will remain a given well into the foreseeable future.

On the brighter side, stations will continue to be bought and sold; banks will continue to lend money. Recent steps by the Federal Reserve to lower interest rates could bolster trading activity, and many economists are predicting that this downward trend should continue well into next year. Cash flow multiples are expected to return to what many broadcast brokers believe are more realistic levels. While some sellers may get burned, new operators should be able to operate stations with relatively healthy revenue levels. Additionally, the long-awaited recession might prove less stubborn than previous downturns, and some prognosticators are expecting signs of improvement by the start of the second half of 1991.

Lest the dismal elements of this financial outlook pervade the entire industry, Steve Turpin, AT&T financial services vice president and general manager, reminds radio broadcasters that the black cloud really hangs over only a small segment of the industry. “The people who are wringing their hands and crying that the sky is going to fall, generally, are those people upon whom it’s going to fall,” he said.
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'CAUTIOUS OPTIMISM' WATCHWORDS FOR COMING YEAR

Many larger operators think radio business will do well in 1991, despite economic uncertainties at home and abroad

Radio group operators are preparing for an economically uncertain 1991, both by scrutinizing every line on their budget and by promoting their medium as the ideal advertising vehicle for uncertain times. Operators contacted by Broadcasting last week said they will continue to look for ways to improve their customer service efforts, bring more dollars to the medium and shore up their most valuable assets, their employs.

Radio has traditionally outperformed television and print in times of economic hardship, according to numbers supplied by Mel Karmazin, president and chief executive officer, Infinity Broadcasting, New York. "We think that if, in fact, the economy gets worse, which we believe is likely to occur, radio revenues will increase," said Karmazin. "The last recession we had, from July 1981 through November 1982, radio revenue increased by 14.3% in 1981 and by 10.4% in 1982," he said. In the recession prior to that, Karmazin added, from January through July of 1980, radio revenue increased 11.8%.

Infinity Broadcasting enjoyed its best year ever, Karmazin said, both from a revenue and cash flow standpoint. "We are very fortunate that all of our radio stations are in major markets," he said, "and that major market radio is doing extremely well." Infinity numbers show that in January-September 1990, total radio revenue in major markets increased at the following rates: New York, 7%; Los Angeles, 10%; Chicago, 5%; San Francisco, 8%; Philadelphia, 9%; Detroit, 5%; Dallas, 4%; Boston, 10%; Washington, 10%, and Houston, 4%.

Karmazin said that unlike newspapers, radio advertisers are a "broad-based constituency that cut across all kinds of different products."

Major market economies are diversified enough and the revenue pie large enough, added Karmazin, that they are not affected as harshly as small markets, if at all. "Radio has gone up every year for the last 29 years," he said, "why shouldn't it grow next year?"

Karmazin expects the top 10 markets to grow at an average rate of 7%-8% and expects Infinity to repeat this year's double-digit revenue growth in 1991.

Further complicating the revenue projections for 1991 are the consequences of a U.S. war with Iraq, and the ensuing instability of oil prices. Frank Osborn, president, Osborn Communications Co., New York, views the coming year with "considerable concern."

"One of the key imponderables right now is what the Office of the Comptroller of the Currency is doing and its restriction of liquidity," Osborn said. "I think the illiquidity of the banking system is far more impacted than people
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know—it is squeezing every line of business and as they all are squeezed, they have to compact—I think the OCC is overreacting and forcing a lot of people into a very difficult situation." If the liquidity problem is coupled with no easing of money from the Federal Reserve Bank, Osborn expects 1991 to be "a very rotten year."

September seemed to be slowing down said Osborn, until the last week of the month when the company’s television group started to pick up speed again. A partial explanation was the hotly contested political elections that were drawing near, said Osborn, and he views that as a "false positive on the economy."

But overall, he said, he was surprised to see the strength of the markets continue. "A lot of our stations have been experiencing a pretty good October, and as we look at our group, on an apples-to-apples basis, we are looking at cash flow increases of 30%-35% for October." That figure includes all the stations, said Osborn, not just turnarounds.

Osborn Communications is approaching 1991—and particularly the first quarter—as a time "to batten down the hatches." Said Osborn: "We are looking at 1991 as a year of getting through rather than as a year of saying: 'We are going to have a banner year'."

Osborn had "a lot of capital expansion" in 1990 that he does not foresee doing in 1991. The company has slowed down on the acquisition front in an effort to be cautious, said Osborn. "I think caution is a big watchword," he said, and "I think we are going to be far more conservative—but I fundamentally believe that you don’t cut those areas that are central to your success. We will have no fundamental changes in operating techniques, and we are not going to throw out the morning man because it is a tough time in the economy."

"We are looking at about 4%-6% nationwide growth next year," said Bill Figenshu, president, Viacom Radio. "Obviously the West Coast continues to be strong, and we are thrilled in places like Detroit, where the auto companies have struck new deals with their unions." Viacom expects Detroit to be healthy, and pending the outcome of the Persian Gulf crisis, Houston could be interesting as well, said Figenshu. New York has suffered from the banking shakeout, the city’s budgetary problems and the imminent possibility that thousands of city employees could be fired.

As for 1991, Viacom is "scrutinizing" every budget line by line, said Figenshu. "We feel that we are in a position to ride this thing through—we are not contemplating throwing massive amounts of people out the door." He added, however, that the group has developed realistic budgets. "We are preparing the bunker, if you will, but we are not jumping in yet," he said. "We are optimistic that the business will hold, but we are also realistic in thinking that if it doesn’t, what are we going to do?"

"Our stations are doing very well," said Jim Thompson, president, Group W Radio, New York. "We are doing very well—relative to where the markets are, and where we forecast the stations to be." Thompson attributed their position to the strength of their stations in key
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markets such as Los Angeles and New York, as well as to the company’s customer orientation.

Ideally, said Thompson, you remember who and what it is that has brought the company to its current position. “The people who have gotten you there are still good people,” he said. “You have to continue training people and not cut out any of the people-related enhancement policies. You review all the costs and institute cost-containment.”

The uncertain marketplace and advertiser cutbacks also present operators with selling opportunities, Thompson said. The emphasis must be on delivering the right products for the client to keep them coming back. “I believe that those companies that stop everything in a competitive environment stand a bigger chance of losing market share. If we understand those opportunities, and we deliver that value-added product, it won’t be as bad as it could be.”

He cautioned against selling the customer short in exchange for an increased bottom line. “There is a danger in times like these that we bankrupt the long run,” Thompson said, “that we only worry about quarter-to-quarter profits.” The operator must also protect his business, said Thompson. “You may delay some things, and that is prudent, but you can’t delay everything. You still have to protect your business.” That, he said, is the main reason why Group W is going ahead with the development of the Radio Creative Fund (BROADCASTING, June 11). “We think of that as a long-term investment,” he said. “It is still a great business—this is not a year for the faint of heart—it is still a fun business, we are just going to have to be smarter about how we do business.”

Jim de Castro, chief operating officer, Evergreen Media, Los Angeles, is hearing industry predictions of 4%-6% growth from his colleagues, but says Evergreen is more “bullish.” “We haven’t ever had growth that small on any of our properties,” he said, “and while the markets may go up at that rate, as far as we are concerned we have to perform better.”

“For next year,” he said, “all of the economic signs we have been feeling, have led us to cut down and be careful and be lean—particularly for the first quarter.” The company executives are happy with Evergreen’s position as it looks to next year, he said, but the watchwords are “cautious optimism.” Given the indicators, said de Castro, he expects most of 1991 will be recessed or depressed somewhat.

The stricter banking climate will work to the advantage of companies with strong operations, said de Castro. Evergreen is banking on its continuing strengths in markets such as Chicago, and its burgeoning station in Los Angeles (KKBT(FM)) to make it one of the companies “that by the first quarter of next year or the early second quarter, is poised to be able to look toward making an acquisition.”

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44 Radio

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BANKERS, BROKERS BLAME WOES ON 'GREATER FOOLS'

As feeding frenzy of late 1980's subsides, current industry attitude dictates 'neither a borrower nor a lender be'

No question. The radio marketplace took a big hit in 1990. In the first half of the year, and with little warning, broadcasters, brokers and bankers all received an unexpected wake-up call. Deals based on double-digit projected cash flow multiples and revenue increases were falling apart, and broadcasters found lenders pounding on their doors. Whereas a broadcaster previously could relieve a bad debt situation by selling off the offending property, cash-strapped owners found the rules changing mid-game. Lenders were scarce, marginal properties were plenty and the much-ballyhooed HLT was fast becoming an endangered species.

Brokers and bankers alike blame much of this current environment on the "greater fool theory"—believing that no matter how deeply a person gets into trouble, someone always will be waiting in the wings to replace him. Randy Jeffery, a partner with Media Venture Partners, Orlando, Fla., said the prospective buyer in 1985 felt he could always find another potential buyer to help him recoup his losses. "In the 'go-go' times we always had an upside," Jeffery said. "We simply had a combination of overly optimistic broadcasters, poorly informed bankers and optimistic brokers."

Bronxville, New York-based broadcast broker Bob Mahlman Sr. believes that many investors who encountered the "greater fool theory" actually were speculators, not broadcasters. "They were commodity buyers, not Fifth Estaters in the true meaning," Mahlman said. "Their intention was to buy some stations, build them up and sell them for a huge profit—and the banks helped them. The financial community was inexperienced about the broadcasting industry, and as long as projected station performance fit their Lotus spreadsheets, they clamored to loan broadcasters money."

The fools disappeared, however, after what Richard Blackburn, president of Washington-based Blackburn & Co., describes as a series of cataclysmic jolts to the financial community. "We had the savings and loan crisis, the new HLT definition, junk bond collapse, the collapse of the stock market, and Drexel Burnham went out of business," he said. "The government began to have a lot more voice on what banks could and could not do, and that changed the ground rules and the playing field." Coupled with this, Blackburn said, broadcasters had borrowed on a set of projections many of them couldn't meet.

Borrowing on these projections, much less believing in them, indicated to many lenders that broadcasters are financially naive, according to Steve Turpin, vice president and general manager, AT&T Financial Services in Atlanta. "They're unsophisticated and uneducated when it comes to looking at the realities in front of them," Turpin said. The fact that broadcasters continue to question banks' reluctance to lend money only perpetuates this naivete, he said.

Compounding the problem, Turpin said, are the myriad transactions written that were based on short-term outlooks. "So many deals were based on the premise of putting enough gas in the tank to carry it two years. Build up the equity, flip it, and let someone else worry about it. That's not the way you run a business: you run a business to pay for itself over a long period of time." Fortunately, Turpin said, the industry is shifting back to "how it was in the early 80's."

Signs of change began to take root earlier in 1990 as broadcasters began to realize they couldn't meet their performance projections and began to fall into technical default. At the same time, according to Marc Hand, associate vice president at Questcom in Denver, the industry's financial sources began to collapse, virtually halting all station trading. "It created such a split in pricing in terms of perception of buyers and sellers that we've seen a dramatic slowdown in trading activity," he said.

By most accounts, that slowdown has resulted in a 65%-80% drop-off in completed acquisitions from just a year ago.

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Some of this has to do with the quality of the stations on the market, and some is due to evaporated funding. “Lenders are more suspect of radio than they were just a year ago,” Hand said. He said that banks are experiencing a number of challenges that have nothing to do with broadcasting, but indicated that the overall problems with savings and loans and real estate portfolios are severely affecting how many lenders view broadcast properties.

A cursory study conducted by Mahlman & Co. estimated that between $800 million to $1 billion in technical default properties currently are on the market. Bob Mahlman said that what will help move some of these properties is a convergence of the expectations of buyers and sellers. “If a person needs to sell, he’s going to have to part with his optimism of cash flow multiples as they used to exist,” Mahlman said. “He is never going to find the white knight who will go back to 1987 levels. They’re going to have to sell in today’s market, at today’s prices.”

Questcom’s Marc Hand believes that lack of financing will continue to drive prices downward in 1991. “There are more stations than there is money right now,” he said. “We’re seeing lots of stations for sale. But, few buyers, particularly in larger markets, have the financial capability to close on deals.”

Hand said the market is becoming glutted with marginal stations rather than strong cash flow deals, which also will lead to depressed prices. As a result, Hand predicts more debt restructuring. Largely because banks aren’t completely settled in terms of what they feel they can do with their senior debts—particularly some of the larger companies that have bondholders or subordinated debtholders that they have to satisfy.”

Richard Blackburn is expecting 1991 to be an inert year, with less dramatic change weighing down the industry than in 1990. “We’ve reached an equilibrium where people know what good deals look like,” he said. “And these deals can get done if the right ingredients are brought to the table and if they include more equity than they have in recent years.” Blackburn said that, for such deals, financing is available, although on a more limited basis. “Lenders are much smarter, more selective and more conservative than they were just a few years ago. Many of the banks are gone, and subordinated debt is hard to find,” he said.

Media Venture’s Randy Jeffery breaks his industry prognosis into a near-term and long-term outlook. “Six months from now, non or marginal cash-flow properties will continue to decline in value, but prices should bottom out sometime in the first half of 1991,” he said. “Seller paper and rework of existing commercial bank debt will be more prevalent. A lot of banks are reluctant to have a buyer come in and assume debt for reduction in principal, but it’s a win-win situation that closes the deal for the seller and gives the bank a second chance to collect its money.”

The second half of 1991 and 1992 should see a leveling of station values and continued assumption of bank debt. Jeffery said. “We’ll see some traded debt assumptions to preserve bank principal, and noncash flow deals will continue to be abundant—but only a few of them will get done,” he said.

General consensus among brokers and bankers is that there will be a major shift back to pricing and lending based on realistic cash flow multiples. “For cash-flow properties, depending on the class of the station and its geographical region and economic conditions of the market, trailing multiples may range from five to eight times,” said Jeffery. “A Class A in an undesirable region may only bring five times, and those few banks that are lending will do so at four-to-five-and-a-half-times trailing, which is down substantially from where they were. We also can expect more instances of a layer of seller paper to replace more traditional debt, and we’ll see more term deals in order to achieve maximum prices. But good cash flow transactions will continue to be in great demand, and they’ll

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Broadcasting Nov 12 1990
continue to be scarce."

Bob Mahlman is expecting multiple pricing to stabilize around the eight- to nine-times range, with at least 20%-30% in seller paper. "That's the way deals were done prior to the bankers showing it down our throat," he said. "Buyers will have to come in with 20%-25% equity, and no senior lender will go above five times cash flow."

This new pricing structure is anything but temporary, said Steve Turpin. "It's a long-term correction," he said. "The banks are not going to go that extra layer on their cash flow loans, which means that the amount of equity either has to be increased and you reduce your expectations on your return on investment, or the price goes down. And I really think the prices are going to come down. We will see more deals being a combination of seller financing and equity, and as the banks start to loosen up, we will see them coming in at a comfortable level, at five times trailing." The competitive banking environment that existed in the late '80s no longer exists, Turpin said. "When you take away the demand, the pricing changes. Right now we are in a seven-to-nine environment, and I don't see why that will change." 

Still, not all brokers are so sure the pricing changes are permanent. Miami-based broker Julio Rumbaut acknowledged that, because of the decrease of general market speculation, "trading in general in any business has decreased dramatically." He said that the commodity mentality isn't over by any means: "There are still people with equity who can come in when the market is low and realize a profit when the picture brightens. What we've seen is just a short-term aberration."

Investment banker Jonathan Intrater, senior vice president at Jesup and Lamont, counters that this "aberration" actually is a hard reality. "A lot of people still want to believe that what was a few years ago, will come back. What we see is people who bought in at 10 times cash flow who want to get out at 10 times cash flow. So a lot of people feel this is a temporary situation, but it isn't. This is the way things are going to be for a number of years to come."

Mahlman predicts that the number of senior lenders will decrease to "around a dozen, including venture capital companies willing to lend in the under-$10 million financial market." He said that many of the larger banks still are willing to fund properties in the $20 million-plus arena, but he is concerned by the "huge lack of lenders of any sort that are willing to back the smaller broad-
casters."

With speculators moving out of the market, those who are left will be forced to re-examine the old ways that properties were sold and capital was attracted, according to Steve Turpin. "They won't be able to get the 'trendy capital' that they've grown accustomed to, but they will find sources of 'bread and butter' capital in small pieces," he said. Turpin said the industry needs to develop an "infrastructure" that will allow broadcasters in the mid-price range to attract this capital from investment banking specialists. "When this structure hits, radio again will be very healthy."

Overall, the national economic picture will determine to what extent—and for how long—radio will remain flat. Jesup & Lamont's Intrater is cautiously optimistic, calling for growth in the radio industry "exceeding GNP growth by somewhere from 1%-3%." Intrater doesn't expect a decrease in advertising revenue on a national front, but predicts a shakeout "where the good, solid operators will be in good condition."

To Hand, the looming recession poses the biggest economic question. "A mild recession will have less of an impact on the industry, but a severe recession obviously will have a major effect on radio—and more directly an effect on banks and lending institutions."

Hand said that long-term this would be healthy for radio "because it's taking some of the speculative trading out of the industry, and the new money coming into radio right now is backing people with good operating track records. This should prove healthy for radio, and in turn should make banks a little more comfortable with radio," he said.

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**STABILITY**

sta*bil*ity (sta' bil' a té) 1. the state or quality of being stable, or fixed; steadiness 2. firmness of character, purpose, or resolution 3. permanence

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REP REPORT: UNCERTAIN ECONOMY IS RADIO OPPORTUNITY

This has been an active year for the radio rep industry. Katz Communications completed a management-led buyout of its employe stock option plan and also bought Eastman Radio. Katz Radio Group and Interpre also launched industry-wide marketing efforts to bring new money to the radio table. Interpre is making its second foray into the Hispanic arena, with a just-announced alliance with Caballero Spanish Media. CBS Radio Sales has also strengthened its Hispanic media presence with the fledgling CBS Hispanic Sports Marketing.

The uncertain economic climate could prove to be an opportunity for radio. Said Marc Guild, president, marketing services division, Interpre Radio Store: "The economic climate doesn't always have as direct an impact on radio as it does on a lot more of the more expensive, mass appeal media," he said. "Radio does have a tendency to be looked at by some of the advertisers that are cutting back."

Overall, the reps see signs in the industry that 1991 could prove to be a difficult year for everybody. Their strategy will be to sell radio's flexibility as a reach and frequency medium that can be targeted in a distinct fashion.

At an agency level, groups such as Backer Spielvogel Bates and also J. Walter Thompson have developed radio-dedicated creative groups. The reps will do their share, said Guild, to support efforts by those agencies. "There has been a renaissance for radio at the agency level," he said.

"It never ceases to amaze me that in study after study," Guild added, "radio can have 30%-40% of media consumption, and yet only 7% of advertising dollars. We, as an industry, need to spend more time talking to clients about their media plans and putting radio in the forefront," he said.

Stu Olds, executive vice president, Katz Radio Group, said the first six months of 1990 were flat. However, "August turned out [to be] a good month—September a spectacular month," said Olds. "And all of sudden, overall, for the first nine months of the year, you had the industry pacing 7.4% ahead." Should the year end at 7.4%, he said, 1990 could be one of the best years the industry has seen in five years. "Because up until then," said Olds, "if you go back to 1986 and the previous five years, the industry had averaged a little over 4% growth."

Looking ahead to 1991, with a sluggish end to the 1980's, there really aren't any indications that in the early part of the 1990's, the industry will grow. "In our own company," said Olds, "we are projecting that the industry is going to be down in 1991. As a company, we are going to be flat or above, based on our new business development efforts." Those projections, he said, spurred Katz into the new business development arena.

"We are not going to accept the year being soft," said Olds. "We are going to try to go out and create a difference for our stations." Primarily, Katz will do this through finding additional revenue from existing clients, he said, and through the cultivation of nontraditional sources. "For a long time in our business," Olds said, "we didn't really have to go looking for money—the bell rang and we…answered the bell. We sold the dickens out of it, and took disporportionate shares for our radio stations and everybody was happy."

The economic climate—of industry-wide revenue and bank pressures—have underscored the responsibility that a rep has to itself and its clients, said Olds, to find new sources of revenue. "We believe we will do $30 million-$40 million in new business in 1991," he said. The team that Katz has in place has the singular focus of developing income. "Those people's goal and responsibility is to develop dollars for our represented radio stations. They do not have any other job functions."

Interpre's Guild said 1990 shaped up to be a year "much like any other year," mainly, he said, because of the "unpredictable" nature of the business. "That is one of the reasons that Radio 2000 (BROADCASTING, Oct. 8) was so important," he said. "We need to have a unified front to start talking to advertisers about the value of radio."

The emphasis of Radio 2000 will be twofold, Guild said. The program is designed to position radio in the minds of the advertising community as a primary vehicle that can be used to hit targeted segments of the population, said Guild. It is also designed to help expand the dollars that are on the table from clients already using the medium.

Interpre will continue to put their employees through "rigorous training," said Guild, "on everything from working with the planning community to professional selling skills, to strategic team selling. It is becoming more of a team effort. So we are training our people on how to get the best resources by account, to position radio in the best light."

CBS Radio Sales is having a "basically good year," said Tony Miraglia, vice president and general manager, CBS Radio Representatives. "The thrust
of our stations is in the top 10, top 25 markets," he said, "and advertisers will remain in the top 10, even if they do scale back on their advertising budgets."

The focus at CBS Radio Sales for the coming years, said Miraglia, will be the aging U.S. population. "In the 90's," he said, "the money demo will be the 35-64 age group. I think it will take another year before advertisers realize the fact that nine million 18-34 year-olds will be lost in the next few years," he added. The advertiser will soon see the importance of the 45-plus market, he said.

Another ongoing effort at CBS is marketing, Miraglia said. The marketing department has three main foci, according to Miraglia: work at the advertiser level; sports marketing, and developing co-op—including vendor—dollars. "Currently, newspapers have a lock on co-op dollars," he said. "Our emphasis will be to try to make radio co-op easy for clients, as well as the increasing amount of dollars going to the promotion and marketing of products."

The reps see opportunity in the tightening economic times. Agencies have become more accountable, said Olds, and the "smarter" agencies are recognizing the added value of radio.

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**NETWORKS SHOULD WEATHER ECONOMIC DOWNTURN**

Gloomy predictions for national economy shouldn't hurt network radio business, if history repeats and reconfigurations play out as expected

As a whole, the network industry generally had an up year in 1990, despite some slow months in the first quarter and a lagging fourth quarter that is showing some signs of jump-starting. Radio Network Association Chairman Bill Battison said that the double-digit increases in August and September were the best in the industry, and predicted that October also should come in strong. Depending on year-end holiday spending, "1990 should come in between 5% and 7%, which is not bad," he said.

Battison said advertisers were "clearly apprehensive" about the sluggish economy, but he observed that network radio should muddle through because it is the most cost efficient electronic medium. "With all the (network radio) reconfigurations we saw this year, advertisers can not only buy cheap, but they also have the opportunity to get a lot of points for the spots they buy," Battison said the reconfigurations allow network radio to be "more perceptually positioned against other media, because now we have commercial positions that have rating levels comparable to cable but at significant discounts to that medium."

RNA President/Executive Director Bud Heck was reluctant to make any revenue predictions for 1991 other than to say he at least expected a year equal to 1990. "It's totally blue sky right now," he said. "The way the industry is trending and the problems staring television and cable in the face, network radio conceivably could come up with some strong gains because it's in the right place at the right time."

Individual advertiser-supported radio networks expected some variation on the industry-wide theme. The ABC Radio Networks are bracing for a slowdown in the fourth quarter, but newly appointed (BROADCASTING, July 30) President Robert Callahan said that business seems to be picking up a bit. "Third quarter was quite robust, but the fourth quarter started to fall out a bit and only recently began to turn upward," Callahan said the overall economic climate was too clouded to make any accurate projection for 1991, but ventured that ABC was expecting solid growth. "We want to be cautious in the present environment, but even if economic woes continue, radio is such an underbought media that we stand to gain."
Callahan said that past recessions have favored radio, specifically the radio network segment. “We’re looking forward to growth based on this concept, plus the fact that we have such tremendous efficiencies as well as quality product,” Callahan said. “Our efficiencies are three-to-one over other media, two-to-one over network TV and cable. Network radio is a tremendously underbought and undermarketed medium.”

CBS Radio Networks’ VP/GM Robert Kipperman said that radio network revenues should be up 5% over 1989 figures, and predicted that CBS should exceed that figure. “Quarter-by-quarter, the second and third were the best, the first was worst, and fourth isn’t much better.” Kipperman said that many advertisers aren’t buying as far out as they once did, but anticipated that revenues shouldn’t stray far from what the networks achieved in the last five to six months.

Radio revenues in 1991 potentially could be affected by the Persian Gulf crisis and the new tax bill, although not necessarily negatively, Kipperman said. “In fact, if the economy slides further, a recession could possibly be an advantage for the radio networks and radio as an industry because we’re so cost-efficient. Advertisers can get a lot more for their money on a broad reach medium, and when things really get bad radio tends to pick up.” Kipperman predicted single digit growth next year, but wouldn’t speculate any further than to say increases would fall “between 3% and 7%, depending on what happens in the economy and the extraneous factors overseas.”

The Sheridan Broadcasting Networks greatly expanded its programming in 1990, and President Jay Williams expects to see more of the same in 1991. “In January we will be launching a new news feature called The Emerge Report, in cooperation with Emerge magazine, and we are very encouraged by the response to that,” he said. “We also will be launching other entertainment features throughout the year, and some new sports programs. So all three of our networks will be adding to their programing rosters in 1991, giving wider variety for clients and programs to our growing affiliate base.”

Revenues were like a roller coaster for Unistar Radio Networks in 1990, according to co-chairman/CEO Nick Verbitsky. “We had a great first quarter, so-so second quarter, and a dynamite third quarter,” he said. Verbitsky noted that business was a little slower than the network had anticipated, and admitted that, while business might pick up if expected orders come in, “it’s not going to be like last year, which was super—both for the industry and this company.”

Verbitsky characterized the marketplace as sluggish, but said Unistar was looking at 1991 with cautious optimism. “The efficiency of the medium should draw people to it,” he predicted. “If there is, indeed, an economic downturn the way everybody says there will be, next year will be a decent year for radio—although I doubt revenues will be up more than 5%.” He said that radio traditionally fares well in recessionary times because advertisers are looking for more efficient ways to spend their money.

Westwood One Radio Networks, which includes the Mutual Broadcasting System and the NBC Radio Networks, definitely enjoyed better years than 1990—but company Chairman/CEO Norm Pattiz said second-half figures augured a financial rebound. “We had bad news at the beginning of the year when our RA-DAR numbers went down sharply, and that really was because we were making affiliation changes and we were pruning our list. We felt this was an atypical spike downward and thought we would get most, if not all of it, back, and we did.” Pattiz said that he was pleased with second-half performance, which actually began in the second quarter.

As with the other networks, Westwood One’s adult business in 1990 was very strong, while the youth side was weaker. As a result, Pattiz said that new shows that are scheduled in 1991 “will have more of a 25+ flavor, and the shows that are deleted will tend to be those that were more 12-24.”

Despite its current low stock price (3 1/2 as of Nov. 7), Westwood One is not in dire financial trouble, Pattiz said. “I don’t know why it’s where it is,” he admitted. “We’ve got 18% more audience than we did earlier in the year, and we’ve got a new affiliate deal going into 1991.” Pattiz predicted that one year from now Westwood One will appear exactly as it does today. “There’s been lots of speculation about our selling assets, but if we were going to sell assets, this isn’t the market in which to do that,” Pattiz insisted. “All our divisions are operationally profitable, and next year we expect to generate significant cash flow based on the cuts we made, increasing ratings, and improvement at the radio stations.
TOP TABLOID COMES TO TV

‘National Enquirer’ to lend its reputation, if not its name, to new first-run series from Zodiac

Evris’s love child may not have discovered a miracle cure for the common cold, but the next best thing for afficionados of the sensational story has happened. Stand back Geraldo and move over Maury, the paper that wrote the book on the splashy, flashy and trashy is coming to first-run syndication in the fall of 1991—the National Enquirer.

The program, called The Gossip and Fame Show, which has exclusive first-run series rights to the Enquirer’s archives, is being proposed as a half-hour strip, targeted to prime time access (7 p.m. to 8 p.m.). It is being developed and produced by Zodiac Entertainment, a small U.S. syndicator with the backing of England’s Central Television.

Getting the Enquirer, published by McFadden Holdings, Boston, to agree to the concept was no small feat. For years, syndicators, including Paramount, Warner Bros. and Viacom, have pitched TV projects developed to exploit the property, which has the largest circulation (4.1 million) of any newspaper in the country.

Zodiac is spending $600,000 to build a set and produce a pilot that will be completed in mid-December. The host will be a fresh face, most likely a star from one of the West Coast’s leading comedy clubs.

Zodiac partner Peter Keefe believes the show will break new format ground, in ways that Real People, Let’s Make a Deal and Candid Camera did before it. He is reluctant to put a label on the format. Broadly speaking, it’s an “infotainment” program, with quiz and trivia elements and audience participation throughout.

Zodiac has tapped Karen Lee Cope- land to serve as supervising producer of the program. Copeland was executive producer of Paramount’s Hard Copy, and before that was program director at WNBC-TV New York for eight years. Serving as director will be Joseph Behar, who directed Let’s Make a Deal, the pilot for General Hospital, and more recently, syndication’s Family Medical Center and Funhouse.

According to Keefe, the program does not bare the Enquirer’s name, because it is a format that Zodiac created and intends to export to other countries. For example, the company has already talked to representatives of Rupert Murdoch’s News Corp. about a version of the program for the SkyBSB direct broadcast satellite system that would tie into Murdoch’s London-based Sun tabloid.

However, there will be several direct-on-air links between Gossip & Fame and the Enquirer. According to Keefe: “Each episode will have an intro something like, ‘From the vaults of America’s most secretly read magazine, for enquiring minds who’ve got to know, it’s The Gossip and Fame Show.’”

In addition, the Enquirer’s television and entertainment gossip columnist, Mike Walker, who is pictured each week in the tabloid, will likely do a daily segment in the television program called the ‘Tinsel Town Glitter Dome Report.’ The program will be produced in Los Angeles, but Walker will tape his segments at the Enquirer newsroom in Lantana, Fla.

Despite the negative publicity that is heaped on tabloids by the general press, and the well-publicized celebrity lawsuits the Enquirer and tabloids of its ilk are forced to defend, Zodiac is betting the program will attract a wide audience, especially younger women (18-49) that are most appealing to advertisers.

“We’re planning this to be a titillating show, one that is fun and entertaining,” said Keefe. “We want people to talk about it at the coffee machine at work,” or other social settings, said Keefe. “We’re going to keep it fast-paced and fun.”

According to Joseph J. Policy, general editor, the National Enquirer, the paper has rejected offers from almost every major studio and independent producer.
show strong initial sampling. The Enquirer, founded in 1952, will promote the show heavily in its pages prior to the debut of the show.

In addition to a license fee, the Enquirer will receive a percentage of the cash fees that Zodiac takes from station clearances. Policy said. The magazine would not share in any barter advertising revenue that Zodiac derives from the program.

McFadden, and partner Boston Ventures, bought the Enquirer in 1989 for $412.5 million. Earlier this year, McFadden bought the Enquirer’s chief rival, the Star, from Rupert Murdoch for about $400 million. Last year, the Enquirer had revenues of $175 million. -SM

MTM OFFERS ONE FROM COLUMNS A, B OR C FOR ‘WKRP’

Original series and remake are being marketed in various combinations

MTM Television Distribution will package the new first run version of WKRP with the off-network episodes which originally ran on CBS from 1978-82. However, stations will have the option of taking just the new first run version of the program.

Of the TV executives contacted by Broadcasting about the plans, the three option packages were applauded for their flexibility in terms and pricing, but some executives expressed doubts about stations making long-term commitments until they see how the new first-run version measures up to the original Hugh Wilson-created series.

MTM TV Distribution President Kevin Tannehill provided details on three plans—A, B and C—that he said, “maximize upside revenue potential, yet minimize risks common in long-term, fixed-priced contracts.” Looking at a chance to fully develop a franchise based on the original WKRP series, Tannehill acknowledged that there is a “strong profit motive” to sell stations on the largest plan (C) to recoup a production investment that he says will be $500,000-$600,000 per episode or over $60 million over the next four years.

The first two plans are straightforward enough, and possibly the most palatable to station managers and program directors. Plan A, which is a straight barter, one-year offering of first-run WKRP (22 or 23 episodes will be produced), is set to trigger in fall 1991 and does not include a simultaneous run of the off-network episodes.

Plan B is an all-cash, five-year licensing offer of the 90-episode off-network series available this season, coupled with a four-year weekly run of 90 new episodes on straight barter terms for fall 1991 (3 minutes local/3 1/2 minutes national ad time).

The package that will perhaps raise the most eyebrows is Plan C, which takes in the entire WKRP franchise; a 10-year, per-episode cash licensing deal for the original series (WKRP I) that ends in the year 2000; a concurrent four-year weekly barter front end for the new series (WKRP II), and a subsequent five-year WKRP II back end that includes a contract clause basing its per-episode price on the front end’s rating averages for its initial two seasons in first-run.

The “tiered pricing” clause will have two option deadlines (May 1, 1992 and May 1, 1993), in which stations and MTM will be able to negotiate the back end licensing fee if the first-run show overperforms or under performs previously agreed-upon rating levels. Sixty days following each option deadline, MTM will have the right to shop the back end strip to other stations in the market if they feel that the bid is not a fair price. If the incumbent and MTM agree on pricing after the second option year, Tannehill stressed that the per-episode back end price is “fixed” for the last three seasons in first-run and the entire back end term.

“I certainly like seeing that MTM has become creative with their marketing plan, but this clause is not precedent setting,” said John Rohr, vice president, associate director of programing, Blair Television. “It hasn’t been done a lot for a number of years, where a station has some sort of agreement with the syndicator to pay more money for a first-run show if it performs better after 26 weeks, but it may have been the case with certain early fringe talks shows like

COOK REPLACES ZUCKER AT COLUMBIA

In the aftermath of the yet-to-be publicly acknowledged folding of Guber-Peters Television (“Closed Circuit,” Nov. 5) into Sony Corp.-owned sister division, Columbia Pictures Television, Bob Cook has been named senior vice president, marketing, Columbia Pictures Television, replacing five-year marketing veteran Michael Zucker.

Zucker, who had already moved out of CPT’s office by the beginning of last week, was unavailable to comment on the reasons for his departure or what his future plans may be. Although Zucker had sweeping responsibilities and apparent close ties to CPT Chairman GaryLieberthal, sources indicated CPT’s syndication president, Barry Thurston, apparently had differences over the way Zucker handled marketing, advertising and promotion. It had been thought by industry insiders that Zucker had solidified his position with the currently successful off-Fox syndication launch of Married...with Children.

Cook was most recently executive vice president of marketing for Guber-Peters Television, joining company originally in November 1987 (then known as Barris Industries), as vice president of western sales and director of marketing.
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Plan Rohr said.

ABC sodes could also apply better (BROADCASTING, was able cause they was finally came out with, Rohr said that Oprah or other dayparts for the program. Tribune Entertainment, did not anchored Prime access (BROADCASTING, (BROADCASTING, affiliates’ schedules,” the New York rep said. Michael Fisher, who is general manager of Sacramento’s KTXL-TV, is one of several stations currently airing the original WKRP, which he contracted from Jim Victory Television through the 1993-94 season. Victory distributed program until the end of last season, when MTM recaptured its property for the 1990-91 season. “I already own it for four more seasons, so I didn’t even look at Plans A, B or C,” Fisher said. “I look at the barter as being too heavy on their side. The 3½ minutes on their side is so heavy that I would have to do double the normal sitcom ratings to make money on it. I think it is a unique plan, but I already have the originals and that’s great for me.” Tannehill defended MTM’s larger split of barter time by saying that the per-episode production is double the normal first-run production, citing the signing of series creator Hugh Wilson to direct the first episode and assembling the new creative team to be responsible for the syndication run (BROADCASTING, Nov. 5), in addition to the hiring of three original cast members.

“Our whole approach was to draw up a marketing plan that is fair, where stations and MTM are partners in its success,” Tannehill stressed. “We have put a lot of money into recapturing and rebuilding our franchise.”

TRIBUNE DETAILS NEW RIVERA SHOW
Prime access-targeted offering to be compliment to ‘Geraldo’

T ribune Entertainment unveiled last week its proposed new syndication strip for fall 1991, Now It Can Be Told (BROADCASTING, Oct. 1), to be anchored by Geraldo Rivera and produced by his production company, Investigative News Group.

The show, a more ambitious version of a weekly program Tribune considered taking into syndication this season, is targeted for prime access, although Donald Hacker, executive vice president, Tribune Entertainment, did not rule out other dayparts for the program. In essence, Now it Can Be Told is a male-skewing companion for the female skewing Geraldo talk show.

“We’ve designed it for access,” said Hacker. “But it is news-compatible and could certainly do well leading out of late news (11:30 p.m.). In this market you have to be somewhat flexible, but I don’t think I would accept an offer for the show at 9 a.m.”

The new program reunites Rivera with his first boss in the television news business, news consultant Al Primo. It was Primo, then news director at WABC-TV New York, who hired Rivera to be a part of the “Eyewitness News” team, a concept later adopted by many local stations around the nation.

This time around, Rivera is the boss. He has hired Primo, now a news consultant based in Old Greewich, Conn., as senior news adviser. Primo will be responsible for scouring the country in search of about a dozen reporters and correspondents to fill out the new program’s news staff.

Martin Berman, who was Rivera’s first producer at WABC-TV, and currently serves as executive producer of Geraldo the talk show, will also serve as executive producer of Now it Can Be Told.

The program is designed as a hard hitting, and subjective, investigative magazine. Rivera has never shied away from taking a stand on his stories, and in fact has cultivated a reputation as advocate of the underdog; a reporter “for the people,” as he referred to himself last week.

A tape presentation, which Tribune sales people are now taking out, features an update story, by Rivera, essentially praising the Israeli government for bombing and destroying an Iraqi nuclear plant a decade ago, and also reporting how close the Iraqi’s came to developing the atomic bomb.

Rivera will serve primarily as anchor of the new program, as well as its managing editor. He’ll report on the new show only occasionally. Next season, Rivera said, the plan is to do his talk show live at 9 a.m., and anchor a 3:30 p.m. satellite feed of Now it Can Be Told.

The new magazine will try to differentiate itself from the competition (such as Inside Edition and Hard Copy) by having a broader subject range, said Rivera. “We’re not going to limit ourselves to current events,” he said. “We’ll do historic pieces, where we’re not starting from scratch, if we think we can advance the story. It’s a cross between 60 Minutes and Unsolved Myster——

The presentation tape said the series would report on stories, among others, exposing prostitutes hired for government officials and a drug scandal at a nuclear plant in California. “This won’t be watch Geraldo kick down the door,” Rivera said.

According to Hacker, Geraldo talk show incumbents will be offered the show first, including those Tribune stations that carry him, such as WGN-TV Chicago. The show is being sold for cash and one minute of barter time.
SOAPS STILL FLOAT AT NBC

New spin-off from veteran 'Days of Our Lives' suggests there is room for traditional fare in overhaul of third-place daytime schedule

A daytime soap opera titled Pacifc Lives is currently in development at Columbia Pictures Television and it is being considered by NBC Entertainment as a possible replacement for the network's struggling soap, Generations. The network's interest in the project, said sources at NBC, indicates that NBC will not move completely away from traditional daytime fare as it overhauls the daypart where it has been floundering in third place.

Developed as a spin-off from the long-running soap Days of Our Lives, which celebrates its 25th anniversary this month, Pacific Lives is being overseen by Ken Corday, co-executive producer of Days Our Lives. A production source said some of the characters from the parent soap may move over to the newly created project.

NBC, for at least the past year, has been considering numerous tasks for their struggling daypart. As recently as late last year, the network was spending in excess of $5 million to develop a slate of game shows. Now, however, game shows appear to be out of vogue for NBC daytime, according to Warren Littlefield, president, NBC Entertainment. "We're looking to do more infotainment and less games. Right now we're trying to assess from a creative and marketing standpoint what direction we want to go with daytime," he said.

Although neither Littlefield or Brandon Tartikoff, chairman, NBC Entertainment Group, would say that the decision to cancel Generations has been made, they both indicated the show is at a critical stage and its future is being weighed at present.

Perhaps the decision about the show will be made by Tuesday, Nov. 13, when NBC entertainment executives and the NBC affiliate board will gather in St. Louis to hear the network's plans for daytime. The visiting station executives are also expected to hear about NBC's other daytime development projects, a slate of reality, infotainment shows, including a pilot from NBC News which will feature Faith Daniels, anchor of NBC's Sunrise.

According to Tartikoff, former NBC News correspondent Linda Ellerbee may be making her return to network television by way of the NBC daytime schedule. He said one of the projects being developed by Mark Monsky of Warner Bros. will feature Ellerbee. In addition to the NBC News and Warner Bros. Projects, Av Westin from King World is also developing for the schedule.

Whatever the plans announced this week, the NBC affiliate body is ready for change. "The network and the affiliates both know there is little to be gained by being in third place. Changes need to be made and I suspect for their peace of mind and ours that the changes be a little more bold and daring," said Eric Bremner, chairman, NBC affiliate board. "If you're number three in a race of three you're anxious. The clearances are low because the shows are low-performers. That unhappiness is shared by the network as well. It's probably as big a problem if not bigger for them because daytime, used to be anyway, a profitable area," said Bremner.

SYNDICATION MARKETPLACE

Worldvision Enterprises has sold Worldvision I, a package of 24 theatrical releases for syndication, to Tribune Broadcasting Co., Renaissance Communications and Gaylord Broadcasting Co. station groups for price said to be over $21 million. Spelling Entertainment-owned distributor reports that 51% of U.S. has been presold on package, which includes Academy Award-winning "My Left Foot" and "The Running Man." In past few years, basic and premium cable networks have gotten first crack to features, but Worldvision gave stations exclusive syndication window for second quarter 1991. Tribune deal alone accounts for top three markets—WPXI(TV) New York, KTLA-TV Los Angeles and WGN-TV Chicago.

Steven Leblang, former vice president of programing at Fox Television Stations Inc., has joined LBS Communications as executive vice president, programing. In his new position, Leblang will develop programming for LBS, work with client stations to develop local programing for first-run syndication and assist in the marketing of LBS properties, which include game show Family Feud and nostalgia strip Memories.

Fox Children's Network has placed an order with DIC Enterprises for four Swamp Thing half-hour animated specials, in addition to a live-action series DIC and MCA Television are currently co-producing for USA Network on basic cable. Halloween Swamp Thing special already aired on Fox Children's Network Oct. 31. Series is based on the popular D.C. Comics (Time Warner Inc.-owned division) fantasy-adventure ecological hero.

LBS Communications' Family Feud picked up two medium markets where incumbent game shows Tic Tac Dough (from ITC Entertainment) and Trump Card (Warner Bros. Domestic Television) were jilted from their slots. KGOM-TV Albuquerque, starting Oct. 29, inserted Feud to replace Tic Tac at 4:30 p.m., and KTNV(TV) Las Vegas did same by taking away Trump Card's 7:30 p.m. access slot. LBS also announced A Tribute to John Lennon, a two-hour special with a December 1990 broadcast window, commemorating the late singer's 50th birthday and 10th anniversary of his assassination. The special will feature two former Beatles, Paul McCartney and Ringo Starr, along with other current rock 'n' roll stars performing 23 Beatles hits. LBS is offering the program on a 12-minute local/12-minute national barter split.

Fox Lorber, New York-based syndicator is selling another package of comedy specials featuring Gallagher, Howie Mandel, Dahney Coleman and others. Eight one-hour specials will be offered over three quarters, starting in April of 1991, under the umbrella title, Overboard...Again!
RATINGS ROUNDUP

N

BC won the prime time ratings race for the week ending Nov. 4. The numbers were: NBC, 13.5/23; CBS, 12.6/21 and ABC, 11.9/20. For the season to date, less than one rating point separates first from third: NBC, 13.3/22; CBS, 13.2/22 and ABC, 12.5/21. NBC's 'Cheers' was the top rated show of the week (22.4/35). '60 Minutes' was second (21.4/34) with its highest rating for the season and 'The Cosby Show' third (20.2/31).

Week 7

1 22.4/35 N Cheers
2 21.4/34 C 60 Minutes
3 20.2/31 N Cosby
4 19.9/31 N Three Men And A Baby
5 19.1/30 C Designing Women
6 19.1/29 A Roseanne
7 18.8/27 A Amer. Funniest Videos
8 18.8/27 C Murder. She Wrote
9 18.7/28 C Murphy Brown
10 18.0/26 A Amer. Funniest People
11 16.9/29 N Unsolved Mysteries
12 16.6/25 N Heat Of The Night
13 16.3/28 N Empty Nest
14 16.3/29 N L.A. Law
15 16.3/25 C Major Dad
16 16.1/29 A Monday Night Football
17 16.0/28 N Golden Girls
18 15.9/25 A Coach
19 15.8/24 N Matlock
20 15.8/25 F Simpsons
21 15.5/24 A Who's the Boss?
22 15.3/27 A Full House
23 15.2/25 N Grand
24 15.1/23 C Evening Shade Spec.
25 15.0/26 A Family Matters
26 14.7/23 A Doogie Howser, M.D.
27 14.6/22 A Head Of The Class
29 14.2/22 C 83 Hours 'Til Dawn
30 14.2/22 C Rescue: 911
31 14.0/21 N Fresh Prince Of Bel Air
32 13.9/23 N Movie: A Killer Among Us
33 13.8/24 C Knots' Landing
34 13.5/25 N Carol & Company
35 13.3/24 N Law And Order
36 13.0/23 A Perfect Strangers
37 12.9/25 N Hunter
38 12.8/18 F Married...With Children
39 12.7/22 C Jake And The Fatman
40 12.3/21 A Married People
41 12.2/23 C Dallas
42 12.0/22 C Trials Of Rosie O'Neill
43 11.9/20 A MacGyver
44 11.8/17 F In Living Color
45 11.2/19 C Beetlejuice
46 11.1/17 A The Last Best Year
47 11.1/21 A 20/20
48 10.6/19 A thirtysomething
49 10.5/18 C Over My Dead Body
50 10.4/16 A Father Dowling
51 10.3/19 C Bever. Hills Cop II
52 10.1/18 A Going Places
53 10.1/18 A Night Court
54 9.9/17 N Dear John
55 9.8/16 A Life Goes On
56 9.7/19 N American Dreamer
57 9.5/17 C Evening Shade
58 9.5/16 F Fanelli Boys
59 9.3/15 A Gabriel's Fire
60 9.3/13 C WIOU
61 9.1/16 N Working It Out
62 9.1/16 A Young Riders
63 9.0/13 F Get A Life
64 8.9/15 C Bagdad Cafe
65 8.7/14 C Doctor, Doctor
66 8.6/14 C Flash
67 8.5/16 N Parenthood
68 8.2/14 N Quantum Leap
69 8.2/13 C Top Cops
70 8.0/15 N Midnight Caller
71 7.6/14 C Hogan Family
72 7.6/14 C Twin Peaks
73 7.4/12 F Babes
74 7.4/11 F Parker Lewis
75 6.8/12 A China Beach
76 6.8/11 N Story Behind The Story
77 6.6/12 F Amer. Most Wanted
78 6.5/12 C Family Man
79 6.5/11 F True Colors
80 6.2/9 F Good Grief
81 5.8/11 A Cop Rock
82 5.8/10 A Jennings Report
83 5.6/10 F Totally Hidden Video
84 5.5/9 F Cops
85 5.5/9 N Lifestyles
86 5.4/9 F Beverly Hills, 90210
87 4.3/8 F Haywire
88 3.6/6 F DEA
89 3.2/5 F Jimmy Reardon
90 2.9/5 F Against The Law
91 2.6/5 F American Chronicles

FREEZE FRAMES: Syndication Scorecard *

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<tr>
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<td>13.6</td>
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<td>Jeopardy! (King World)</td>
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* Nielsen weekly pocketpiece

Source: Nielsen and Broadcasting's own research.

Week ended Oct. 28

1 8 Wheel of Fortune, wknd. (King World) 19 7.6 189 86
2 9 Orion Galaxy Network (Orion) 6.2 135 90
10 10 Donahue (Multimedia) 5.8 230 98
10 11 Inside Edition (King World) 5.8 128 81
12 12 Captain Planet (Turner Prog. Svs.) 5.3 233 99
12 13 MGM Premiere Network III (MGM) 5.3 126 88
14 14 Super Force (Viacom) 5.2 165 94
15 15 21 Jump Street, syn (Cannell Dist.) 5.1 129 92

Rain Program

Broadcasting Nov 12 1990
BUOYED BY SPORTS, LOCAL CABLE ADS FINISH STRONG

Professional baseball, football and Goodwill Games attracting advertisers; 20%-30% revenue growth seen for 1990, same expected for '91

Local cable ad salespeople are finishing what has been largely a banner year, reporting revenue growth of 20%-30%. A sizable portion of that increase is directly related to several sports product additions—ESPN’s Major League Baseball package, Turner’s Goodwill Games and TNT’s NFL slate.

Going into the year, a major question local cable ad sales staffs faced was whether the glut of sports product would hurt sales. MSO and system ad sales managers say that hasn’t been the case. Where slowdowns have occurred, it’s been related to the health of the local economy. In those cases, cable is starting to feel the same chill as broadcasters.

But on the positive side, cable sales reps say the NFL—local cable advertising’s first, major ticket sports event—has been complemented by baseball, basketball and other cable offerings to the point that the NFL no longer stands out. Whatever new dollars are coming to cable, the salespeople say it’s getting more difficult to pinpoint one reason, such as the NFL, for the increase. The sports glut question has been replaced by a more mainstream question: what is the client’s total sports budget and how much shows up on cable, according to Larry Zipin, vice president, ad sales, Warner Cable.

Make no mistake, cable salespeople love to have high profile product, even though the second NFL package on TNT caught many by surprise earlier this year. “We’re in a whole lot better shape with the NFL than without it,” says Greg Hamilton, senior manager ad sales, Memphis Cable TV. It is just that one or two NFL packages aren’t the only thing being sold, as was the case only three years ago, when ESPN first landed the NFL. “NFL is not as saleable as the first year,” says Lynne Mazur, director of ad sales for ATC’s 320,000-subscriber Orlando, Fla.-area systems, because there are so many other sports and advertisers want a little bit of everything.

A review of some of cable’s bell-weather local advertising efforts shows most systems increased their NFL revenue this year, although doubling the amount of spots did not double revenue. Most MSO’s saw local advertising grow overall between 20% and 30% in 1990, which most expect to continue next year.

Jerry Machovina, corporate director of ad sales, TeleCable, budgeted for an overall 28% increase this year, but said it will likely hit 30%. The NFL rose from $2.6 million to $3 million this year, he estimated. In fact, TNT has become the third biggest revenue stream for local ad sales within TeleCable, behind ESPN and CNN.

With MLB bringing in $1 million and the Goodwill Games $700,000 (“The best thing we’ve ever done”), TeleCable’s big ticket sports package will produce $5.7 million in revenue this year, Machovina said, 35% to 40% of the company’s overall ad revenue. Two years ago, the NFL brought in $2 million of the $2.5 million in major sports revenue, he said. The revenue base is expanding, so TeleCable is less reliant on NFL to bring in major chunks of revenue. And most of those new dollars are incremental gains, said Machovina. “We’ve got so much momentum this year,” he said. And despite the amount of sports product, he doesn’t believe the sports advertiser has been tapped out. Machovina is budgeting for a 25% increase in overall revenue next year.

Warner’s Zipin said on a pure revenue basis, Warner is up 25% to 30% on the NFL. Overall, local ad sales are running 30% ahead of last year, on budget, and Warner is budgeting the same for next year.

“Managers say the NFL is now treated matter of factly” by clients, said Zipin, reflecting that it’s a standard part of a sports advertiser’s buy. “Cable is continuing to get a bigger and bigger piece of ad dollars,” he said, and is “getting to be part of the mainstream buy.” The cloud on the horizon is that as cable’s percentage of the pie increases, the overall pie may be shrinking. In many localities, Zipin said, cautious advertisers have produced a recession-like slowdown.

“There is still a big distance between our share of budgets and our share of audience,” said Zipin, “which is why
we can have a growth curve steeper than the medium as a whole.'" Cable will grow in the advertising mix, but it will be more difficult to single out one program or network that is bringing in the dollars, said Zipin. (That also goes for directly correlating service price increases and ad sale increases, as was the case with ESPN and TNT with the NFL. Product costs may rise, Zipin said, but the marketplace may not be in a position to absorb it instantly, because it becomes a part of the whole media process.)

His local managers tell Zipin that if advertisers didn’t buy the NFL on TNT or ESPN, they would probably look at buying something else on cable. Whereas years ago, cable salespeople might sell particular networks or programming, he said, as cable becomes an established part of a client’s budget, the question will become “how do we distribute a specific amount of dollars within our [allotted] inventory?”

At Cox, David Kantor, vice president, advertising sales, said NFL produced double-digit revenue increases, with overall revenue also projected to hit double-digit budget targets. The slowdown many people anticipate was felt late last year and early this year in Cox markets, he said. After a tough first half, Cox “had a great second half,” Kantor said. It’s been spurred by 50% increases in Cox’s West Coast markets—San Diego, Spokane, Wash., and Santa Barbara, Calif. Growth has been slower along the East Coast and South through the Gulf, he said. Next year Cox is looking for 15% to 20% growth in local ad revenue, said Kantor, with greater focus on selling basketball and baseball.

Robert Fennimore, president of Cable Networks Inc., said the amount of sports product “didn’t have any negative effect” at co-owned Cablevision Systems. NFL revenue was up 15% this year, he said, as cable rates dropped because of more inventory and local television stations lowering their rates.

Overall, Fennimore said Cablevision was running ahead of last year’s pace, but said whether it will hit its 36% increase budgeted for 1990 will depend on the Christmas retail season. But many Cablevision operations are in markets that have already taken a downturn, including New York and Boston, where, he said, “it’s been a tough year.” On the other hand, the West Coast “has just been dynamite,” he said, running 100% over projections. Chicago has also been very strong, he said. Depending on the system, Cablevision is budgeting for increases between 12% and 18% in 1991.

Memphis’s Hamilton said his system dropped the unit rate back on the NFL and will take in as much money this year as last. Advertisers tell him: “I have got so much money earmarked for sports and I don’t have any more,” he said. “I can’t just focus on TNT and ESPN,” he said, but also on the broadcasters.

For instance, he will take his clues on next year’s performance on how NBC and CBS are doing with their packages. Already he’s seen an inability for outlets to raise ad rates in the fourth quarter because of the economy. Next year will depend on how sport performs and how the economy is faring, he said. Still, Hamilton is looking at overall revenue growth of 20% next year.

But Hamilton has no doubt the NFL is bringing in new advertisers to cable and serves as “a great retention tool.” And MLB “was beneficial for us,” he said, because it lowered the drop on ESPN between college basketball and the NFL.

“We’re taking money away from folks,” he said, most notably television broadcasters, and helping to drive down their rates.

Mazur said the NFL has been fair, with overall revenue up but rates lower. She is starting to see concerns about the economy crop up in conversations with auto dealers. “It’s a very unsure feeling right now,” she said, because of the possible fallout from actions in the Middle East. On what many feel is an impending economic slowdown “we’re definitely seeing it,” she said.

Longer term contracts are being renewed on a month-to-month basis, for example, she said. There have been some cancellations and some wait-and-see approaches. Still, she said, the system is hitting its 1990 budget target of more than 20%, with a 20% increase also next year’s likely target.

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SNN LAYS OFF 30 AFTER MOVE TO N.J.

The 10-month-old, Mizdu-owned, Sports News Network, which is in the midst of looking for equity investors to bolster the network’s financial position, has laid off nearly 30 people.

According to a USA Today story last week, they were laid off because of budget cutbacks. But Jon Steinlauf, SNN executive vice president, said the layoffs followed the company’s move from Washington to New Jersey, where improvements in facilities and efficiency warranted fewer employees. Steinlauf said SNN now employs 180 employees, but another source told Broadcasting the number was closer to 100 employees.

Steinlauf said “there is no truth” to reports that there will be a cutback of live programming to five or less hours. He said SNN averages 10-14 live hours a day, plus updates. SNN at one time carried a high 16 to 17 live hours of programming.

Sources said that SNN reaches only 2.6 million cable homes. Steinlauf would only say that the service “is on track to have 10 million homes by the end of our first year,” which will be Feb. 1, 1991, which presumably relates to the rolling out of carriage commitments by MSO’s.

The service is also seen via Satcom IV on many of the three million TVRO dishes in the United States, although it is unscrambled, and SNN gets no revenue from those viewers.

Landmark Communications, Cablevision Systems and Gannett have all been mentioned as possible equity investors in the channel, although a source said that Gannett was not a contender.

The source said SNN needs a cash infusion immediately, to the tune of $15 million, and needs to spend $1.5 million a month on operating costs. Steinlauf would not comment on specific figures, saying: “People have been saying we need money immediately for months now, and we’re still here.”
IN TOUGH MARKET, DISNEY HOLDS ITS OWN

Subscribers and ratings are up for Disney, while other pay services have hard time; channel still faces challenge in reaching the 85% of cable homes with children that do not subscribe, and in expanding base among adults.

In a year when pay television has taken its lumps, the Disney Channel continues its growth in original programming and in cable households. The network continues on its course of original production of made-for-television movies and episodes of the Mickey Mouse Club and Avonlea, anchors in its late afternoon and prime time blocks, while subscriber growth for 1990 will at least equal last year's 665,000, said John Cooke, president of the Disney Channel.

And this month, Disney does its part to recognize the role of education, as it carries throughout the month a one-hour special, the American Teachers Awards. The star-studded gala premiered Nov. 4 and honored 12 teachers for achievement in education.

In subscriber growth in 1990, said Cooke, "we're going to have a year as good as last year." Last year, Disney added 665,000 subscribers, giving it just over five million subscribers on Jan. 1. One of the reasons for the growth, said Cooke, is that "we're a pay service that does not try to do the things that other pay services do."

Disney will again schedule five free previews in 1991, said Cooke, a marketing technique that has been successful for the channel. Typically, a new Disney subscriber has seen two or three previews, said Cooke, and is more comfortable with the product and less likely to disconnect. "Our churn is as low as anybody on the pay side," said Cooke. Cooke said there are no basic changes planned for 1991 in Disney's rate structure or marketing plans.

Like other pay programmers, Disney expresses concern that tiering could create higher entry points for consumers for pay television. "If the pricing is so high...that the consumer has to pay $55, that's too much money," said Cooke. "We always encourage the operator to price and package with the consumer in mind," he said. "There's broad appeal for our service," said Cooke, and "we're better off, the cable operator is better off and the consumer is better off." Cooke said 25% of Disney subscribers take no other pay service.

But Disney is before 35 million basic cable homes and there remains a large upside for growth. Cooke said 85% of cable homes with children do not have the Disney Channel. "There is a lot of opportunity," he said. "Our job is not done."

Disney will continue its efforts to expand its programming base among adult viewers. Cooke said 25% of Disney subscribers have no children. Disney is producing more original episodes of Avonlea, which Cooke said has been "a tremendous success with families." It is in the midst of carrying or producing three made-for-TV movies, "Perfect Harmony," "Back to Hannibal" and "Mark Twain and Me," as well as specials from Billy Joel and Kenny Loggins.

On the channel's front, Cooke said Disney continues with new episodes of the Mickey Mouse Club, part of the service's 4-6 p.m. block that has been "an overwhelming success for us." And two new pre-school shows are in development.

The ratings Disney sees within its universe show that its programming moves are paying off. Overall ratings among adults are up fivefold in the past four years, said Cooke. And the made-for-TV movies typically score double digit ratings in Disney's universe, he said. "We're feeling very good about our ratings in prime time, in the morning and afternoon."

The teachers' award program, which will be carried throughout the month and will be available as part of Disney's free preview on Dec. 1, is an outgrowth of last year's special featuring First Lady Barbara Bush which honored teachers. "That was really the seed for the idea—to call attention to the great teachers in a black-tie affair very much like the Oscars or the Emmys," said Cooke. The list of star-studded celebrity presenters included Carol Burnett, Robin Williams, Kirk Cameron, Tony Danza, Danny DeVito, Valerie Harper, Goldie Hawn, Edward James Olmos, Rhea Perlman, Pat Riley, Tom Selleck, Jon Voight and Oprah Winfrey.

Winners were chosen from three finalists in 12 categories. An overall teacher of the year award was also bestowed. "No doubt this will be an event we'll do every year," said Cooke, and "we'll get the talent every year to do it...With the success of this, we're committed to doing it on an ongoing basis."

Walt Disney Co. Chairman Michael Eisner congratulates Sylvia Anne Washburn of Toledo, Ohio, as the "Outstanding Teacher of 1990" on a Disney Channel special airing this month. The third-grade teacher won the top honor in Disney's American Teacher Awards, designed to award excellence in education. It is a part of the Magical World of Disney, seen Sunday at 7 p.m. on the Disney Channel.
HBO TOPS ACE NOMINATIONS
Led by *Tales from the Crypt* and *Dream On*, HBO captured three times as many ACE nominations as its nearest competitor in the National Academy of Cable Programming's 12th annual program competition. HBO tallied 100 nominations, followed by Showtime and TNT with 31 each, and A&E with 30.

*Crypt* gathered 12 nominations and *Dream On* 10. Showtime's now-cancelled *It's Garry Shandling's Show* gained seven nominations as did TNT's *Heat Wave. The Image* and Billy Crystal's *Moscow Moscow Moscow Moscow Moscow* both also took seven nominations apiece for HBO.

Following the top four, Disney had 26 nominations, ESPN 22, Discovery 18, CNN 15, and Lifetime and MTV 12 each. Two relatively new networks gained nominations, with CNBC and HA! each receiving four.

The awards will be presented Jan. 13 from the Wiltern Theater in Los Angeles, and will be shown on BET, Discovery, Family Channel, HA!, Lifetime, Nick at Nite, WSB (TV), Atlanta and TNT.

ENCORE FOR GM
General Motors has renewed its commitment to sponsor A&E's *American Playwrights Theatre* for a second season, but it is now renamed *General Motors Playwrights Theatre*. Produced in conjunction with Nederlander Television and Film Productions, four plays will be shown on A&E, with the first, "*Clara*" by Arthur Miller, starring Darren McGavin and William Daniels, tentatively scheduled to air March 5, 1991. The others, which will be spaced a month apart, are "*It's Called the Sugar Plum*," by Israel Horovitz, with Ione Skye and Fisher Stevens; "*The Last Act is a Solo*" by Robert Anderson, with Olympia Dukakis, Edward Herrmann, and Gavin McLeod and "*Unpublished Letters*" by Jonathan C. Levine, which has yet to be cast. Lauren Bacall hosts the series.

MORE TALK ON CNBC
In a quest for what it calls the next Larry King or Tom Snyder, CNBC will introduce in early 1991 *CNBC Talk Weekend*, a live 3½-hour talk show. The network's current Saturday and Sunday evening schedule features repeats of CNBC's weekend programming. The new weekend talk block will consist of a live call-in show with guests from 8 p.m. to midnight, interrupted from 10 to 10:30 p.m. by repeats of NBC's *Later with Bob Costas*, currently seen on CNBC Saturday night at 7 and 11 p.m.

BAD BOUNCE
The NBA responded last week to the criticism leveled by regional sports networks about the league's new fee schedule for NBA games that are carried on cable systems 75 miles from the team's inner market. For the first 40 games in the coming season, the NBA said a 1.3-cent-per-subscriber surcharge will be levied, followed by annual increases to 1.45, 1.6 and 1.75 cents per sub. In each of those four seasons, the surcharge is halved after the 40th game.

NBA Deputy Commissioner Russ Granik said the league was "most offended" at the charge that it "blindsided" the regions with the fee increases. Granik said a previous four-year deal saw the surcharge rise from 0.5 cents per sub beyond 75 miles to one penny. All the regions were aware of the coming increases by last April, most before that, Granik said, adding that the new schedule was cut back between 1.5 and 2 cents over the four years. He described the increases as "pretty modest" in contrast to the national network rights fees that tripled.

But John Severino, president of Prime Ticket, said "we were absolutely, totally blinded-sided." He said Prime first heard rumors of the fee hike a few weeks before the season began. Prime Ticket estimates the new fee will cost it $300,000 this year, an unbudgeted expense.

Severino said the network has three choices, all of which will create dissatisfaction. One is to pass along the rate increase to subscribers in those outer markets. A second option is to drop the games from those markets, which could also cause viewer backlash. A third option is to drop a few games from the Laker and Clipper schedule to cover the cost of the new fees. Since it pays the teams a per game fee, the teams' revenue would fall, he said.

Severino said most regions are not yet profitable and to be hit with a 30% to 75% fee increase was "price gouging." Ed Frazier, chief executive officer of Prime Network, said he was expecting an increase, but not on the magnitude of 30% and more. He estimated the new fees will cost the regions in aggregate $5 million over four years.

GUILTY PLEAS
Home Dish Only Satellite Network, which formerly did business as American EXXXstacy and Tuxedo channels, has pled guilty to unlawful distribution of obscene materials in Alabama. Company will pay fines totaling $155,000, mostly to children's charities. Governor Cuomo of New York had refused extradition of defendants to Alabama. According to Montgomery District Attorney's office, HDO will also enter pleas in Utah and western district of New York and pay fine of $75,000 in each.

NOTES FROM ALL OVER
ESPN announced its early lineup for next season's Major League Baseball, kicking off the preseason March 17 with Oakland vs. San Francisco. Opening day, April 8, will feature Houston vs. Cincinnati and Milwaukee at Texas. Tripleheaders return for Memorial and Independence Day. The first Sunday night game will be Seattle and Oakland. The deadline for the Cable Television Public Affairs Association awards entries is Dec. 7, with winners to be announced at the CPTAA conference Feb. 14 in Atlanta.
BOXING FEVER ON PPV

On the heels of the success of the Douglas/Holyfield fight on pay per view, Top Rank Inc. has announced plans to bring some regularity to PPV with a boxing series, beginning with two heavyweight fights in an event called Night of the Heavyweights on Jan. 11, 1991. Viewer's Choice is distributing the event; it is possible that Time Warner Sports will get involved in what would be its first PPV venture since it was formed several months ago.

Top Rank is committed to doing eight shows next year, and expects Time Warner Sports to join with it somewhere along the way, said Bob Arum, fight promoter and president, Top Rank. "The understanding is that we'd start doing it on our own, and fold our operation into theirs when they're ready," he said. What Time Warner will bring to the series, Arum said, is an organization larger than his own, to help sell the series at the cable system level, and to provide financing needed as the addressable cable universe expands.

While Seth Abraham, president, Time Warner Sports, confirmed talks are going on with Top Rank, he stressed that Time Warner's PPV boxing plans are not finalized. But a semi-regular PPV boxing event is likely in Time Warner's future, according to Abraham, and he does not think there are enough quality fights to support two PPV boxing series. "What has been missing from pay per view is habit," he said. "Our goal is to find a way to bring a viewing habit to the pay-per-view business." Abraham said Time Warner Sports is also talking to Viewer's Choice, and Jim Heyworth, president, Viewer's Choice, confirmed the network is in general discussions with Time Warner Sports about its involvement in PPV events.

Arum wants to keep Viewer's Choice involved in future distribution of its semi-regular PPV boxing matches, although Jim Heyworth stressed that no specific deals for future bouts have yet been decided. For the Jan. 11 card, which features Francesco Damiani vs. (Merciless) Ray Mercer; and, Tommy (The Duke) Morrison vs. James (Quick) Tillis, Viewer's Choice will distribute the fight to Request Television and also to standalone cable systems. A 0.5% buy rate is needed for the event to break even, said Arum. Cable operators will get 45% of the revenue and if the buy rate is more than 1.5%, they will get 50%.

Black Entertainment Television President Robert Johnson (I) was recently congratulated by President George Bush on BET's 10th anniversary. Johnson said Bush asked him how BET got started and developed in their brief Oval Office meeting. Johnson said he presented Bush with a BET 10th anniversary jacket.

SPORTS SWAP

GWSC and ARC exchange interests in Prime Networks and Home Team Sports

Group W Satellite Communications and Affiliated Regional Communications (Prime Network's five regional sports services), have agreed to swap minority ownership positions in GWSC's Home Team Sports.

GWSC, which holds 40% of the company, will get a "substantial minority interest" in HTS, which serves nearly 1.9 million subscribers, while GWSC will get a "less substantial" minority interest in ARC, which serves 20 million subscribers, said Ed Frazier, president and chief executive officer of ARC. GWSC will also put up a small amount of cash in the deal. The total value of the deal is in the $25 million range, a source said.

Both companies have longstanding ties in both program sharing and ad sales. (GWSC's sports marketing arm reps some ad sales for Prime.) The ownership swap is the culmination of discussions that surfaced one year ago, and may not be the end of the line. GWSC President Donald Mitzner said the company hopes its ownership in ARC will grow in the future. And Frazier disclosed that minority equity discussions have surfaced occasionally with Madison Square Garden Network, owned by Paramount. MSG, like HTS, shares programing with Prime.

Frazier said the deal means there can be greater coordination with HTS on programming and financing events. Mitzner said GWSC will bring its programming and advertising expertise to the venture, and the deal will allow GWSC to grow as the regional sports business grows.

One casualty will be HTS's affiliation deal with Prime's rival, SportsChannel America. Mitzner said the deal, which primarily covered some NHL regular season and playoff games, won't be renewed when it expires next September. But SportsChannel America President Jeff Ruhe said SCA was increasingly unhappy with the level of clearance (about 25% to 30% of SCA programing) by HTS and didn't plan on renewing the agreement next year anyway. Ruhe said SCA will concentrate on selling directly to the area's cable operators (who serve 3.5 million homes), many of whom have shown interest in SCA's programing and rates.

While the parties did not disclose the specific percentages in the deal, a source said ARC's owners' shares were diluted across the board, and that TCI remains majority owner.

The deal is subject to completion of a definitive agreement and Westinghouse board approval. Each company will have a nonvoting observer at the other's board meetings.
LOOKING FOR GOLD IN THE GOLDEN YEARS

Cable network aimed at 50-plus audience plans launch next September

Organizers of the Golden American Network (GAN), a new cable service aimed at the 50-plus market, said they have received a warm response from the MSO's they have visited in the past few weeks, including American Television & Communications, Continental Cablevision Systems, Century, Adelphia, Multivision, Simmons, Triax, Rifkin, Insight, Paragon and Columbia.

Like any other fledgling network, they have run into the tight channel capacity environment and MSO uncertainty over the direction of financial and legislative issues. But its creators remain upbeat that it can achieve significant penetration, on the order of 10 million, when it launches next September.

GAN may be as well positioned as any startup operation without large MSO or corporate backing. First, its programing is directed at a target group (age 50-plus) that cable operators often find difficult to sell. Second, it plans to bring back name Hollywood stars and producers in original programs that will give the network marquee value. Third, it has altered its launch plan to a minimum of four hours of programing a day, giving operators greater flexibility on carriage. Fourth, there is no affiliate fee for the first three years. Fifth, it is a targeted service that GAN can concentrate pitching key markets such as Florida, Arizona and California, giving it an early core of seniors for advertisers to target.

"Our mission is to start a network for the mature audience," said Bernard Weitzman, chairman of GAN and a long-time Hollywood producer. GAN will have "original, quality interactive programing," he said. "It's the mature active network," said Weitzman, not "the old feeble network." Adds Charles Forman, senior vice president, "we're trying to make this network as interactive as possible" by doing live programs and encouraging viewer participation.

GAN executives were in Washington recently, meeting with government agencies and organizations concerned with seniors and aging issues, and plan to utilize their information and membership rosters. Washington will also serve as the location for a network news program, since much of what affects seniors (social security, medicare) is decided there. GAN will provide both entertainment programing (comedies, talk shows, game shows) and news and information.

The service will be ad supported and free to cable operators for the first three years. Weitzman said GAN has had preliminary conversations with sponsors who are interested in reaching the senior market.

Weitzman and company know that seniors have been a difficult sell for cable operators. The reason, he said, is simple. Older viewers won't pay for television unless there is a value attached to it. "Quality is what's been missing" in existing cable programing for seniors, he said.

Because it hopes much of the programing will be interactive, GAN wants to hit the 1-8 p.m. slot on cable systems for its initial program offerings, so viewers across the country can participate.

The network has just begun a private placement to raise capital for the service. Initially, said Weitzman, GAN won't produce sitcoms or movies of the week because of their expense. Instead, the programing will gear more toward talk, news and information.

Weitzman, from his days at Lorimar and Desilu, knows many producers in the business, and said GAN will provide an outlet for senior executives and producers who find it difficult to work in today's Hollywood. Many are willing to work for more modest fees, said Weitzman, in order to bring them back into a position of prominence and identification.

Weitzman said "we want to share our rewards with their success," indicating there would be some form of revenue or profit sharing arrangement if the shows and the network succeeds.

Among the programs GAN has developed are Satellite Bingo; Meet Your Match, starring comedian Marty Allen; Pulse 2000, with Dr. Rob Huizenga; Coffee with Ruta, a talk show with Ruta Lee; Morey and His Friends, starring Morey Amsterdam; Monty and Company, a comedy talk show with Monty Hall, and Mr. and Mrs. Hollywood, starring Army and Selma Archer.

GAN also has a host of projects in development, including programs on finance, health and fitness, social issues (housing, crime, euthanasia, nursing homes, social security, medicare), shopping, travel, consumer issues, job opportunities plus an interactive game show.

Weitzman has had a long career in television, serving as vice president at Desilu Productions, Universal Studios and MGM, and executive vice president at Lorimar. He was most recently president and chief operating officer of the color division of AME Inc.
Over the past year, there has been a decline in the prices of publicly traded MSO debt securities. Since last November, the effective yield on high-yield cable debt, as measured by a Kidder Peabody index, has risen more than 3%, from 12.85% to 16.4%. The result of dropping bond prices as investors have fled various MSO securities.

Not all of the drop is the result of worries about the outlook for cable; the securities are also impacted by problems affecting all industries' "high-yield" issues. One such generic problem has been the reduction in high-yield buyers such as insurance companies and savings and loans that either voluntarily or under compulsion have been lowering their exposure to the high-yield market. This flight has led to falling debt prices, both directly and, by weakening liquidity in the market, indirectly. Uncertainty in the economy has also caused a flight to "quality" debt, a label not applied to most cable issues.

High-yield debt prices have also been hit by problems at a complementary credit source, that of banks. Banks have made it difficult for companies to buy new cable systems and they could worsen matters for less senior debt securities if they decline to refinance existing credit facilities.

Said Gary Ozanich, vice president and analyst at Prudential-Bache Securities: "Right now, we are just looking 24 months out and are worried about the banks playing ball." Ozanich said many MSO's still have access to bank credit; at the firm's recent conference, Comcast executives said almost $7 billion of bank loans had been made to the cable industry in the first half of the year, most of that refinancing existing loans.

Despite financial and fundamental problems, one recent report suggested that at current prices, cable debt reflects good value, particularly compared to the more risk-laden common stock of the MSO's. Mark Grotevant, an analyst at Kidder Peabody, said investors could expect total returns of between 15% and 35% for debt securities.

The report's view is based on an analysis showing that system owners who currently cover their total interest could become self-sustaining from internal operations within a five-year time frame. By "self-sustaining," the analyst referred to the ability to cover, in addition to interest, capital spending necessary to maintain and improve systems.

Reaching that self-sustaining status soon is important, Grotevant said, because refinancing may become more difficult once the cable industry faces competitors, such as DBS or the telephone companies.

And there are a number of cable companies whose publicly held debt matures or whose interest becomes "cash pay" or must be reset within the next few years. Among those MSO's with near-term principal situations are Adams-Russell, Adelphia, Cablevision Systems, SCI Holdings, United Artists, V Cable and Century Communications. Even more immediate are liquidity problems for a small group of operators, one of whom, Maryland Cable, recently announced it would try to restructure debt (Broadcasting, Sept. 17).

What will determine the outcome for many MSO's is partly outside their control. Competition is a concern, but how much of a threat DBS actually represents is uncertain. Grotevant, for one, believes cable will survive. Among the reasons he cites is the fact that cable has a compulsory license, which DBS might not have; that cable legislation would still allow some forms of program exclusivity, and that cable should be better equipped to provide local and regional programming. Additionally, he said the compression techniques helping DBS could also be available to give cable better channel capacity.

The telephone companies are seen as a longer-term and less certain threat. Other barriers on cash flow growth include reregulation, where analysts generally think rate limitations could initially hold the basic tier to $9 per month. But in other respects, cable is relatively protected, including its smaller degree of vulnerability to an economic downturn.

Analysts estimate maintenance capital spending requirements at $20 to $30, some of which operators currently finance with additional borrowings. Grotevant said capital spending for line extensions and other projects can be expected to generate additional revenue in the future. Further revenue increases from pay-per-view, price increases and advertising should permit cash flow growth, even without operating margin expansion, he said.

We are pleased to announce FCC approval and closing of our recent transaction:

$58,000,000

WUAB-TV (CH 43) CLEVELAND, OHIO
(Gaylord Broadcasting Company)
SOLD TO
CANNELL COMMUNICATIONS L.P.

HOWARD E. STARK
Media Brokers—Consultants
575 Madison Avenue New York, N.Y. 10022 (212) 355-0405

For more information, please contact: Broadcasting Nov 12 1990 Business 63
### PROPOSED STATION TRADES

**By volume and number of sales**

**Last Week:**

- **AM's** $1,416,118 □ 6
- **FM's** $557,595 □ 2
- **AM-FM's** $1,900,000 □ 4
- **TV's** $0 □ 0
- **Total** $3,873,713 □ 12

**Year to Date:**

- **AM's** $91,916,186 □ 342
- **FM's** $457,280,221 □ 219
- **AM-FM's** $346,140,227 □ 197
- **TV's** $798,841,900 □ 82
- **Total** $1,694,178,534 □ 740

*For 1989 total see Feb. 5, 1990 Broadcasting.*

#### WYRE(AM) - Annapolis and WBEY(FM) - Grassonville, both Maryland

- **Sold by** Anna-Del Broadcasting Co., Inc. to Vision Broadcasting Co. for $1.15 million cash at closing. **Seller** is headed by Thomas W. Wilson, Thomas Neal Heaton and William E. Blasier, and has no other broadcast interests. **Buyer** is headed by Richard A. Winn, David J. Robbin, Eric J. Cohen, Lawrence M. Goldfarb, Thomas G. Pless and Derek A. Noyes. Pless has interests in PCA Communications Corp., licensee of WHYVF(M) Baltimore. WYRE has a light rock format on 810 kHz with 250 w day. WBEY has C&W format on 103.1 MHz with 3 kW and antenna 300 feet above average terrain.

#### KSCO(AM) - Santa Cruz, Calif.

- **Sold by** Fuller-Jeffrey Broadcasting Corp. of Santa Cruz-San Jose to Michael L. Zwerling for $600,000 cash at closing. **Seller** is headed by Robert F. Fuller, Joseph N. Jeffrey and Robert L. Caron, and has interests in KSCO(AM) Santa Cruz, KRCX(AM) Roseville, KRQV(FM) Sacramento, KFMF(FM) Chico, KHOP Modesto, KSOA(AM) and KHTT(FM) Santa Rosa, all California; KJYV(AM) and KJYVF(FM), both Des Moines, Iowa; WBLM(FM) Portland, Me., and WOKQ(FM) Dover, N.H. **Buyer** has no other broadcast interests. KSCO has MOR format on 1080 kHz with 10 kW day and 5 kW night.

#### KGLR(FM) - Bettendorf, Iowa

- **Sold by** Eternity Broadcasting Inc. to David L. McNally and Jeffrey D. Lyle for $507,595. Price includes $50,000.85 cash at closing and $457,594.15 in assumption of seller's liabilities. **Seller** is headed by Larry L. and Aleta Lewis, husband and wife, and has no other broadcast interests. **Buyer** has no other broadcast interests. KGLR has adult contemporary format on 93.5 MHz with 3 kW and antenna 298 feet above average terrain.

#### WMVG(AM)-WKZR(FM) - Milledgeville, Ga.

- **Sold by** WMVG Inc. to Dale Van Cantfort for $450,000. Price includes $450,000 5-year interest bearing note at 10%, $100,000 of which is for five-year non-compete covenant. **Seller** is headed by Gary M. Davidson, and has interests in WLOP(AM)-WIFD-FM Jesup, Ga., and WDKD(AM)-WKWT-FM Kingstree, S.C. **Buyer** has interests in WMVG Inc., the licensees: WKZR(FM) Milledgeville, Ga.; WCAW(AM) and WPUB-FM, both Camden, S.C. WMVG is fulltimer with adult contemporary format on 1450 kHz with 1 kW. WKZR has country format on 102.3 MHz with 3 kW and antenna 300 feet above average terrain.

#### WETC(AM) - Wendell-Zebulon, N.C.

- **Sold by** Daystar Broadcasting Network II Inc. to Triangle East Broadcasting Inc. for $274,118. Price includes $10,000 earnest money deposit and $264,118.85 promissory note at 10%. **Seller** is headed by Lamar D. and Billie J. Lloyd, husband and wife, and is applicant for new FM on 97.9 MHz in Oxford, Ala. **Buyer** is headed by Harry Welch and has interests in W&E Broadcasting Co., licensee of WTJIAK Durham, N.C., and Mid-Carolina Broadcasting Co., licensee of WSAAT(AM) Salisbury, N.C. WETC(AM) has oldies format on 540 kHz with 5 kW day and 300 w night. **For other proposed and approved sales see "For the Record," page 77.**

### UNWIRED VERIFICATION

Unwired network TVRC has retained Advertising Information Services Inc. to verify its unwired television network schedules. There has been concern from advertisers about monitoring unwired networks and verification methods. TVRC's action is seen as attempt to legitimize the unwired business. AIS will check network lines against corresponding station affidavits and compare them with Nielsen Retricted report.
WEAK MERGER MARKET AFFECTS VENTURE CAPITALISTS

A mong the casualties of the soft station trading market are many venture capital firms that have joined banks and subordinated lenders’ reluctant to finance deals because of the lack of senior credit, and are unable to cash out of current deals because of declining property values.

Venture capital firms seem to shy away from TV stations the most, and hard-to-find financing is not the only factor. Concern about declining audience share, revenue slowdown and a soft advertising environment have led some firms to pull back from the television industry.

As is often the case with senior and subordinated debt, the difference between what sellers want and what buyers will pay is keeping many venture capital firms out of the picture. Said Paul Finnegam of First Chicago Venture Capital: “Our position is one of caution.” He said the broadcasting business is still fundamentally good but the gap between buyers and sellers has “severely restricted” the ability to finance.

“People fortunate enough not to have to sell properties are in a pretty good spot,” said Greg Barber, managing director, Narragansett Capital. The firm, which owns network affiliates in Providence, R.I., and Norfolk, Va., and has radio stations in four markets, is on a hold strategy. The only transaction for the firm this year was a cable system near Minneapolis. Reregulation, however, has kept some potential investors away from cable.

“It is the cloud that has hung over cable for most of this year, [but] we felt [any] resolution would be one the industry could live with.”

Barber is confident the business will pick up: “The banks have to come back into business; [they] can’t just invest in government securities.” Barber conceded the market did get “overheated” and speculated that investors will have to come up 25% to 30% equity instead of the 10% to 20% amount of a few years ago. Although the current outlook for TV stations ranges from cautious to bleak, Barber is not worried about his firm’s investments. “These are the businesses we want to be in during the 90’s.”

Others echo Barber’s view. Brian McNeil, general partner, Boston-based Burr, Egan, Deleage & Co., said his firm is “comfortable holding on [to investments] for a slightly longer period than originally planned. Clearly, values are down, [but] we’re not trying to dump stuff.” The firm is also still actively looking for opportunities, and, last September, helped radio group owner New-City Communications (five AM’s and eight FM’s) restructure by investing $14 million in convertible preferred stock and $6 million in subordinated debt. The cash-in date for the stock is eight years. McNeil, formerly with First National Bank of Boston, is familiar with criticism unloaded on banks for their conservative lending approach. “The banks are taking the bulk of the heat, but everyone was involved in creating a slightly overvalued marketplace. Banks have to overreact—they have a regulatory framework they have to answer to.” When all is said and done, McNeil thinks the banks will end up with only a few losses on their broadcast portfolios: “Business is better than attitudes would lead you to believe.”

Cable has benefited slightly from broadcasting’s lost allure, but there is reregulation concern among venture capitalists that, in some cases, has overshadowed optimism about growing cable viewership and advertising revenues. Said one venture capitalist: “Cable’s values are also under pressure.”

Although concern about reregulation, many firms still consider cable a safer investment. Said one Boston-based investor: “The nature of the cable cash flow is far more a monopoly cash flow. It does not face the same competition that a broadcast cash flow does. There are not four or five entities in the market trying to out-program or out-sell you. All those things lead one to believe that cable cash flow is worth more than broadcast.”

One factor keeping venture capitalists away from affiliate TV stations is the networks’ cut-back of compensation to stations, which has a “dramatic impact in the operations and value of affiliates,” said Thomas Buono, president, Broadcast Investment Analysts Inc. He said “those funds flow right to the bottom line.” Earlier this year, NBC cut compensation to affiliates by almost $15 million (Broadcasting, Aug. 20). The 10% decline for affiliates goes into effect next January.

McVay Broadcasting of State College, Inc. has agreed to acquire the assets of WRSC-AM/WQWK-FM State College, PA from TMZ Broadcasting Company

QUESTCOM
Radio Station Brokerage & Financing Services

Don Bussell
Galveston, MD / (301) 963-3000

Marc Hand
Denver, CO / (303) 534-3939

Subject to FCC approval

Broadcasting Nov 12 1990
Business 65
### VERONIS, SUHLER & ASSOCIATES
#### COMMUNICATIONS INDUSTRY FORECAST

New York-based media brokerage firm, Veronis, Suhler & Associates released study estimating total expenditures by industry segment and includes firm’s projections for next five years (Broadcasting, July 23).

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<td>5,233.2</td>
<td>7.2</td>
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*Weekly newspaper advertising is counted in the segment totals and in “Other Advertising” but only once in “Total Spending” and “Total Advertising and Promotion.”

**Notes:**
- Member: National Association of Media Brokers (NAMB), NAB
- Business Info. Services
- Total Communications
- Industry Spending
- Other Advertising
- Promotion
- Total Spending
- Total Advertising & Promotion
- Total End-User
- GNP
- Communications as % of GNP
- 5.5
- 6.1
- 6.2
- James A. Gammon, President
- Radio & Television Brokerage
- 1925 K Street, NW, Suite 304
- Washington, DC 20006
- 202-862-2020
- Veronis, Suhler & Associates
- New York-based media brokerage firm
- Broadcast Industry Forecast
- Total Communications Spending
- Broadcasting
- TV Total
- Cable Television
- Advertising
- Subscriptions
- Basic Cable
- Pay Cable
- Filmed Entertainment
- Box Office
- Home Video
- Televisions
- Barter Syndication
- Recorded Music
- Newspaper Publishing
- Daily Newspapers
- Advertising
- Circulation
- Weekly Newspapers
- Advertising
- Circulation
- Book Publishing
- Consumer Books
- Professional & Educational Books
- Magazine Publishing
- Consumer Magazines
- Advertising
- Circulation
- Business Magazines
- Advertising
- Circulation
- Business Info. Services
- Total Communications
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- Newspaper Publishing
- Daily Newspapers
- Advertising
- Circulation
- Weekly Newspapers
- Advertising
- Circulation
- Book Publishing
- Consumer Books
- Professional & Educational Books
- Magazine Publishing
- Consumer Magazines
- Advertising
- Circulation
- Business Magazines
- Advertising
- Circulation
- Business Info. Services
- Total Communications
- Industry Spending
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- Total Spending
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- Total End-User
- GNP
- Communications as % of GNP
- 5.5
- 6.1
- 6.2
- James A. Gammon, President
SOME MEDIA COMPANIES DECIDE TO SHOP AT HOME

Capital Cities/ABC, Washington Post and others say buying in one's own stock is cheaper than buying others' media properties

I gnored among media deals over the past year is at least half-a-billion dollars in transactions involving publicly-held companies. These companies have been buying their own stock, which while not showing up in the tallies of station trading nor considered a part of "mergers and acquisitions," often has a similar rationale.

The ability to buy in one's own stock provides an alternative way of "investing" cash and, because it diverts money away from the station trading, may help explain that market's softness. Said Gannett's vice chairman and chief financial administrative officer, Douglas McCorkindale, "We are effectively buying media properties at an equivalent of about six times Gannett's cash flow, a lower price than for individual transactions." McCorkindale added that since the termination of negotiations with the Gannett Foundation over repurchasing the latter's shares (Broadcasting, Oct. 8) the company is now allowed to buy back shares on the open market and has been doing so "just about every day of October." The company still has roughly half of the 7.5 million share repurchase authorization made by the board of directors in May 1988—there are roughly 162 million shares outstanding.

Using similar language, Capital Cities/ABC explained in its annual report why the company had spent $223 million in 1989 buying in 232,000 shares, at a cost of $445 per share, which was 16.3 times that year's net earnings: "The 1989 stock repurchases averaged 7.3 times operating cash flow, which compares favorably with the multiple of 10 to 12 times operating cash flow paid for most quality media acquisitions in recent years." Despite a higher stock price in the first quarter of 1990, the company's board passed a new one million share authorization, which has been partly exercised.

In addition to the theoretical return a company gets on buying in stock, the practice also often serves to help boost earnings per share.

Other companies that have recently been active in share buybacks include The Washington Post Co., which over the past 18 months has spent roughly $230 million buying in stock. Meredith Publishing's chief financial officer, James Stack, said the company has just about used up its current authorization after making sizable share repurchases during the summer. Since 1986 Tribune has purchased at least 17 million shares and last May authorized an additional two million share program.

Still a number of group owner/publishers have existing authorizations that aren't being used. Pulitzer Publishing has done very little and intends to do little in the future, said Jim Maloney, secretary of the company. "To buy back the stock would reduce the public float which at 1.8 million shares is pretty small as it is," he said.

The absence of buybacks by financially capable companies may also be a negative indicator, said Steven Rattner, partner at Lazard Freres: "I don't think they are that confident about the business. Remember in 1987 the stock market was down but the business hadn't fundamentally changed...today there are a lot of things that have changed besides the market...there are times when stocks go down for good reasons."

While virtually all media companies have seen their stock prices depressed in recent months, most of them are probably not buying back their shares. Many publicly-held MSO's have a considerable amount of debt and may not have the financial flexibility to buy back shares. Several weeks ago Home Shopping Network increased its repurchase authorization from $10 million to $20 million.

Some observers also feel that MSO's have avoided repurchases over the past year because depressed stock prices have helped their lobbying on cable regulation legislation. Said one major cable investor: "Up until the first of October MSO's have not wanted to admit they had excess cash...that would have given regulation proponents the argument that such funds should instead be given back to the subscribers in the form of lower rates."

While some companies have held back from share repurchases, executives individually have been willing to take advantage of depressed prices. Among them, Steve Ross at Time Warner, Sumner Redstone at Viacom, and it is said, executives at Adelphia Communications and directors of Cablevision Systems with some small purchases.

Nor have the major studios done much share repurchasing, said Shearson Lehman Brothers securities analyst Ray Katz. He said that MCA has "never really been aggressive" and that it is further limited by merger discussions with Matsushita. Time Warner has a lot of debt. Katz said, while both Disney and Paramount "probably feel there are buyers out there willing to keep up the stock price, so why should they." Among ad agencies Interpublic Group has been active, said PaineWebber securities analyst Alan Gottesman.

Buybacks are not without problems, including the general problem of timing. The Washington Post Co. for instance paid an average price of more than $275 per share in share repurchases last year and in the first quarter of this year, spending over $175 million. Then paid roughly $250 per share in a roughly $50 million buyback in the second quarter. The stock is now trading at about $175 per share.

-GF

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Business 67
Media stocks were mixed last week against background of slight increase in broader indices. Market seemed unimpressed by CBS takeover talk appearing last week in Wall Street Journal, Business Week and variety of trade publications. For week ending Wednesday, stock traded on below average volume, and at 158%, was about even with price of two weeks ago. Group owner stocks were mixed, as were MSO and entertainment issues. Scripps Howard, which had mostly avoided plunge suffered by other publisher/group owners, got its come-downpage dropping 22% to $38. No immediate explanation was available for decline, company has meeting planned with investors in New York several weeks hence.

News Corp. received modest boost from announced merger of cash-draining DBS operation in Europe (see story, "Top of the Week"), climbing 1¼ to 8¾, still below price of only two weeks ago.

Financial News Network for the week was up 1/16, to 3¼, and was among active stocks, as percentage of average daily volume, on NASDAQ last Wednesday. Orion Pictures continued to gain following announcement that it had retained Salomon Brothers to help raise equity (BROADCASTING, Nov. 5). Stock jumped 27% to 11¼, still within range of recent months. At 61 1/8, MCA was up 9% for week but still below price of month ago. Agency stocks were mostly up week with Omnicom, WPP Group and Interpublic Group showing best gains. Latter stock was up 7%, to 31½, perhaps on news that subsidiary, McCann-Erickson, had won Skypezx (DBS) account, with ad billings valued at $40 million.

FOCUS ON FINANCE

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A n anti-recession package being offered by the Television Bureau of Advertising at its annual meeting in Dallas this week (Nov. 14-16) will probably prove to be of great interest to broadcasters in today's belt-tightening environment.

The anti-recession package, a late addition to the association's 36th annual meeting, is a white paper focusing on the importance of maintaining normal advertising levels despite a recessionary economy. Said TVB President Jim Joyella: "Advertising budgets are already beginning to reflect a pessimistic economic outlook...It is no secret that advertising during good times is important, but advertising during tough times is crucial. It's a smart competitive move for advertisers to keep up their media usage in 1991..."

The theme of this year's meeting is "Television Management: Growing the Business Now." The meeting, according to Joyella, is "designed to address the tough economic climate the country is experiencing now." Close to 800 people are expected to attend.

The meeting will feature several panels addressing the changing climate of television management. Delivering the keynote address will be H. Ross Perot, founder of Electronic Data Systems, who will talk about meeting the challenges of a changing industry. That issue will be covered more directly by a panel comprising Don West, managing editor, Broadcasting Magazine; Gerry Byrne, publisher; Variety; Ron Alridge, editor and publisher; Electronic Media and Dawson Nail, executive editor, Television Digest. The panel, "Mass Communications in Transition," will be moderated by Ed Reilly, president, McGraw-Hill Broadcasting Co. Both Perot's speech and the panel are scheduled for Nov. 14.

The keynote for the meeting's second day will be Scott Harding, national retail advertising manager for Sears, who will describe the company's marketing strategies and how television fits in. The subject of how sales managers can better work with their news and promotion departments will be addressed by Robb Dalton, president, Pinnacle Communications.

Panels for Nov. 15 include one moderated by Phil Jones, chief executive officer, Meredith Broadcasting, that will focus on general managers who have "successfully added marketing to their job descriptions." Another panel will address the problems of building a sales forecast and what new ideas have emerged to make the job easier.

The meeting will adjourn on Friday, Nov. 16, with a panel on another timely topic: "How Cable and Newspapers Sell Against Television." Executives from cable and newspapers will tell broadcasters where broadcast television is vulnerable to their media.

Tough times have not kept away exhibitors, which, according to the association, are flocking to the meeting in record numbers. Among the 23 exhibitors are Arbitron, Birch-Scarborough Research, Nielsen Media Research, Newspaper Advertiser Reports and Jefferson-Pilot Data Services Inc.

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**RECESSION ON MIND OF TVB, AS CONVENTION CONVENES**

**STOCK INDEX (CONT.)**

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<tr>
<th>Closing Wed Nov 7</th>
<th>Closing Wed Oct 31</th>
<th>Net Change</th>
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Standard & Poor's 400 358.15 356.82 11.33 0.4
DecTec claim that its SUN decoder can emulate VideoCipher could edge programers closer to all new system, perhaps when new satellites launch in 1992-93

The more than 40 cable programers that currently encrypt their satellite signals with General Instrument's VideoCipher II began receiving letters last week from a Canadian company that claims to have developed a new encryption system that can emulate VC-II or any other system and that will immediately reduce signal theft "to zero." With plans to begin marketing its Secure Universal Norm (SUN) scrambling system in Canada by the first week in December, DecTec International Inc., based in Sidney, British Columbia, has begun a campaign "to inform everybody in advance" of shipments of SUN into the U.S. by the end of the year, said DecTec President John Grayson. At least one of the letters bearing Grayson's signature asks the programer to advise DecTec on "how you would like your subscription revenues handled." But in the view of at least one major cable programer that has received DecTec information on more than one occasion, Grayson's move may be "just a cover" to legitimize plans to make quick money on descramblers that can pick up virtually all programing encrypted in the U.S. without authorization or payment.

Grayson said SUN is compatible with any existing or future encryption system and features a reprogramable "smart card" that can be recycled to solve any security breach. Additionally, DecTec claims that the SUN system can accommodate multiple encryption systems at once and "instantaneously switch between several scrambling modes." Speaking on the condition that he not be identified, the cable programer said SUN's "compatibility" with VC-II adds up not to the new "flexible standard" that DecTec claims, but rather to a system that has effectively "stolen" VC-II software to manufacture pirate boxes, rather than going through the more costly, and illegal, process of obtaining real VC-II's to alter. Grayson denied he is promoting piracy.

On a potentially worse note for General Instrument, said the programer, DecTec's apparent success in emulating VC-II portends success in emulating the VC-II Commercial unit used by cable headends. Such a success, he said, would make most GI's efforts to upgrade the consumer units from VC-II to VC-II Plus, since owners of SUN could then receive the commercial feeds anyway and ignore any GI attempts to secure the consumer VC-II data stream.

If a breach of the commercial unit appears yet more imminent, he said, the central impact of SUN could be to drive the cable industry more quickly to an all new system, perhaps when the new generation of cable satellites launches beginning in early 1992 (when old and new birds could carry, for some transitional period, both VC-II and new system encrypted transmissions). If the industry were to abandon VC-II and VC-II Plus, he said, it would want to jump to a system that offers both hard video encryption and a replaceable security cartridge, or smart card. DecTec's proposed encoder, he said, offers no step-up from VC-II's soft-encrypted video to hard encryption, which has become significantly more affordable since HBO launched the encryption business in 1986 with the adoption of VC-II. The programer said he takes DecTec's lack of emphasis on its encoder features as indicative of its real intention to flood the market with potentially legal, yet unaddressable, decoders.

General Instrument has been testing "samples" of SUN for at least six weeks and, with Canadian and U.S. counsel, has been developing both civil and criminal grounds to bar DecTec from marketing the product in the U.S., said Michael Meltzer, vice president of sales and marketing for GI's VideoCipher Division. Cases for patent infringement and violation of the Communications Act are being developed, he said. On the technological defensive as well, GI is "looking at" introducing a version of VC-II Plus with a smart card, he said. And as for protection of the commercial VideoCipher data stream, Meltzer said GI engineers "believe we can block attacks on the headends."

DecTec's "sophisticated alternative," Grayson said, is based on the recent inventions of two U.S.-based companies: first, gate array technology developed by San Jose, Calif.-based Xilinx that allows SUN to emulate other encryption systems and, second, the smart card developed by Dallas Semiconductor.

Upon introduction of the system to the U.S., said Grayson, "We fully expect some sort of civil action" from General Instrument.

"I seriously doubt that the programers will sell rights" to DecTec, said Chuck Hewitt, president of the Satellite Broadcasting & Communications Association. And without rights, he said, sale of SUN decoders would "still be a violation of the Communications Act" as a promotion of piracy.

Grayson insisted that his company stands to make more money "by a long shot" by selling a legitimate multisystem interface than by selling pirate boxes. By December, SUN software will correct flaws in VC-II security, and then, he said, it will be up to programers to make a fully secure system. Saying DecTec "needs the programers to legitimize [SUN owners] as paying customers," Grayson would not rule out the sale of decoders in the U.S. even without rights agreements with programers.

The SUN decoder boxes—described by Grayson as a nonfunctioning "blank canvas" until the smart card is inserted—were being manufactured by Link Technologies in Delta, B.C. Grayson claimed that Dallas Semiconductor's smart card currently costs $24 to make and should go down to $10 with economies of scale.

"If we return to square one," with nonaddressable decoders flooding the market, and/or if cable operators must replace $200 million worth of commercial decoders, said the cable programer, the industry "may ask, Why support GI? At what point do you stop sending money in that direction?"

—POL

70 Satellite Broadcasting Nov 12 1990
KASTENMEIER LOSES HOUSE SEAT TO BROADCASTER

Former anchor-reporter Scott Klug unseats chairman of House Copyright Subcommittee; House Energy and Commerce members Walgren and Bates go down to defeat; Tauke fails in bid for Senate

House Copyright Subcommittee Chairman Robert Kastenmeier (D-Wis.), author of the 1976 Copyright Act that created the cable superstations and a strong advocate of opening up federal courtrooms to broadcast cameras and microphones, was among only 15 House incumbents (of 406 running) to go down to defeat in last Tuesday’s general elections.

The 16-term congressman was ousted by 37-year-old political newcomer Scott Klug, a former anchor at WKOW-TV Madison, Wis., and reporter at WJLA-TV Washington.

A strong possibility to replace Kastenmeier on the Copyright Subcommittee is Mike Synar (D-Okla.). An aide to the six-term lawmaker said Synar is “in position” to assume the post, but is reluctant to give up his chairmanship of a government operations subcommittee for it. Aside from copyright, the subcommittee also has jurisdiction over the federal courts and the criminal justice system.

If Synar succeeds Kastenmeier, he will be in an unusually strong position to affect communications policy. He is also a member of the House Energy and Commerce Committee and its Telecommunications Subcommittee, which have jurisdiction over communications issues.

Also among the House’s unfortunate 15 were two members of the House Energy and Commerce Committee: Doug Walgren (D-Pa.) and Jim Bates (D-Calif.)

Their losses coupled with the departure of four other Committee members—Thomas Luken (D-Ohio), Howard Nielsen (R-Utah) and Bob Whittaker (R-Kan.) retired and Tom Tauke (R-Iowa) gave up his House seat in for an ill-fated shot at the Senate—will impact communications policymaking in more ways than one.

Walgren and Luken chaired Commerce subcommittees—the former, consumer protection and competitiveness, and the latter, transportation and hazardous wastes. With their departure, two members of the House Telecommunications Subcommittee who have been active in communications, Al Swift (D-Wash.) and Cardiss Collins (D-Ill.), are likely to take advantage of their committee seniority and fill the vacant subcommittee chairmanships. But to do so, they will probably have to give up their seats on the telecommunications subcommittee, diminishing their clout on communications issues.

Broadcasters lost a congressional ally when Tauke lost his bid to unseat Iowa Democratic Senator Tom Harkin. The Republican party had been hopeful that Tauke could pick up a Senate seat for the party, but, when all votes were counted, he managed to capture just 46%.

In Rhode Island, the third time was the charm for former broadcaster Bruce Sundlun. After losing races for the statehouse in 1986 and 1988 (the state elects its governor every two years), the former chairman and chief executive officer of Outlet Communications and Democrat finally prevailed, defeating Republican incumbent Edward DiPrete with 74% of the vote.

Sundlun sold his remaining interest in Outlet to fellow shareholders two years ago for about $12 million (Broadcasting Aug. 1, 1988). However, he remains a member of the board of Comsat, having been appointed to the post by President Kennedy.

David E. Henderson, who succeeded Sundlun at Outlet, said Sundlun “is very well suited to the challenge” his victory presents him. “He brings to the position a sense of civic responsibility” and sound business sense, he said, adding that he will be a member of Sundlun’s transition team.

Minnesota Republican Rudy Boschwitz had the dubious distinction of being the only Senator of 32 running for reelection to lose. That means the five members of the Senate Commerce up for reelection will all be returning.

Larry Pressler (R-S.D.) had the closest race of the five, winning 53%-45% over Democrat Ted Muenster. Al Gore (D-Tenn.), an advocate of strong legislation regulating cable, won the most lopsided, garnering 70% to defeat Republican William Hawkins.

James Exon Jr. (D-Neb.) captured 59% of the electorate to defeat Republi-
can Hal Daub. John Kerry (D-Mass.) defeated Republican Jim Rappaport with a final tally (58%-42%) that was not as close as many had expected. And Jay Rockefeller (D-W.Va.), the only one of the five not a member of the communications subcommittee, handily beat Republican John Yoder, 69%-31%.

In other races of interests to broadcasters, Paul Simon (D-Ill.), who could boast of authoring a law aimed at stemming TV violence (Broadcasting, Nov. 5), defeated longtime Representative Lynn Martin, 64%-36%, in another blow to the Republican party’s ambitions to regain control of the Senate.

Jesse Helms (R-N.C.), the anti-pornography advocate who authored the law requiring the FCC to prohibit broadcast indecency 24 hours a day, defeated former Charlotte Mayor Harvey Gantt (D), 54%-46%, amid controversy over broken voter machines in the predominantly black Durham County.

In Delaware, Republican Jane Brady’s underdog campaign against incumbent Democrat Joe Biden—which attracted attention through its use of C-SPAN and network news footage in a 10-minute videotape sent to 40,000 voters—was unsuccessful. Brady received 39% of the vote. Biden is chairman of the Senate Judiciary Committee.

Klug’s defeat of Kastenmeier, who had held the seat since 1958, ranked as one of the biggest upsets of the day. According to Klug campaign manager Paul Markowski, Klug managed the upset by making an unusually strong showing in the second district’s only urban area, Madison. Instead of losing Madison by 15,000 votes or more as other challengers have in the past, he said, Klug lost it by just 4,000. That coupled with the Republican’s usual strength in the rural areas produced the margin of victory, he said.

After several years as a reporter at WLS-TV, Klug returned to his native Wisconsin (he grew up in Milwaukee) in 1988 to pursue a masters of business administration at the University of Wisconsin at Madison and to work at WJOW-TV there as anchor and reporter. Due to the broadcast job, said Markowski, “people on Main Street certainly knew who he was.” Klug left the station in February to avoid equal time conflicts.

Kastenmeier’s Copyright Act of 1976, through the creation of the compulsory copyright license, allowed cable systems to import and carry distant broadcast signals like Ted Turner’s superstation WTBS(TV) Atlanta. The distant signals along with the pay programing services like Home Box Office, provided the economic base upon which the modern cable industry is built.

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Jim May, executive vice president, government affairs, National Association of Broadcasters, called Kastenmeier “a thoughtful and diligent legislator who knows copyright issues better than anyone else in the House. He’s been a good friend of broadcasters, and was always a strong supporter of must-carry and other issues. We wish him well, and thank him for his leadership of broadcast concerns.”

---PB

VALENTI STUMPS AGAINST EUROPEAN QUOTAS

MPAA president urges government to resist attempts by European countries to limit U.S. film and TV imports

Motion Picture Association of America President Jack Valenti last week urged the U.S. government not to acquiesce to efforts led by Western European countries to exclude movies and television programs from an international free-trade agreement now nearing completion.

If the government signs an agreement with such an exclusion, said Valenti before the Los Angeles World Affairs Council, it “will have forfeited the future of one of the few U.S. products whose mastery in world markets is affirmed.”

“In an era when the phrase ‘surplus balance of trade’ is seldom heard in our land, the U.S. visual entertainment industry is one of the USA’s glittering trade jewels,” he said, noting that the U.S. film and television industry generates a $3 billion-a-year surplus.

Ambassador Carla Hills, the U.S. trade representative, “is vibrantly supportive” of including movies and programs in the General Agreement of Tariffs and Trade (GATT), whose goal is to eliminate trade barriers, said Valenti. “But finally, it will be the Congress which must hold the line against an inequity which would allow other nations to handcuff America’s finest trade resource and thereby enlarge our trade deficit.”

According to Valenti, an exemption from GATT for audiovisual products would let stand quotas on imports on such products imposed by the European Community. “France has already barracaded its TV stations with even heavier quotas,” he said. “Other EC countries are eyeing those quotas with the relish of a hawk hovering over a chicken farm.”

European quotas requiring broadcasters to insure European origin “where practicable” for a majority of programming (excluding news, sports, game shows, advertising and teletext) was incorporated in a wide-ranging EC television broadcasting directive passed earlier this year.

The European countries justify the quotas as protection of their culture, Valenti said. But U.S. programs and movies are “hospitality received” by the people, who “like, admire and patronize what we offer them,” Valenti said. “What this confirms is the EC objection has nothing to do with culture,” he said. “What it is really about is commerce. The only way to force citizens not to watch American programs is to keep those programs off the air.”

“For whatever it’s worth, I tell you...
that the American film and TV industry will not go gently into the night," Va-
leniti said. "We cannot and will not al-
low one of America's most prized trade assets to be exiled and excluded as a
result of an agreement that our own gov-
ernment signed," he said.
"What a disastrous charade it would be," Valenti said. "It will cost U.S. taxpayers hard earned trade dollars. It would deprive other nations' citizens of the right to choose freely what they want to watch. It would be a wrong that cries out to be set right. And we will fight to
do just that."  

---M.J.

**ONE-TO-A-MARKET WAIVERS: EXCEPTION IS THE RULE**

In December 1988, then FCC Chair-
man Dennis Patrick wanted to repeal
the FCC's one-to-a-market rule pro-
hibiting common ownership of radio and
Television stations in the same market.
but, unable to muster a second vote for
repeal (there were only three commis-
sioners at the time), he settled for a
liberal policy for granting waivers to the
rule.

Nearly two years and 21 waiver re-
quests later, it appears that Patrick may
have gotten his way after all.

According to the FCC's records, the
agency has granted 20 of the requests, 

retaining or creating radio-television
combinations in an equal number of
markets ranging from New York to 
Glendale, Mont.

"I am profoundly disappointed at the
duplication manifested in the commis-
sion's implementation of the policy," said Andrew Schwartzman of Media Ac-
cess Project, a public interest law firm.

"It has taken a presumption in favor of
granting a waiver in the top 25 markets
and converted it into an absolute right."

"The transformation... is much more
typical of the way [former FCC Chair-
man] Mark Fowler did business than the
way Chairman [Alfred] Sikes has been
doing business," Schwartzman said.
(Fowler was Patrick's equally deregula-
tory-minded predecessor who presided
at the agency in January 1987 when it
tentatively decided to repeal the rule.)

"We hope the policy is very high on
the agenda of the hearings [on broad-
casters' public interest obligations] Con-
gress is expected to hold next year," Schwartzman said.

Bill Johnson, deputy chief of the
Mass Media Bureau, disagreed that the
FCC has gone further than intended in
implementing the policy. "What has
happened is what we said would happen
when we adopted the policy: We are
sympathetic toward requests in the top
25 markets or when people are in bank-
ruptcy or dire financial straits."

Just because the FCC has granted
most of the requests does not mean the
one-to-a-market rule has been gutted,
Johnson said. Only those stations with
a reasonable chance of meeting the waiver
criteria are applying for them, he said.
"There are 10,000 stations out there," he added.
Johnson did acknowledge that waivers
are more or less the rule in the large
markets. Inside the top 25 market, "it's
fairly cut and dry," Johnson said. "Out-
side, it gets a little more interesting."

FCC Commissioner James Quello,
who blocked Patrick's effort to repeal
the rule and insisted on the waiver policy
as an alternative, maintained that the
rule has not been gutted despite the FCC
ficiency with waivers. Broadcasters
have to make "a strong showing" on
how the combination would not harm
diversity in order to be granted a waiver,
he said. "It has not been willy nilly or
automatic by any means."

A liberal policy is warranted in light
of changes in the video marketplace
since the rule was first adopted, Quello
added. Cable alone, which now serves
60% of television homes and has passed
90%, has injected a large measure of
diversity into the market, he said.

That the FCC has granted as many
waivers as it has does not surprise Jeff
Baumann, executive vice president-gen-
eral counsel, National Association of
Broadcasters. If a broadcaster can meet
the criteria and satisfy the FCC concerns
that diversity in the market will not be
harmed, he said, "I don't see how grant
of the waiver is not in the public inter-
est."

And permitting television-radio cross-
ownership has some potential public in-
terest benefits, Baumann said, citing
economies of scale that can help support
public affairs programming and sharing of
newsgathering resources.

Under the policy, the FCC looks "favor-
ably" upon requests involving com-

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### CROSSOWNERSHIP WAIVER GRANTS

<table>
<thead>
<tr>
<th>Rank</th>
<th>Market</th>
<th>Combination</th>
<th>Licensee</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>New York</td>
<td>WABC-AM-TV, WPLJ(FM)</td>
<td>CapCities/ABC</td>
<td>Existing</td>
</tr>
<tr>
<td>2.</td>
<td>Los Angeles</td>
<td>KABC-AM-TV, KLOS(FM)</td>
<td>CapCities/ABC</td>
<td>Existing</td>
</tr>
<tr>
<td>3.</td>
<td>Chicago</td>
<td>WLS-AM-TV, WYTZ(FM)</td>
<td>CapCities/ABC</td>
<td>Existing</td>
</tr>
<tr>
<td>4.</td>
<td>San Francisco</td>
<td>KGO-AM-TV</td>
<td>CapCities/ABC</td>
<td>Existing</td>
</tr>
<tr>
<td>5.</td>
<td>Philadelphia</td>
<td>KYW-TV, WMER(FM)</td>
<td>Group W</td>
<td>New</td>
</tr>
<tr>
<td>7.</td>
<td>Boston</td>
<td>WEEI(AM), WFXH(TV)</td>
<td>Boston Celtics</td>
<td>New</td>
</tr>
<tr>
<td>7.</td>
<td>Boston</td>
<td>WHRC(TV), WFEN(FM)</td>
<td>Rogue TV Corp.</td>
<td>New</td>
</tr>
<tr>
<td>15.</td>
<td>St. Louis</td>
<td>KDLN-TV, KSTZ(FM)</td>
<td>Adams Communications</td>
<td>New</td>
</tr>
<tr>
<td>29.</td>
<td>Kansas City, Mo.</td>
<td>WDAF-AM-TV, KYYS(FM)</td>
<td>Great American Broadcasting</td>
<td>Existing</td>
</tr>
<tr>
<td>30.</td>
<td>Cincinnati</td>
<td>WKRC-AM-TV, WKBQ(FM)</td>
<td>Great American Broadcasting</td>
<td>Existing</td>
</tr>
<tr>
<td>42.</td>
<td>Memphis</td>
<td>WHBO(AM), Ch. 50 (New TV)</td>
<td>Flinn Broadcasting</td>
<td>New</td>
</tr>
<tr>
<td>57.</td>
<td>Topeka, Kan.</td>
<td>KAKL(AM), KMOD(FM), KOKI-TV</td>
<td>Clear Channel Television</td>
<td>New</td>
</tr>
<tr>
<td>69.</td>
<td>Knoxville, Tenn.</td>
<td>WEXI(FM), WXTY</td>
<td>South Central Communications</td>
<td>New</td>
</tr>
<tr>
<td>92.</td>
<td>Kingsport, Tenn.</td>
<td>WKPT-AM-TV</td>
<td>Holston Valley Broadcast</td>
<td>New</td>
</tr>
<tr>
<td>99.</td>
<td>Bakersfield, Calif.</td>
<td>KUZZ(AM)-FM, KDBO-TV</td>
<td>Buck Owens Productions</td>
<td>New</td>
</tr>
<tr>
<td></td>
<td>* Glendale, Mont.</td>
<td>KGGN(AM)</td>
<td>Stephen A. Marks</td>
<td>New</td>
</tr>
<tr>
<td></td>
<td>* Pullman, Wash.</td>
<td>KZLL-FM, Ch. 24 (New TV)</td>
<td>Poluxe Empire Broadcasting</td>
<td>New</td>
</tr>
<tr>
<td></td>
<td>* Fairbanks, Alaska</td>
<td>KCBF(AM), KINQ(FM), KTVF(TV)</td>
<td>Northern Television</td>
<td>New</td>
</tr>
<tr>
<td></td>
<td>* Aguadilla, P.R.</td>
<td>WBOZ-FM, WSEI(TV)</td>
<td>Southwestern Broadcasting</td>
<td>New</td>
</tr>
</tbody>
</table>

* Market not ranked by Arbitron Radio.
bimations in the top 25 and so-called “failed” stations that are dark or in bankruptcy.

Outside the top 25 markets, where there are fewer stations and presumably less diversity, the FCC is supposed to take a harder look. And to win a grant, broadcasters must make a “public interest” showing that the benefits of the proposed combination outweigh the harm to diversity.

In practice, the FCC has granted more waivers for stations outside the top 25 than inside. Of the 20 grants, 12 involved stations outside the top 25. And of the 12, only two involved “failed” stations, which get the same favorable treatment as top 25 stations. Bonniville International, owner of KSL-AM-TV Salt Lake City and noncommercial KBYU(FM) Provo, both Utah, received the only denial. The FCC turned down its bid to purchase KRPN(FM) in June, citing its “already significant” presence in the market.

Implementing the policy for the first time in July 1989, the FCC granted four waivers to Capital Cities/ABC, allowing it to maintain its radio-television combinations in New York (WABC-AM-TV-WPFL(FM)), Chicago (WLS-AM-TV-WYTZ(FM)), Los Angeles (KABC-AM-TV-KLOS(FM)) and San Francisco (KGO-AM-TV), which became subject to the one-to-a-market ban after ABC and Capcities merged in 1986 and the combinations lost their grandfathered status.

A month later, the FCC, by a 2-1 vote (then Commissioner Patricia Dennis dissenting) established precedent for granting waivers outside the top 25 markets when it granted two to Great American for maintenance of its combinations in Kansas City (WDAF-AM-TV-KYSI(FM)) and Cincinnati (WKRC-AM-TV-WKRQ(FM)). Like Capcities, the combinations lost their grandfathered status in 1986 due to a change in ownership.

The Capcities/ABC and Great American waivers were unusual in that they were the only ones that preserved existing combinations. All the rest created new combinations.

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**SUPREME COURT LETS STAND CABLE RULING**

Cable operators cannot be prosecuted for the content of the programs they carry, at least not if they appear on channels “surrendered” under provisions of the 1984 Cable Act. So said the U.S. Supreme Court by letting stand a U.S. Court of Appeals decision preventing the Puerto Rico Department of Justice from prosecuting systems carrying the Playboy Channel.

In 1987 Puerto Rico decided to prosecute cable operators carrying the Playboy Channel because they considered it obscene. All cable operators with the exception of Telephone Inc. immediately dropped the channel. Playboy filed suit, along with the Puerto Rico Cable Television Association, and Puerto Rico stopped the prosecution. Playboy then filed to gain permanent relief for future programing, and won it on the District level.

The channel was safe, the court held, because the Cable Act requires that systems with 34 or more channels must make some of the channels available to nonaffiliated programmers. Once access has been obtained, the system operator cannot exercise any control of the program’s content. As a result, the operator is protected against libel, obscenity and false advertising challenges on the “surrendered” channel.

But the lights may still go out on Playboy because the Puerto Rican government can seek to have its programing found obscene in court, although it has not yet tried to do so. Puerto Rico has its own obscenity laws that it believed took precedence in this case.

In another media-related decision, the Supreme Court also let stand an Ohio Supreme Court decision limiting access by the media and the public to cases involving juveniles, particularly when the ensuing publicity could harm the child.

The child in question, Tessa, was the object of a three way custody battle involving her divorcing parents, Richard and Beverly Reams, and her surrogate mother, Norma Lee Stotski. The Reams paid a surrogate service $10,000, but never formally adopted Tessa. A court-appointed guardian asked that a gag order be issued and that the case be closed to the public. Franklin County Judge Ronald Solove issued the gag and said, according to UPI, ‘‘so long as there is a scintilla of possibility of harm to the child, this court will restrict the rights of the adults involved.’’ Richard Reams was awarded custody on Aug. 14, but was shot to death by Beverly Reams when he attempted to gain custody. The custody record has since been released.

The Columbus Dispatch said the gag rule, which is still in effect, is a violation of the First Amendment because it prevents any of the principles from talking about the case, and asked the Supreme Court to review the Ohio Court ruling.

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**CBA UP IN ARMS OVER COX/KING WORLD DEAL**

The California Broadcasters Association has written Cox Cable President Jim Robbins protesting the agreement between Cox and King World that will bring Oprah, Jeopardy!, Wheel of Fortune and other syndicated programing to a cable channel in Eureka, Calif.

‘‘The board’s serious concerns deal with the terms and conditions...as they relate to equal treatment of over-the-air stations in the market, the economic implications for the market—including the long-term effect on cable rates—and the questions of over-the-air broadcasters’ cooperation and relationships with the cable industry,’’ CBA President Vic Biondi wrote.

Biondi was referring to cable’s efforts to enlist broadcaster support against telco entry into video. ‘‘It is very difficult for broadcasters to cooperate with cable operators, when the Cox-King World agreement is exactly the kind of service that the cable industry has warned broadcasters about when we discuss telco entry,’’ Biondi wrote.

CBA questioned whether the terms Cox received were the same offered to Eureka broadcasters. And it pointed to vertical integration and basic tier provisions in the Senate and House bills which, had they passed, might have afforded broadcasters some protection. CBA said it ‘‘can’t help but wonder if the programing service in Eureka is only a forerunner to other, similar services to be offered on Cox Cable systems,’’ including San Diego.

CBA sent the letter to the Senate Communications Subcommittee, the House Telecommunications Subcommittee, King World, the National Cable Television Association and the California Cable Television Association.
SAP: STEREO TV'S SOMETHING EXTRA

Separate audio programing technology opens up programing possibilities just now beginning to be exploited

Identified by the less than appealing acronym "SAP," second, or separate, audio program technology and its applications to broadcast television have begun proliferating in 1990, six years after the FCC gave its approval to multichannel television reception standards.

Described by those—mainly in public TV—experimenting with it so far as a side benefit of the coming of stereo audio television, SAP is providing broadcasters, both network and local, with an avenue to deliver services ranging from around-the-clock weather reports to descriptive narration for the sight impaired. Those services travel over satellite, cable or air via a third audio subcarrier that was made a part of stereo TV transmission standards so that TV's not equipped with stereo receivers could still receive complete monaural sound.

Perhaps as soon as January 1991, one national nightly news program, the MacNeill/Lehrer NewsHour, will begin using SAP to offer consumers' the choice between simultaneous English and Spanish audio.

But, although both noncommercial and commercial programers have experimented with the second-language application on an ad hoc basis for several years, the Descriptive Video Service (DVS) is out in front as the most established application of SAP.

Building on a three-year, $450,000 challenge grant awarded in January 1990 by the National Endowment for the Arts and aimed at providing access to the arts to segments of the population that had not had that access, WGBH-TV Boston created and now operates DVS. The separate channel of audio narration describes for sight-impaired audiences the setting and action of four regular PBS series: American Playhouse (beginning last Jan. 24), Mystery! (beginning last March 22), Degrassi High (beginning last April 28) and WonderWorks Family Movie (since Oct. 17)—the maximum number of series "we're funded to do," said DVS Director Laurie Everett.

Last month, the National Academy of Television Arts and Sciences awarded public television an Emmy for Outstanding Achievement in Engineering Development for "the pioneering development and implementation of television for the visually impaired"—DVS.

According to Kerry White, director of PBS's Total Quality Program, 51 PBS member stations are now SAP equipped. Although SAP can be provided by stations not yet upgraded to deliver stereo audio, the 51 SAP-equipped PBS stations are delivering in stereo and most take the DVS series.

With the same stereo and SAP equipment, those stations will also be able to carry the simultaneous Spanish language feeds of MacNeill/Lehrer NewsHour when that service is launched. The Corporation for Public Broadcasting last month allocated $290,000 to MacNeill/Lehrer Productions for the Spanish translation project (BROADCASTING, Oct. 1), following a week-long test during National Spanish Heritage Month in September. According to Ann Robinson, PBS associate director of drama, performance and cultural programing, PBS has provided Spanish-language SAP feeds of half a dozen programs, including American Playhouse's "Stand and Deliver" in March 1989, and will do so again next January with "Los Mineros," an edition of The American Experience series.

In addition to the minimum $13,000 to $15,000 costs of upgrading to stereo, estimated David MacCarn, director of engineering for WGBH, stations must spend at least $7,000 to $10,000 for the SAP equipment, depending on how extensive a plant must be upgraded and on whether the station wishes only to pass through network feeds or to produce its own SAP services.

Although commercial networks have showed interest in SAP, they may be slow to follow, since they face extremely high upgrade costs said White, noting that PBS's own year-long upgrade remains incomplete. The expense of adding a third subcarrier to a "massive router," such as that at NBC's broadcast center, as well as to network owned...
stations, would be prohibitive, he said.

Recalling that since 1969 he has been looking for a way to provide Spanishlanguage network feeds to selected markets, Julius Barnathan, senior vice president of technology and strategic planning for Capital Cities/ABC, projected that ad-hoc commercial network second-language feeds may come in the form of live events, modeled on now commonplace international, multilingual sports broadcasts. Evidence of advertiser support for a regular service remains lacking, he said, but ABC is "absolutely interested in the descriptive video service. "Once [WGBH] has developed the skills to do it quickly, that's a great service for the blind, " he said.

The stations are also developing their own applications. Almost certainly KTAL-TV Los Angeles was first to apply the technology locally when, in 1985, it began to deliver simultaneous Spanish-language audio for Love Boat and its own 10 p.m. news hour. In addition to the live translation of the news, the station now provides Spanish-language audio for at least three syndicated series, said Juan Jose Rodriguez, KTLA engineering purchasing agent, who said that at least three other stations in the market are now using SAP to deliver Spanish translation and/or descriptive video.

Rodriguez's job has expanded to include helping viewers use their SAP options, and so critical is consumer education that, for the moment, several of the more ambitious local SAP experiments have been scaled back in response to viewer confusion over receiver options. This year, said PBS's White, noncommercial WETA-TV Washington had been using SAP to deliver WETA-FM but stopped when viewers called requesting that the television station fix "the problem." Although many new TV's and VCR's come equipped with SAP, usually controllable by a single on-off switch, it appears that many owners of those sets are still unfamiliar with the option.

Similarly, noncommercial WNET-TV Newark, N.J., began in September to use its SAP channel to deliver the National Oceanic and Aeronautical Administration's National Weather Service—an experiment described by White as the creation of a "standalone FM" via TV. However, following a wave of telephone calls from "frustrated" viewers, said a WNET spokesperson, the station pulled back, realizing that "we need to educate the public that these features are on their TV's."

WNET has also applied the SAP option in a variety of ways, applying DVS on an ad hoc basis to editions of its own Great Performances series, as well as providing simultaneous analysis of several film classics, including "It's A Wonderful Life," by a film historian.

"Once people are comfortable" with the equipment, said the WNET source, "we'll start taking advantage of the options."

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**IN SYNC**

**GHOST CANCELING TESTS SET FOR NEXT YEAR**

The National Association of Broadcasters is postponing its plans to test NTSC ghost canceling systems until mid-1991. The tests are being organized in an effort to come up with a voluntary ghost-canceling standard.

(BROADCASTING, June 25). So far, the NAB has received a full system proposal (including immediate equipment availability) from Japan's Broadcast Technology Association. Others that sent partial proposals include Samsung, Philips, Reade & Dean and a joint effort by Thomson Consumer Electronics, the David Sarnoff Research Center and AT&T.

"Having received those inputs, our feeling was that we would begin testing in mid-1991 with whatever systems are available," said Lynn Cloudy, NAB's director, advanced engineering and technology.

**DAB DEAL**

The National Association of Broadcasters is close to signing a contract with an outside contractor to conduct a $40,000 study of spectrum availability for terrestrial digital audio broadcasting and to determine which bands might be suitable for such a service. The identity of the research firm is being withheld pending the signing of the contract.

**C-QUAM SOUTH OF THE BORDER**

The Mexican government has named Motorola's C-Quam system as its national AM stereo transmission standard. The move follows three years of consideration and testing by Mexico's Communications and Transports Secretariat. Other countries that have standardized C-Quam include Canada, Australia and Brazil. Japan is believed to be close to also naming it as its standard.

**EIA/IEEE LINEUP**

The Electronic Industries Association and the Institute of Electronic and Electrical Engineers are co-sponsoring the "Second International Workshop on Digital Video Communications," Nov. 26-27 at Hyatt Regency hotel in Cambridge, Mass. The workshop will include panel discussions touching on terrestrial, satellite, fiber optic and coaxial cable delivery of digital video. Other related topics will be digital applications in high-definition television, consumer electronics, workstations and telephone systems.

Sidney Topol of Scientific-Atlanta, chairman of EIA's Advanced Television Committee, will be the event's keynote speaker. Others appearing on panels include: Julius Barnathan of Capital Cities/ABC; Irwin Dorros, Bell Communications Research; John Sie, TCI; Walter Ciciora, ATC and Jerrold Heller, General Instrument.

**INTERFACING WITH DISCOVERY**

The Discovery Channel will introduce its first three interactive videodisks in January, the first of 16 educational videodisks Discovery plans to release next year. The disks will be available for middle and secondary school use, and provide information and still photographs to be integrated into curriculum plans. The first three disks are Treasures of a Lost Voyage: Vol I and II, and Invention: Mastering Sound.
FOR THE RECORD

As compiled by Broadcasting from Nov 1 through Nov 7 and based on filings, authorizations and other FCC actions.

Abbreviations: AFC—Antenna For Communications; ALJ—Administrative Law Judge; alt.—alternate; ann.—announced; ant.—antenna; au.—aux.; aux.—auxiliary; chan. channel; ch.—channel; critical hours—change; Doc.—Document; D—day; DA—directional antenna; Doc.—Document; ERP—effective radiated power; Freq.—frequency; HAAT—height above average terrain; H&V—horizontal and vertical; kHz—kilohertz; kw—kilowatts; lic.—license; m—meters; MHz—megahertz; mi.—miles; MP—modulation permit; mod.—modulation; N—night; perm.—permissive for reconsideration; PSA—preservice authority; pw.—power; RC—remote control; S—Scientific—Atlanta; SH—specified hours; SL—studio location; TL—transmitter location; trans.—transmitter; TPO—transmitter power output; U or unl.—unlimited hours; vis.—visual; w—watts. *—noncommercial. Six groups of numbers at end of facilities changes item refer to map coordinates. One meter equals 3.28 feet.

OWNERSHIP CHANGES

Applications

- WWBD(AM)-WWLT(FM) Bamberg-Denmark, SC (AM: 790 kHz; kW-D: 1 00 W; N; FM: 92.7 mhz; 3 kW; ant. 300 ft.)—Seeks assignment of license from Viking Broadcasting Corp. to Underwood Communications for $200,000 in assumption of debt. Seller is headed by Stewart Freeman, who also has interests in WNYI(AM) and WSYN(FM) Georgetown, SC. Buyer is headed by Rudi H. Gresham, Baye B. Gresham and James A. Underwood. Rudi Gresham has interests in Gresham Communication, Inc. and Gresham Communication of Walterboro, Inc., licensee of WPOG(AM) Walterboro, SC. Underwood is president of and has 100% voting stock in Underwood Communications of Bamberg, Inc., and has no other broadcast interests. Filed Oct. 10.


- KXXI(FM) San Francisco, CA (99.7 mhz; 45 kw; ant. 1,241 ft.)—Seeks assignment of license from Em Miss Broadcasting to Peter B. Bedford for $14.5 million ("Changing Hands" Oct. 11). Seller is headed by Jeffrey C. Smulyan and has interests in WENS(FM) Shelbyville, IN; WFDAM(AM)-WQHT(FM) New York; WLQI(FM) Minneapolis; KSHE(FM) Crestwood, MO; KPWR(FM) Los Angeles; WAVA(FM) Washington; WHBF(FM) Boston, and WKXQ(FM) Chicago. Buyer is 100% stockholder of Bedford Broadcasting Co., licensee of KSSX(AM) Honduras and KSSLX(FM) Walpole, both Hawaii. Filed Oct. 2.

- WCGG(FM) Gainesville, GA (1030 kHz; 50 kW D; 1 kW N) Seeks assignment of license from WCGG Radio Of Gainesville Inc. to Advantage Media Inc. for $1.18 million. Seller is headed by Terry W. Barnhardt and has no other broadcast interests. Buyer is headed by C. B. Rogers, Richard N. Hubert and Alan A. Aycock, and has no other broadcast interests. Filed Oct. 19.

- WRPO(AM) Baraboo, WI (BTC90109EC: 740 kHz 250 w-D)—Seeks assignment of license from Jeffrey A. Smith to Robert A. Jones and Patricia A. Jones for $125,000. Seller and buyer have interests in Bara- boob Broadcasting Corp., the licensee. Filed Oct. 19.

- KGLR(FM) Bettendorf, IA (BTC901017HA: 93.5 mhz; 3 kw; ant. 91 ft.)—Seeks assignment of license from Eternity Broadcasting Inc. David L. McNally and Jeffrey D. Lyle for $507,595 for sale of stock. Seller is headed by Larty L. and Aleta Lewis, husband and wife, and have no other broadcast interests. Buyers have no other broadcast interests. Filed Oct. 17.

- KSCO(AM) Santa Cruz, CA (BAU901023EB: 1080 kHz; 0 kW D; 5 kw-N)—Seeks assignment of license from Fuller-Jeffrey Broadcasting Corp. of San- ta Cruz-San Jose to Michael L. Zwerling for $600,000. Seller is headed by Robert F. Fuller, Joseph N. Jeffrey and Robert L. Carron, and has interests in KSCO(AM) Santa Cruz, KRCK(FM) Roseville, KRQX(FM) Sacramento, KFMF(FM) Chico, KHOP Modesto, KSKO(AM) and KHTT(FM) Santa Rosa, all Californ- nia: KJYJ(FM) and KQJY(FM), both Des Moines, Iowa: WBLM(FM) Portland, ME, and WOKQ(FM) Dover, NH. Buyer has no other broadcast interests.

SUMMARY OF BROADCASTING & CABLE

<table>
<thead>
<tr>
<th>SERVICE</th>
<th>ON AIR</th>
<th>CPP</th>
<th>TOTAL</th>
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</thead>
<tbody>
<tr>
<td>Commercial AM</td>
<td>4,978</td>
<td>246</td>
<td>5,224</td>
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<tr>
<td>Commercial FM</td>
<td>4,337</td>
<td>906</td>
<td>5,243</td>
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<tr>
<td>Educational FM</td>
<td>1,435</td>
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<td>Total Radio</td>
<td>10,770</td>
<td>1,488</td>
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<td>Commercial VHCF TV</td>
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<td>570</td>
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<tr>
<td>Commercial UHVF TV</td>
<td>560</td>
<td>184</td>
<td>744</td>
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<tr>
<td>Educational VHCF TV</td>
<td>125</td>
<td>3</td>
<td>128</td>
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<tr>
<td>Educational UHVF TV</td>
<td>228</td>
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<td>Total TV</td>
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<tr>
<td>UHF LPTV</td>
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<td>1,652</td>
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<tr>
<td>Total LPTV</td>
<td>757</td>
<td>1,239</td>
<td>1,996</td>
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<tr>
<td>FM translators</td>
<td>1,847</td>
<td>302</td>
<td>2,149</td>
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<tr>
<td>VHCF translators</td>
<td>2,751</td>
<td>114</td>
<td>2,865</td>
</tr>
<tr>
<td>UHVF translators</td>
<td>2,639</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

CABLE

| Total subscribers | 53,900,000 |
| Homes passed | 71,300,000 |
| Total systems | 10,823 |
| Household penetration | 58.6% |
| Pay cable penetration | 29.2% |

* Includes on-air licenses. † Penetration percentages are of TV household universe of 92.1 million. 2 Construction permit. 3 Instructional TV fixed service. 4 Studio-transmitter link. Source: Nielsen and Broadcasting's own research.
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BÀLH90I015H1; Filed Oct.
Rowland
W. Rowland
Leesburg. all Georgia.
ed by Fred D.
from Emerald
FM; 99 kw;
WWRM(FM) Dayton, OH; WSOC
FM-TV
Pittsburgh; KTVU(TV) Oakland, CA;
WKBD(TV) Detroit; KFI(AM)-KOST(FM) Los
Angeles; WCKG(AM), Chicago, and WFTV(TV) Orlando,
WWDY(AM)-WFL(AM) and WSUN(AM)
WFRM(FM) Tampa-St. Petersburg. all Florida.
Filed Oct. 24.

WGU(FM) Marco, FL (BTC901010H; 92.7
mhz; 3 kw; ant. 328 ft.)—Seeks assignment of license
from Emerald Sea Broadcasting, Inc. to Naples
Broadcasting Corp. for $50,000 in stock sale. Seller is
headed by Fred D. Wood, and has interests in WAIA(FM)
St. Mary's, WBGA(FM) Waycross and WIXX(FM)
Leesburg, all Georgia. Buyer is headed by Marshall
W. Rowland and Carol C. Rowland. Marshall W.
Rowland Sr. has interests in Rowland First City Radio
Inc., licensee of WAIA(FM) St. Mary's, GA; Rowland
South Georgia Radio Inc., licensee of WBGA(FM)
Waycross; and Rowland Albany Radio Inc.,
permite of WIXX(FM) Leesburg. GA. Filed Oct. 10.

WYRE(AM) Annapolis and WBEX(FM) Grasonville,
both Maryland (AM: BAL901010HF; 810
kw; 250 w-D; FM: BAL901010HG; 103.1 mhz; 3 kw;
ant. 300 ft.)—Seeks assignment of license from
Annapolis Broadcasting Co. Inc. Vision Broadcasting Co.
Ltd. for $1.5 million. Seller is headed by Thomas W.
Wilson, Thomas Neal Heaton and William E. Blasier,
and have no other broadcast interests. Buyer is
headed by Richard A. Wann and David J. Robkin, Eric J.
Cohen, Lawrence M. Goldfarb, Thomas G. Piess
and Derek A. Noyes. Piess has interests in PCA Communica-
tions Corp., licensee of WHYV(FM) Baltimore. Filed
Oct. 10.

WXRA(AM)-WEZG(FM) North SYRACUSE,
NY (AM: BAL901015H; 1220 kw; 1 kw-D; FM:
BAL901015H; 100.9 mhz; 3 kw; ant. 165 ft.)—Seeks
assignment of license from Lorenz Broadcasting
Corp to Syracuse Broadcasting Corp. for $1 million.
Seller is headed by Frank W. Lorenz, Marty Mercurio
and David Horan. Lorenz and Horan also have interests in
WBKL Broadcasting Corp., licensee of WBLK(FM)
Dewp, NY. Buyer is headed by Laurence A. Levine,
Randall Benderson, Rin Go, Michael Korn, Thomas Van
Nortwick and Nathan Benderson. Levine, Halper
and Van Norwinck have interests in Algoin Broadcasting
Corp., licensee of WBNAM(AM)-WMIQ(FM)
Buffalo, NY. Filed Oct. 15.

KSKN(TV) Spokane, WA (BALC901025KG; ch.
22; 1396 kw-V; ant. 2100 ft.)—Seeks assignment of
license from Whitehead Broadcasting Co. to KSKN
Inc. for undisclosed price. Seller is headed by Steven
Whitehead and William R. Romine. Whitehead has
interests in KC7(FV) Portland, OR (not on the air).
Buyer is headed by Melvin J. Quiro, Stephen White-
head and William R. Romine. Quiro has interests in
KCPJ(FV) Chico, CA. Filed Oct. 25.

KTKA-TV Tokska, KS (BTC901029KF; ch.
49: 3475 kw-V; ant. 1,507 ft.)—Seeks assignment of
license from Estate of Joseph L. Brecher to Marion B.
Gauthier. Seller is in estate of Grace Anne Brecher.
Buyer is headed by Marion B. Brecher, Beri Brecher,
Jack Donahue Dale McClure. Marion Brecher has interests in
Delmarva Broadcast Service Ltd., licensee of WMDT(FM)
Salisbury, MD, and Southwest Ohio Broadcast Ser-
tice. licensee of WKFI(AM)-WSWO(FM) Wilm-
ington.

KRLD(AM) Dallas, TX (BAL901029EC; 1080
kw; 50 kw-U) —Seeks assignment of license from Met-
ropolitan Broadcasting Corp. of Dallas to KRLD
Radio Phone 1-800-200-2947. Seller is headed by
Carl C. Brazell, Jr., and Jordan Ringell, and have
interests in Command Communications, licensee of
KJQY(FM) Sand San. Buyer is headed by Carl E.
Hirsch, Robert F. X. Sillerman, Harold Dean Thacker,
Howard J. Tytel, Gary Chetkov and Richard Anderson.
Filed Oct. 29.

KODA(AM) Houston, TX (BAL901029ED; 99.1
kw; 95 kw; HAAT: ANT: 290 ft.)—Seeks assign-
ment of license from Command Communications Inc.
for Legacy Broadcasting Partners for undisclosed price.
Seller is headed by Carl C. Brazell, Jr., and Jordan
Ringell, and have interests in Command Communica-
tions, lic. of KJQY(FM) Sand San. Buyer is headed by
Carl E. Hirsch, Robert F. X. Sillerman, Harold
Dean Thacker, Howard J. Tytel, Gary Chetkov and
Richard Anderson. Filed Oct. 29.

WLOG(AM) Logan, WV (BAL901026EA; 1230
kw; 1 kw-U) —Seeks assignment of license from
Logan Bank & Trust Co. to Southern West Virginia
Community College. Buyer is headed by Frank
Oakley and William Wagner, and have no other
broadcast interests. Recipient owns a nonprofit TV

WMAK(AM) London, KY (BAL901022EB; 980
kw; 900 w-D)—Seeks assignment of license to
Humes-Moore Associates Inc. to Gizmo Communica-
tions, Inc. for $125,000. Seller is headed by Paul J.
Hughes, III and Kevin A. Moore. Buyer is headed by
James S. Parks and Richard K. Strunk, and have
no other broadcast interests. Filed Oct. 22.

KPGE(AM)-KXAZ(FM) Page, AZ (AM: BAL-
901029EA; 1340 kw; 1 kw-U; FM: BAL-
901028EB; 93.5 mhz; 1.15 kw; ant. 480 ft.)—Seeks
assignment of license from Campbell Stimson to Lake
Powell Communications Inc. for $1,000,000 in
bankruptcy settlement, Stimson have no other
interests. Buyer is headed by John Daniel Brown,
Janet E. Brown. Robert D. Holmes, Willa-Don Holmes
David J. Porta, Lawrence Pozzi and Mary K. Pozzi.
John Daniel Brown. Janet E. Brown and Porta have
interests in High Country Communications Inc.,
licensee of KVL(FM) Gunnison, CO. Porta also has
interests in KC7(FV) Denver. Lawrence Pozzi has
interests in WCMH-TV Columbus, OH. Filed Oct. 29.

Actions

WJOA(FM) San Juan, PR (BTC900828HB; 99.9
mhz; 32 kw; ant. 180 ft.)—Granted app. of assign-
ment of license from Glorycap Inc. to Alfred R.
De Arellano III for $3.79 million. Seller are
headed by Gloria M. R. De Arellano and Josefina
Z.R. De Arellano, respectively. Buyer has interest in Ester-
17.

WOB-FM Mayaguez, PR (BTC900829HC; 97.5
mhz; 25 kw; ant. 990 ft.)—Granted app. of assign-
ment of license from Glorycap Inc. to Josycap
Investment Fund Inc. to Alfred R. De Arellano
III for $3.70 million. Seller are headed by Gloria
M.R. De Arellano and Josefina Z.R. De Arellano,
respectively. Buyer has interest in Ester-
17.

WIOC-FM Ponce, PR (BTC900829HD; 105.1
mhz; 9 kw; ant. 150 ft.)—Seeks assignment of license

Broadcasting Nov 12 1990

78 For The Record
from Glorycap Investment Fund Inc. and JocyCap Investment Fund Inc. to Alfred R. De Arellano III for $3.79 million. Seller is headed by Gloria M. R. De Arellano and Josefinna Z. R. De Arellano, respectively. Buyer has interest in Estereoempo Inc. and Radio Americas Corp. Action Oct. 17.

- WDALL(AM) Linden, AL (BAPJF090028GU; 107.1 mhz; 3 kw; ant. 275 ft.)—Granted assignment of license from Marengo County Broadcasting Inc. to Radio Communications Inc. for $125,000. Seller is headed by Billy Hogan, who has interest in WHO(AM) Ferdinandino Beach, FL. WYJAM(AM) Monticello, AL, and has C2 for new AM at Hobson City, AL. Buyer is headed by Kenneth R. Rainey, David C. Majure and Howard Merson, and has no other broadcast interests. Action Oct. 28.


### NEW STATIONS

**Applications**

- New Braunfels, TX (BPED9001003MF)—Southwest Broadcasting of New Braunfels, Inc. seeks 89.9 mhz; 7 kw; ant. 298 ft. Address: 835 Lone Star Dr. New Braunfels, TX 78130. Principal is headed by Tim L. Walker, Stacy K. Walker and Darrell S. Walker. Filed Oct. 3.

- Shafter, CA (BPED9001004MM)—Skyrive Unlimited, Inc. seeks 90.9 mhz; 50 kw; ant. 328 ft. Address: P.O. Box 1092 Shafter, CA 93263. Principal is headed by Michael E. McCutchen, who is station manager of KERIAM(Wasco-Greenacres. CA. Filed Oct. 4.

- Jonesboro, AR (BPED9000280M)—WJ and H Broadcasting Co. seeks 93.9 mhz; 6 kw; ant. 197 ft. Ad-

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Applications

FMs

Santa Rosa, CA. KLVR(FM) 91.9 mhz.—Sept. 23
app. for CP to change ERP: 84 kw H&W: ant.: 2.988 ft.; TL: Mount St. Helena North Communications Site. 5.5 km NE of Kellogg, Sonoma County, CA.

Middletown, CT. WHIS(FM) 104.9 mhz.—Oct. 9 app. for change: ant.: 315 ft.; change antenna supporting-structure height.

Anasco, PR. WVID(FM) 90.3 mhz.—Oct. 15 application for mod. of CP (BFPED80102M) to change freq: from 90.3 mhz to 90.1 mhz.

East Ridge, TN. WJR(FM) 107.9 mhz.—Oct. 2 application for mod. of CP (BPFH07615MM) to change TL: lot 59, Skyland Dr., Rossville, TN 37041.

Spring City, TN. WAFM(FM) 93.9 mhz.—Oct. 11 application for mod. of CP (BPH88022NL as mod.) to change ant.: 104.5 m; TL: on file.

Terrell, TX. KTLR-FM 107.1 mhz.—Oct. 10 application for mod. of CP (BPH100162B) to change ERP: 3.276.

TV

Austin, TX. KCFP(TV) ch. 54.—Oct. 23 app. for MP to change ERP: 4343 kw; ant.: 876 ft; TL: 2724 F Trail of Madones Dr. Austin, TX. 78719-20N 97 48 03W; ant.: Andrew ATW30H5-3F3P-34H. (DA) (BT).


Actions

AM's

Waterton, MN. KWOM(FM) 1600 kzh.—Oct 18 app. (BMP000520AF) granted to change TL: 6.4 km SE of Watertown; MN: 44 35 23N 93 46 56W.

West Palm Beach, FL. WNOK(AM) 1230 kzh—Oct. 15 application (BPF900405DE) denied for CP to make changes in ant. system.

Grand Prairie, TX. KKDA(AM) 730 kzh.—Oct. 18 application (BMP000430AN) granted for mod. of CP (BPF90725AB) to make changes in ant. system.

FM's

Red Lodge, MT. KAFM(FM) 99.3 mhz.—Oct. 12 application (BPH900712B) denied for mod. of CP (BPH909141B) to change freq: 99.3 mhz; change ERP: 45 kw H&W: change to class C (per docket #89-125).

Surfside Beach-Garden City, SC. WYAF-FM 103.1 mhz.—Oct. 16 application (BMLH891212KO) granted for mod. of license to increase ERP: 6 kw H&W pursuant to docket #88-375.

Charlotte Amalie, V.I. WVGN(FM) 107.1 mhz.—Oct. 23 app. grant (BPH900827IC) rescinded: to change freq.: 105.3 mhz; ERP: 32.3 kw H&W: ant.: 1.679 ft.; class: B (per docket #86-290).

Marysville, KS. KNKY-FM 103.1 mhz.—Oct. 15 app. (BPH9006201B) granted to change ERP: 9 kw H&W: ant.: 384 ft.; class: C3 (per docket #89-250).

Thief River Falls, MN. KKAQ-FM 99.3 mhz.—Oct. 15 app. (BPH9007031)H) granted for mod. of CP (BPH88075MA) to make changes: ERP:6 kw H&W: ant.: 161 ft.; TL:1.5 miles E of Thief River Falls on St. HIW 1, at KKAQAM site).

Oakes, ND. KDDR-FM 92.3 mhz.—Oct. 15 app. (BPH900315D) granted to change freq: 92.5 mhz: ERP: 100 kw H&W: TL: 7.2 km W of Columbia Rd. reservoir, .6 km S and 1 E of Re; 10 change to class C1 (per docket #89-121).
Co-op/vendor director: Aggressive, creative, experienced individual needed in Philadelphia. Capable of creating quarterly new business plans and leading sales staff. Excellent compensation package. Real opportunity for advancement. Send resume to: Elise Elfman, WXTU, 22 West City Avenue, Bal Ayrwyn, PA 19004. EOE.

Sportsmen's paradise: If you love the outdoors and love radio sales, we want to talk to you. WDYY radio is looking for the right person to fill out the sales department of Central Maine's 50,000 watt A/C leader. Send resume and salary needs to Mike Decker, VP/FM, Sunny 95FM, PO Box 1240, Milnocket, ME 04462. MF. EOE.

Urban FM seeks experienced AE to relocate to American Paradise. Must be aggressive, self-motivated. PO Box 25916, St. Croix, VI 00824. EOE.

Account executive: Long Island's monster AC power is looking for a leader. WALK FM/AM, has exceptional opportunity for an established radio sales professional. Join strong, progressive group at flagship station in nation's 13th MSA. Resumes to Tracy Soto, General Sales Manager, WALK FM/AM, PO Box 230, Patchogue, NY 11772. EOE. MF.

51 yr. old VA combo covering DC to Richmond and beyond, is looking for an aggressive, up & coming sales star who knows the basics. Ideal candidate should have excellent verbal & written skills, be highly organized, creative, and possess a winning attitude. Base + commission. Benefits. Reply: GSM Box 269, Fredericksburg, VA 22404. EOE.

Sales, radio: If you've got the ability, we've got the product. Top rated station looking for top producer that knows how to start selling at the sound of "NO," can put together marketing plans and promotions, be your clients biggest ally, and has the desire to earn $30,000 plus. If you're that person, send a cover letter and resume to Lynne Lessin, GSM, WCHV/3WV, 1140 Rose Hill Drive, Charlottesville, VA 22901. EOE Employer.

Radio account executive: Top-rated Tampa Bay area FM station seeks aggressive, highly motivated, competitive person with one to two years radio sales experience. Send resume to: Box R-11.

General sales and operations manager wanted for growing radio sports network with rights to major college state networks. Must have extensive major market client contacts and willingness to travel. Must know radio sports selling. Great opportunity with an established company. Experience is important. EOE. Reply to Box R-25.

Strong FM station in Midwestern college town seeking an account executive in sales to handle regional, local, and agency business. Established list available. One - two years experience required. Immediate opening for an enthusiastic, motivated, professional and goal oriented person. Send resume to PO Box 6763, South Bend, IN 46660. EOE.

College sports network account executive wanted. Tennessee house of Office of Communications seeks bright, aggressive A/E with sales/marketing skills. Will sell radio, television and print advertising for UT project and other HCl properties. Send resume toHost Communications, PO Box 11125, Knoxville, TN 37939.

Announcer—afternoon shift, Southern Maryland Soft Rock FM. Tape & resume: WJJS, Box 547, Prince Frederick, MD 20678. EOE.

WPAT AM/FM New York easy listening is alive and well in greater New York! Rare full-time air-staff position available. Must be able to communicate creatively with an adult audience in a warm, unaffected delivery. AC or Easy background, major league experience, team players only. Tape and resumeto: Ken Mackenzie, O.M., WPAT AM/FM, 1396 Broad Street, Clifton, NJ 07013. Absolutely no phone calls! WPAT AM/FM is the flagship station of Park Communications and an EOE.

Broadcast engineer: Experienced in maintaining studio/production equipment, high power FM transmitters, digital audio and multitrack facilities with three years' minimum hands-on experience with an FM radio station. Skills needed to repair component level of CQMOs, TTL and microprocessor-based equipment. SBE certification, knowledge of IBM personal computers desirable. Send resume to: Business Manager, PO Box 106, Orlando, FL 32802. EOE. Women and minorities encouraged to apply.

Vail, Colorado K-SKI AM/FM, 2271 North Frontage Rd., 303-476-1047. 100,000 watt FM/5,000 AM mountain station needs engineer with experience. Willing to work. Must have experience with Continental 27.1/2 KW transmitters, Harris 5 KW AM transmitter, microwave, satellite, computers. Need jack-of-all-trades. Must enjoy hiking to remote transmitter sites. Those not willing to work hard need not apply. EOE.

Chief engineer: Hands on strong studio/transmitter/talentroom skills. Responsible for 2-100KW FM Stations - be willing to travel W/AC, SBE or FCC General Certification. Send resume and salary history to PO Box 7314, Wilmington, NC 28406. EOE.

Need chief engineer for Shamrock Communications Milwaukee FM. Computer literacy and SBE certification valued. Send resume to Kris Foote, General Manager, WOFM, 600 West Wisconsin Avenue, Milwaukee, WI 53203. EOE.

Radio reporter/anchor: Number one station in coming Sunbelt market has an immediate opening for experienced reporter-anchor to join four-person news department. Smooth delivery, commitment to teamwork essential. Equal opportunity employer. Minorities are encouraged to apply. Send resume and writing samples to Mark Rumsby, News Director, PO Box 34665, Charlotte, NC 28204-9917, EOE.

Anchor/reporter for award-winning, computerized newsroom. Experience required, degree preferred. Sports knowledge helpful. T&R to WHBC, Box 9917, Canton, OH 44711. EOE.

WLW AM/FM now taking applications for full time drive-time anchor/reporter for number one news team. Strong delivery and writing skills a must. Live reporting experience needed. Send tape and resume to: News Director, WLW AM/FM, PO Box 4999, Montgomery, AL 36195. WLW is an equal opportunity employer.

California daytimer seeks PD who can do it all, excel on air, strong production, promotion, community involvement. Compensation commensurate. Reply Box R-24. EOE.

GM ready for next step: 13+ years sales and management experience with MBA. Same company for 10 years. Coming from consistent #1 ratings and revenue. Good motivator and administrator. 315-768-1940.

Your next GM will have to be qualified, experienced, successful (sales and programming). Be able to run it lean and mean. Be a natural leader with superb people skills. Will consider Southwest and sweat equity positions. Reply in confidence to Box R-12.

Experienced general manager wants to re-locate. Superior kn, budgets, sales training, programming. Call V.W.A. 606-724-4844. EOE.

Urban general manager: Communication and organizational skills, budget and expense controls, Sales trainer, motivator. 25 years turnaround experience. 513-721-0058.


General manager/general sales manager. Experienced leader who believes in the true meaning of the phrase "team concept." Proven track record. I also have a complete team to bring in if needed, sales, programming and on-air talent. Box R-5.
Investor/manager. Highly successful general manager with a documented track record would like to to be. Strong background in managing profitable FM turnarounds. Accomplished goals through the use of research, innovative marketing, and developing strong sales efforts. Have cash to invest in your top 150 market FM or combo. Make 1991 everything it can be. Please contact Box R -27 in strict confidence.

SITUATIONS WANTED TECHNICAL

Chief engineer/director of engineering, experienced in all phases, computer literate, master carpenter, pilot, seeks new opportunity in SE. Box 55134, Metairie, LA 70005 or call 504-800-5739.

SITUATIONS WANTED SALES

No job offers please! Right Southeast situation sought by incredible marketing married pros. Not cheap or desperate. All/sales/management. 804-971-9008.

SITUATIONS WANTED ANNOUNCERS

One of the premier talk hosts seeks new challenge. Currently in top 10 market. Can do heavy and light talk and combo music-talk with great FM AM drive potential. I love the West but will consider all areas! For airchecks write in confidence to Box Q-40.

SITUATIONS WANTED PROGRAMMING PRODUCTION & OTHERS

I didn’t get into broadcasting to sit behind a desk! Talented young writer/producer person with four years combined radio/television experience seeks new full-time challenge. Currently working in LA market. Have researched, written copy, produced, edited and announced. Prefer California, but will consider other areas. Oliva, 818-718-6942.

MISCELLANEOUS


TELEVISION

HELP WANTED MANAGEMENT

KTXA-TV Dallas has an opening for a NSM. Three year sales experience required. Strong motivation skills a must. Send resumes to Mike Dunlop, GSM, 1712 Randal Mill Rd., Arlington, TX 76011. EOE.

Traffic manager: Ideal candidate will have three years Jefferson Pilot System experience. High school education. MUST HAVE three years clerical experience. Must have three years experience in television sales support, ability to work with detail, ability to work well with people, ability to work well under stress. Prefer previous supervisory experience. Prefer experience with Symphony and Lotus software. Send resumes to: Karen Birdie, Operations Manager, WOTW-TV, 3501 Far-

Name Street, Omaha, NE 68131. WOWT is an equal opportunity employer.

TV Operations manager: To manage a large and still growing group of TV technicians in a fast moving state-of-the-art broadcast facility. At least ten years major market broadcast experience required. This should include managing startup of new programs, department development, and budgeting. Must have production experience with proven success in hiring of technical personnel. Must be an excellent team player and communicator, able to work in a fast moving, very complex activity. We are the broadcasting branch of the Christian Science Publishing Society, publishers of The Christian Science Monitor. We currently produce almost twenty programs including the award winning World Monitor, seen nationally on The Discovery Channel. We are ramping up to launch The Monitor Channel, our own national cable channel, in 1991. Send resume, letter, and salary history (no calls, please) to: Director of Operations, The Christian Science Broadcast Center, Mail Stop C44, One Norway Street, Bos-

ton, MA 02115. We are an equal opportunity em-

ployer.

SITUATIONS WANTED TECHNICAL

Chief engineer wanted by VHFM affiliate in South Carolina. Opportunity to work with good people and latest equipment: ACR-225, all Beta-Sp news operation, new ENG and SNG vehicles. Send letter with resume to: Bone & Associates, 6 Black-

stone Valley Place, Suite 109, Lincoln, RI 02866. EOE.

Maintenance engineer for TV station. Experience with 3/4" and 1" video installation equipment, re-

pairs and UHF transmitters. Call: 317-552-0804 or send resume to: WMCN TV-23, 13044 E. 24th St., Noblesville, IN 46060; Attn: Bob Pinnix. Equal opportunity employer.

Chief operator, for NY market new UHF channel 63 independent. Must have UHF experience. Par-

ticipate in design, construction, equipment acqui-

sition, installation and on-air operation. Send re-

sume to: MIS, 170 Kinnelon Road, Suite 35, Kinnelon, NJ 07405. EOE.

Chief engineer-ABC UHF affiliate in Watertown, NY desires chief with UHF transmitter & Sony 1" system. Strong engineering department for three television professionals who purchased WWTI in September. Send resume to: President, WWTI, 13580 Braemar Drive, Watertown, NY 13601. Equal opportunity employer.

Chief engineer for small market network affiliate. A hands-on type with good people skills and leadership qualities. Should have hands-on experi-

ence with UHF Transmitter and the latest state-of-

the-art studio equipment. A perfect opportunity for a person in the #2 position to advance to #1. Send resume to: Mr. Charles Goode, Vice Pres., Engr., Smith Broadcasting Group, Inc., PO Box 12, Wichita, KS 67201. EOE.

TV maintenance engineer needed for a national Christian studio production satellite uplink facility. Three years competent level maintenance experience. Ampex, AVC, ADO, VPR-3, Beta, Sci-

entific Atlanta uplink. Positions available in San Diego and Dallas. Competitive salary and benefits (paid vacations, holidays, incentive programs, medical and dental insurance) with an exciting organization. Send your resume to: Personnel Dept., Word of Faith, PO Box 819009, Dallas, TX 75381-9099. EOE.

ITFS system engineer needed to oversee planning, installation, day to day operation and mainte-

nance of interactive television system for Florida community colleges. System will link five campuses with two-way video and audio. At least two years experience with ITFS system design, installation and operation necessary. Exceptional communication skills necessary. Position is associated with public television station licensed to college. Salary competitive. Apply with resume to: Human Resources, Daytona Beach Community College, PO Box 2811, Daytona Beach, FL 32115-

811. EOE.

Director of engineering, WPFT, the public televi-

sion station in the beautiful Shenandoah Valley, is seeking an experienced engineer with demon-

strated personnel management skills. The suc-

cessful candidate will lead a dedicated staff at a progressive station equipped with state-of-the-art equipment including a new NEC solid-state trans-

mitter, Ikegami HK-322 studio cameras, and a Bosch 200 master control switcher. Salary is com-

petitive, the benefits excellent. Local area in-

cludes a highly diversified economic base, nation-

al parks, nationa forest and three colleges. Send resume and letter of application by November 23 to the Executive Secretary, WPFT, 29H Port Re-

public Rd., Harrisburg, VA 22801. EOE.

HELP WANTED SALES

Sales account executive: WKRN-TV, the ABC affiliate in Nashville, has an immediate opening. Must have previous sales account executive experience and a strong desire for new business development. If you have a desire to work in a top 50 market with supportive management, please con-

tact by resume only: Mickey Martin, Local Sales Manager, WKRN-TV, 441 Murfreesboro Rd., Nashville, TN 37210. EOE.

Account executive: Market leader, NBC affiliate, Greenville, SC (ADI 35) seeks experienced TV sales representative to join our winning team. Send resume and salary requirements to: Sales Team Manager, 505 Rutherford Street, Greenville, SC 29602. No phone calls, please. EOE.

NSM position at WSEE-TV. Requires minimum 3 years station or rep. experience. Solid technical skills, creative mind. Resumes to Gary Powers, WSEE-TV, 1220 Peach Street, Erie, PA, 16501. EOE M/F.

Account executive: Southeast ABC affiliate in top 75 markets looking for experienced sales person that responds to strong management support. Station uses all the tools. Must be highly motivated with ability to handle multiple responsibilities. Resume and compensation history to Box R-18. EOE.

Local sales executive: Extraordinary opportunity at leading television station in the Southeast. Ven-

dor experience preferred. Must be strong in sales development. Send resume to: C. Joseph Tonsing, WIS-TV, PO Box 367, Columbia, SC 29202. EOE.

HELP WANTED TECHNICAL

Knowledgeable weather person, style and per-

sonality are a must. Computer systems back-

ground helpful. Lively and energetic person seeks a job with TV. Top 100 Southeast affiliate. EOE. Reply to Box Q-51.

News director. Midwest affiliate seeks aggressive and promotion-minded individual for leader-

ship of its news operation. Emphasis on profes-

sional, management skills. Prefer well-built, no smoking environment. Send resume/salary history by December 1, 1990 to Personnel Director, WJQZ, 100 N. Stewart St., Creve Coeur, IL 61611. EOE.

Experienced news director, Top 100 market net-

work affiliate in Sunbelt seeks a strong take charge leader to develop a young talented staff in a hyphenated, highly competitive Southwest mar-

ket. Send confidential, detailed resume. EOE. Re-

ply to box R-16.
Westminster wants you...

Chairperson to provide academic and scholarly leadership beginning August, 1991, to an active, growing Radio-Television Film Department that is quickly becoming a major player in the University. The department has 12 full-time faculty and staff. The department has 250 undergraduate majors, a graduate media studies program in conjunction with the journalism department, and modern studios and classrooms. Rank and salary dependent upon qualifications. Ph.D., record of teaching excellence, record of scholarly activity, and evidence of administrative ability required. Applicants should send a letter of interest expressing educational philosophy and leadership style, a complete, full vita, and three letters of recommendation to: Dean Robert Garwell, College of Fine Arts and Communication, Box 30793, Texas Christian University, Fort Worth, TX 76129. Minorities and women are encouraged to apply. TCU is an EEO/AA employer. Open until filled.

Faculty opening in broadcast production for fall 1991. Tenure-eligible. Beginning and advanced courses in audio and video production. Other courses as qualified and needed. Ph.D. preferred; master's required with substantial recent, relevant professional experience. Some teaching experience and demonstration of scholarship necessary. Apply by Dec. 15, 1990 to: Vernon Keel, Director, Elliott School of Communication, Texas State University, Waco, TX 76716. Specify "Position B" and include 3 letters of reference and resume with application. AA/EOE.

Jordan College of Fine Arts Butler University, JCCA is Butler University's school of performing arts with undergraduate programs in music, dance, theatre, arts administration, and radio-tv-television. Master's programs are available in music, dance and radio-television. The college is a member of the National Association of Schools of Music. Butler operates a 48,000 watt FM National Public Radio affiliate serving Indianapolis and central Indiana and an educational television station WBLU-TV (to begin broadcasting January 1991). An INTERACTIVE UNIVERSITY OF RADIO/TELEVISION-Tenure track position. Teach undergraduate and graduate courses in broadcast sales/advertising, promotions, audience measurement, and management. May teach in other areas such as international broadcasting, announcing, broadcasting in America or radio production. Ph.D. and proven effectiveness as a teacher and scholar with evidence of strong research, creative activities and/or professional broadcast experience required. Send letter of application, vita, college credentials, and names and addresses of three references, by November 30, 1990 to: Dr. Kenneth K. C. Ho, Department of Radio/Television, JCCA, 4600 Sunset Avenue, Indianapolis, IN 46208. EOE/AA.
Graduate assistantships available: Graduate Assistantships in Broadcasting available at Central Michigan University. Pay is $6200 per year plus all tuition remission. Assist in introductory media survey class, TV production laboratories, and student TV production. Letter of interest and resume should be received by December 7, 1990 to Robert Craig, 340 Moore Hall, Central Michigan University, Mt. Pleasant, MI 48859. EOE.

The Department of Mass Media, Marietta College, is a liberal arts institution offering a comprehensive program of study in broadcast management and journalism. The College seeks qualified applicants for the position of Department Chairperson. The position is available immediately. Marietta College is an equal opportunity/affirmative action employer.

Graduate assistantships available: Graduate Assistantships in Mass Communications available at Oklahoma State University. Beginning both Spring 1991, and Fall 1991 semesters for qualified students studying in our MA program designed to develop advanced skills and knowledge for professional communication fields and/or prepare students for doctoral study. Assistantship assignments may involve teaching, production, or research assistance in broadcasting, journalism, photography, or speech communication. Write to Dr. Joe Oliver, Graduate Program Advisor, Department of Communication, Stephen F. Austin State University, Nacogdoches, TX 75962. EOE.

Spring 1991, the Communications/Theatre Arts Department at Texas A&M University is seeking an Instructor/Assistant Professor/Associate Professor in Mass Communications (Radio/TV emphasis). Spring 1991 contract with continued tenure track employment a possibility. Qualifications preferred are earned doctorate in Mass Communications (Radio-TV emphasis) or ABD with some university teaching experience, broad competencies in mass communication courses and broadcast and news production, and evidence of grant writing and publications. Ability to teach introduction to mass media and public relations a plus. Required qualifications are a Masters degree in Communications (Radio-TV emphasis) with satisfaction of doctorate, significant professional experience in broadcast news production, ability to work with diverse student body in multicultural setting, and evidence of grant writing ability and publications. The successful candidate will teach three classes per semester and supervise the operation of the 100 watt university radio station and the university cable station. Hesher will be expected to develop and maintain professional contacts, serve on university committees, supervise a minimal number of independent study students and internships. The starting date is January 8, 1991. Salary is competitive. The closing date is December 1, 1990 for maximum consideration. Located in Kingsville, 40 miles southwest of Corpus Christi, 150 miles southeast of San Antonio and only two hours drive from the Mexican border, Texas A&M is a comprehensive state-supported university with experienced faculty to be added for the 1991-1992 school year. Position one: NEWS EDITORIAL, news writing, editing and reporting. Secondary responsibilities include: law, ethics and broadcast management desirable. Substantial professional experience in reporting and editing and proven record of good teaching required. Applicants must be computer literate. MA required. Ph.D/ABD preferred. Position two: RADIO-TELEVISION, broadcast news. Secondary teaching area in radio and television production. Secondary responsibility in the area of external relations and production desirable. Substantial professional experience in broadcasting and proven record of good teaching required. Applicants must be computer literate. MA required. Ph.D/ABD preferred. Salary, teaching responsibilities, and support research appropriate. The above positions are in the journalism area. All positions are open to qualified persons with designations of Assistant/Associate Professor. Send letter of application and resume, including names, addresses and telephone numbers of at least three academic references, to: Professor Roger Kirkpatrick, Mass Media Search Committee, Marietta College, Marietta, OH 45750. Review of applications will begin on January 7, 1991. Marietta College is an affirmative action and equal opportunity employer. Women and minorities are encouraged to apply.

Journalism-Mass Communication: News/Radio-TV faculty positions University of Oklahoma. The School of Journalism and Mass Communication has two tenure-track faculty vacancies at the rank of assistant professor to be filled for the 1991-1992 school year. Position one: NEWS EDITORIAL, news writing, editing and reporting. Secondary responsibilities include: law, ethics and broadcast management desirable. Substantial professional experience in reporting and editing and proven record of good teaching required. Applicants must be computer literate. MA required. Ph.D/ABD preferred. Position two: RADIO-TELEVISION, broadcast news. Secondary teaching area in radio and television production, law, ethics or broadcast management desirable. Substantial professional experience in broadcasting and proven record of good teaching required. Applicants must be computer literate. MA required. Ph.D/ABD preferred. Salary, teaching responsibilities, and support research appropriate. The above positions are in the journalism area. All positions are open to qualified persons with designations of Assistant/Associate Professor. Send letter of application and resume, including names, addresses and telephone numbers of at least three academic references, to: Professor Roger Kirkpatrick, Mass Media Search Committee, Marietta College, Marietta, OH 45750. Review of applications will begin on January 7, 1991. Marietta College is an affirmative action and equal opportunity employer. Women and minorities are encouraged to apply.

Intelligence jobs: All Branches, US Customs, DEA, etc. Now hiring. Call 1-805-687-6000 Ext. 7833.

WANTED TO BUY EQUIPMENT

Wanted: 250, 500, 1,000 and 5,000 watt AM/FM transmitters. Guaranteed Radio Supply Corp., 1314 football street, Lawrence, TX 78904. Manuel Flores 512-723-3331.

Used 1" VHS videotape. Looking for large quantities. No minis or Beta. Will pay shipping. Call Carpel Video, 301-694-3500.

Top dollar for your used AM or FM transmitter. Call now. Transcom Corp., 800-441-8454.

FOR SALE EQUIPMENT


1000' tower. Standing in Albin, Nebraska. Heavy Kline tower includes 6 1/8" coax. Purchase in place with land and building, or move anywhere. Call Bill Kitchen, 303-786-6111.

Transmitters, radio; television: TTC manufactur- ers. State-of-the-art. Low cost. Perfect for radio or television; and FM transmitters 10 watts to 50kw, solid state from 10 watt to 8kw. Call 303-665-8000.


Betacam tape riot! 5 minutes - $1.00, 10 minutes - $2.00, SP 5 minutes - $2.00, SP 10 minutes - $3.00 Sony, Ampex, Fuji, 3M - Call Carpel Video 800-238-4300.

Blank tape, half price! Perfect for editing, dub- bing or studio recording, commercials, resumes, student projects, training, copying, etc. Elcon evaluated 34" video cassettes guaranteed broadband quality. Call for our new catalog. To order, call Carpel Video Inc., toll free, 800-238-4300.


Save on videotape stock. We have 3/4" & 1" evaluated broadcast quality videotape. Available in all time lengths. Call for best prices. IVC, 800-726-0241.

Equipment financing: New or used. 36-60 months, no down payment, no financials required under $35,000. Refinance existing equipment. Mark Wilson, Exchange National Funding. 800-342-2093

Strobe parts: We sell and install flash technology and EG&G parts at DISCOUNT. Parts in stock. Call Tower Network Service. 305-969-8703.

Batwing antenna repair parts. We stock feedlines. Tower Network Services 305-989-8703.


BTS Routing Switcher Component or RGV 30 x 30 with 3 level audio 6 x 6 and control heads. Expandable, currently in use. Contact Ron Fries 703-525-7000. Current model, priced to sell!

Sony SP Betacam Package BVP 5 Chip Camera with BVVS SP Recorder. Contact Ron Fries 703-525-7000.

ikemall HL-79EAL, Personally owned, excellent condition, low hours, includes J&L, pistol grip, cable and cases. A steal, $12,500! Call Brian 617-369-3014.


Ross RVS 514-12 Production Switcher w/RS422 interface, DSK, QUAD. ISD 31 Editor with Custom Console, ADC 3104 Production Switcher, 20 Inputs and 5 Buses, 2 M/E, DSK, Quad, Chromkey. Tektronix 520A vectorscope, 1480R WIF. 526A WIF, 1420 Vectorscope. Ampex ADO. Many more items...will make deals! All equipment 30 day warranty. Call 1-800-331-8333 or 1-805 344-2118. Fax for list: 1-805-344-5525.

For sale: Las Vegas Post Editing Company. D-2, 1" C, Betacam, ADO...all modern equipment. Bill approximately 204-month, Great potential for a savvy operator. $325,000 cash, financing possible. Call 1-800-331-8333.


Used/new TV transmitters, full power-LPTV, antennas, cable, connectors, STL's, etc. Save thousands. Broadcasting Systems. 602-982-6550.

For sale 3½ year old Diconed Producer/Executive Design Station located in West Hartford, CT. Selling as-is. Call Kathy Bengston 203-677-9423 with offers.

Satellite teleport for sale, with two C-band and two Ku-band earth stations. Perfect for cable channel broadcasting. $625,000 plus lease or purchase of land Megastar 800-326-2546.

Remote production truck fully operational, ready to roll, three cameras, computer editing, three tape machines and much more - 1-615-824-2430.

RADIO

Help Wanted Management

ACCOUNTANT/ASSISTANT CONTROLLER

Expanding Mid-Atlantic Radio group owner seeks staff accountant for corporate office. Candidate must have previous station experience, accounting degree and strong computer skills. Replies confidential.

E.O.E. Reply Box R-30

Situations Wanted Management

NEW GOALS FOR '91?

If your station or group needs a start up, a turnaround or is already #1 but underachieving. We should talk! I've got a great job but need a new challenge. Major market OM with large group looking to move up. I've got a proven track record with great ratings, revenues and references. Market or group size not important. Your response will be held in strict confidence. Box R-15.

IF ONLY...you could find a General Manager who could turn your radio station around. Someone who has been a successful GM, and has a thorough background in both sales and programming. Someone who will turn that station into a winning team. Someone who is qualified to handle a too 100 market property, and will keep quiet until the deal is closed. Most of all, someone who knows how to make money. Call someone now...

214-373-2205

A PREVAILING GENERAL MANAGER WHO:

- Knows how to build, train, and keep a superior sales team!
- Knows how to make money and collect on sales!
- Has proven ability to position, program and promote!
- Is mentally tough problem solver with firing-line experience!
- Is currently employed, but wants greater challenge!

CONFIDENTIALITY WILL BE MAINTAINED

REPLY TO BOX R-31

TELEVISION

Help Wanted Sales

SALES MANAGER

JOIN THE TEAM. Knowledgeable radio/TV account executive ready for sales manager's position. A multi-station operator in the southwest is looking for the right player. This position offers substantial growth potential, including but not limited to a GM position. If you are a dynamic, serious, sales-oriented player, we want you on our team. EOE. Reply to Box R-34

GENERAL SALES MANAGER

Responsible for National, Regional and Local time sales and scheduling for the station; managing the sales force; and, managing the way Sales efforts fit in with the station goals. Send resume to: Becky Strother, WVTM-TV13

PO Box 1050

Birmingham, AL 35202

An Equal Opportunity Employer

Help Wanted News

ASSISTANT NEWS DIRECTOR/ EXECUTIVE PRODUCER

WCNC-TV, the NBC affiliate in Charlotte, NC, is seeking an experienced journalist to join our team and assist in running our news operation. Our ideal candidate has recent management experience plus a background as an executive producer who has successfully produced newscasts, series, specials and special events. We require a minimum of ten years experience and a college degree. If this sounds like the situation you have been waiting for, please send resume, description of current duties and new philosophy, references and a non-returnable tape showing your creative capabilities to: Ken Middleton, News Director

WCNC-TV

PO Box 18665

Charlotte, NC 28218.

EOE. M/F.

Business Opportunity

TIRED OF RADIO? TRADE FOR HALLMARK STORE

Store located on California's beautiful Monterey Peninsula. Will gross $400,000 plus in 1990. Write:

Suite 174

395 Del Monte Center

Monterey, CA 93940

Washington Correspondent

Expanding Washington news bureau has opening for reporter with minimum of five years experience. Resume and tape to:

Hearst Broadcasting, 1825 K St., NW #720, Washington, D.C. 20006. No phone calls please. EOE.

Hearst Broadcasting
New Hampshire Public Television

New Hampshire Public Television, a statewide network with a strong commitment to local production, announces the following openings:

**Director of Operations**
Resourceful, energetic, organized production manager to schedule station facilities, direct local programs, manage remote truck, produce annual Auction, work with client productions, lead staff of directors and studio personnel. Candidates must be technically proficient in directing, lighting, and editing. ACE editing skills preferable. Remote production experience essential. Minimum qualifications: Bachelor's degree, 5 years TV production experience, including 2 years as supervisor. Salary range: $29,780-$46,350. commensurate with experience.

**Director/Producer**
2 creative, versatile, energetic and technically proficient director/producers needed for ambitious station. Duties will be divided between 2 positions include: production of promos, underwriter credits, client work, pledge and Auction spots. Directing local and some nationally distributed programs including magazine, live studio, remotes, performance, sports, pilots. Production of 3 annual pledge drives. Applicants must have proven directing talents and solid experience in electronic field production including video, sound, lighting and editing experience. ACE editing experience strongly preferred. Commercial spot production and Dubner experience helpful. Minimum qualifications: Bachelor’s degree and 3 years experience as Broadcast TV director. Salary range: $20,440-$31,730. commensurate with experience.

NHPTV is located 60 miles north of Boston in the seacoast region of NH. Send resume and demo tape to:

Cynthia Fenneman,
Director of Broadcasting,
NHPTV,
Drawer B, Box 1100
Durham, NH 03824

NHPTV/UNH is an AA/EOE employer.

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**DIRECTOR, INTERNATIONAL ENTERTAINMENT DIVISION**

Are you ready to move up to the head of a major international department? An internationally known entertainment company seeks an entrepreneurial, spirited individual to manage and expand its international division.

Responsibilities include the development of an astute business strategy and plan for entry; the creation of a network of outside licensing and internal sales companies to market and distribute products; and the distribution of film, video and television programming.

The ideal candidate will possess five to eight years experience in the international television market, documented results for the launching of an international division of a small company, the ability to sell and market television products and a willingness to travel.

We offer an attractive benefits package including a competitive salary, full medical coverage and profit sharing. If you are interested in this exciting opportunity, please send your resume with salary history in confidence to:

Director, International Entertainment Division
703 McKinney, LB 127
Dallas, Texas 75202

Equal Opportunity Employer, M/F

---

We're building the best producer shop in America, and we need two more solid, experienced News Producers... one to produce our weekend late news, the other to launch a new midday news broadcast.

If you're creative... write good, conversational copy... thrive on the pressure of daily news... and work well with other professionals, send a non-returnable resume tape (VHS or 3/4, please) and two copies of your resume to:

Bob Jordan, News Director
c/o Human Resources
KING 5 Television
333 Dexter Avenue North
Seattle, WA 98109

NO PHONE CALLS, PLEASE!
An Equal Opportunity Employer
M/F/HC

[THE HOME TEAM]
Help Wanted Programming
Promotion & Others Continued

If Tribune doesn't have any promotion producer jobs available right now, why run this ad?
Promotion is a big growth area for Tribune Broadcasting. In the past year, eleven of TV's top promotion people have joined our stations in New York, Los Angeles, Chicago, Atlanta, Denver and New Orleans.

In finding them, we've learned that it pays to be prepared, and know who's qualified and interested when the time comes!

So if you have at least two years' experience writing and producing on-air promotion, we'd like to invite you to send your resume and tape for review. But please don't call. We'll be in touch when the next opportunity opens up.

And the way things have been growing at Tribune, that could be soon.
Send tape & resume to: Jim Ellis

TRIBUNE BROADCASTING Company
435 N. Michigan Ave.
Suite 1900
Chicago, IL 60611
Tribune is an equal opportunity employer.

Situations Wanted Management

TV GENERAL MANAGER
Employed. Experienced. Excellent record. Seeks relocation due to pending estate breakup by group owner.
Reply to Box P-8.

For Sale Software
At last...PC-Software for Radio/TV/Cable
LIST MANAGEMENT
-Keep track of accounts/agencies/people
-List/label/pron directory
-Mail-Merge letters
-Easy to use and update
-Much more than word processing
Box R-32 for more information

Help Wanted Technical

TELEVISION STATION
CHIEF ENGINEER

We're a rapidly growing, exurban television group based in Ventura/Santa Barbara. We are seeking a Chief Engineer and Senior Maintenance Engineer. Must possess strong UHF transmitter skill and/or post-production component level repair ability. Ours is a hands-on company, on all levels of management. You will join an extraordinary team of talented and creative people, and become part of an exciting future while living in God's country. FCC/SBE certification required.
Please send resume via Fax to RBC Engineering, 905-485-6057, or care of KADY- TV, 663 Maulhardt Avenue. Oxnard. CA 93030.

RIKLIS BROADCASTING

Public Notices
The Subcommittee on Budget, Finance and Audit of the PBS Board of Directors will meet at 2:00 p.m. on November 28, 1990 at the Arizona Biltmore Hotel in Phoenix, Arizona. Tentative agenda includes FY 1992 budget, national program assessment policy, stations on deferred or advance payment schedules, and reports from PBS officers.

The Board of Directors of the Public Broadcasting Service will meet at 9:00 a.m. on November 29-30, 1990 at the Arizona Biltmore Hotel in Phoenix, Arizona. Tentative agenda includes satellite replacement, national program funding, election of officers, equal employment opportunity, reports from PBS officers and Board committees, and other business.

The Interconnection Committee will meet at 9:30 a.m. on November 29, 1990 at the Arizona Biltmore Hotel in Phoenix, Arizona. Tentative agenda includes satellite replacement, transponder utilization, extension of services to unserved areas, advanced television, FY 1992 interconnection budget, and other business.

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1-900-420-3005 $2/min.
Broadcasting Nov 12 1990

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Broadcast Job Bank
For application information call (916) 444-2237
California Broadcasters Association

PROMOTION AND PRODUCTION JOBS
Great jobs are available...but do you know about them? The MediaLine daily telephone report puts you in touch with the best jobs. MediaLine has jobs for reporters, anchors, sportscasters, weathercasters, producers, assignment editors, promotion and production and programming people. For details call:
800-237-8073

THE BEST JOBS ARE ON THE LINE
PO Box 51909, Pacific Grove, CA 93950

Wanted to Buy Stations

Midwest Stations Wanted

ATTENTION

MMDs/MDS/OFS PERMITTIES & LICENSEES
Principal looking to acquire permits in the top 125 SMSA's. Send pertinent information to:
Living Room Theater Corporation
800 E. Twain, Suite 129-397
Las Vegas, NV, 89109
Fax: (702) 648-6422

For Sale Stations

N.E. Class B Combo
Separate programming, exclusive format in Mkt., owned RE, good book, sales upending, outside partners want sale. Contact Mike Rice at 203-456-1111 or any office of N.E. Media Inc.

For Sale Stations Continued

SOUTH TEXAS
OIL RICH AREA
$249,000
414-482-1959

Class A FM Radio Station
Went on air in 1983 with almost all new equipment
Priced at $250,000
Seller Financing Possible
Nick Strandberg
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Deadline is Monday at noon Eastern Time for the following Monday's issue. Earliest deadlines apply for issues published during a week containing a legal holiday. A special notice announcing the earlier deadline will be published above this ratecard. Orders, changes and/or cancellations must be submitted in writing, NO TELEPHONE ORDERS. CHANGES, AND/ OR CANCELLATIONS WILL BE ACCEPTED.

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Classified listings (non-display). Per issue:
Help Wanted: $1.20 per word. $22 weekly minimum
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Word count: Count each abbreviation, initial, single figure or group of figures or letters as one word each. Symbols such as %, #, @, etc. count as one word each. A phone number with area code and the zip code count as one word each.

The publisher is not responsible for errors in printing due to illegible copy—all copy must be clearly typed or printed. Any and all errors must be reported to the Classified Advertising Department within 7 days of publication date. No make goods will be made on errors which do not materially affect the advertisement.

Publisher reserves the right to alter classified copy to conform with the provisions of Title VII of the Civil Rights Act of 1964, as amended. Publisher reserves the right to abbreviate, alter, or reject any copy.

EARLY DEADLINE NOTICE

Due to the Thanksgiving holiday, deadline for Classified Advertising for the Nov. 23 issue is Noon, Friday, Nov. 16.
MEDIA

William W. Irwin, consultant, WZZU(FM) Burlington-Graham, N.C. (Raleigh), joins WCAS(FM) Tarboro, N.C. (Raleigh-Durham), as VP and general manager.

David Othmer, VP and television station manager, WHYY-TV Wilmington, Del. (Philadelphia), adds duties as VP and station manager, WHYY-FM-TV.

Mark Vogelzang, assistant manager, programing, WHYY-FM Wilmington, Del. (Philadelphia), named radio manager.

Lyn Ganz, program director, WUTF(TV) Gainesville, Fla., named station manager, succeeding James Morgese, station manager, KRMA-TV Denver.

Judith Lee Hettle, director, special projects and office of chairman, Showtime Networks Inc., joins All News Channel, New York, as director, business development.

Mary Beth Ebenger, public accountant, Cooper & Lybrand, joins Palmer Communications, Fort Myers, Fla., as corporate accountant.


Stan Cahill, associate director, PBS Adult Learning Service, Alexandria, Va., named director, business affairs.

Allen Matthews, program director, WDIO(AM)-WUBE(FM) Cincinnati, joins Enterprise Radio, West Chester, Ohio as group general manager.

Tom Mariam, manager, Radio Amex, New York, adds duties as assistant director for broadcast services, American Stock Exchange there.

Steven Lapa, from WXYI(FM) Fort Lauderdale, Fla., joins WIRA(AM)-WOVV(FM) Fort Pierce, Fla., as executive VP.

SALES AND MARKETING

Appointments at KIRO-TV Seattle: James Zogg, local sales manager, named general sales manager; John Steckler, local sales manager, named director of account services, and David C. Blakely, senior account executive, named local sales manager.

Colleen Morgan, national sales manager, KTZZ-TV Seattle, named general sales manager.

Jeffrey M. Cash, general sales manager, WCMA-TV Columbus, Ohio, joins WCAU-TV Philadelphia, as director of sales.

Frank O'Neil, former Intercom VP, marketing research, forms own marketing and research services firm, O'Neil Communications, New York.

Stew Sherling, executive producer, Leo Burnett Co. Inc., Chicago, adds duties as senior VP.

Will Philipp, associate director, PBS Adult Learning Service, Alexandria, Va., named director of marketing.

Cindy Velasquez, general sales manager, KUSA-TV Denver, named VP, general sales manager.

Michael L. Mahone, VP and general manager, WSM(AM)-WQXX(FM) Salem, Ohio, and Glenn Schiller, VP and general manager, KALO(AM) Port Arthur, Tex., join Radio Advertising Bureau as VP, marketing, Midwest, and VP, Southwest, respectively. Appointments are effective Nov. 26.

David Kreczko, local account executive, WYOU(TV) Scranton, Pa., joins WLOI(TV) Asheville, N.C., as Greenville account executive.

Lynn Tinsley, account executive, Cable Networks Inc., Atlanta, joins The Weather Channel there as ad sales representative.

Ray Coffey, sales consultant, WNNK(FM) Harrisburg, Pa., joins WITQ-FM-TV there as sales consultant, Radio Pennsylvania Inc.

Jennifer Casaloro, director, sales service, Premier Advertiser Sales, New York, named VP, sales service.

Mitch Anton, local sales manager, WHYI-FM Fort Lauderdale, Fla., named general sales manager.


Rob Young, national sales manager, WBBT(TV) Tequesta, Fla. (West Palm Beach-Fort Pierce), named general sales manager.

Appointments at WFAA(AM) New York: Dan Lynch, director of corporate sales, NBA's New Jersey Nets, named sports sales coordinator; Brian Miller, media buyer, Scali McCabe and Sloves, Ken Schoen, account executive, WFBL(AM) Syracuse, N.Y.; Steven Gips, account executive, WZFM(FM) Briarcliff Manor, N.Y. (Westchester), Bruce Angelli, account executive, Republic Radio and T.K. Wilson, account executive, KQX-

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Phyllis Ned, assistant national sales manager, KETV (TV) Omaha, named national sales manager.

Anthony Codella, managing partner, Codella & Jones, sales marketing and communications consulting firm, joins Pinpoint Marketing, New York, as VP, sales.


Steve Tann, talent agent trainee, Triad Artists, joins New World Television, Los Angeles, as manager, mini-series.

Yvette Kalina, manager, international sales service, King Features, joins Orion Television International, New York, as director, sales service.

Bob Cambridge, managing director, Ogilvy & Mather, Promotions, Los Angeles, joins Tribune Entertainment Co. there as Southwest regional sales manager.

Dalton Delan, director of documentary programming and executive producer, informational specials, HBO, joins Lifetime Television, Astoria, N.Y., as director of program development.

Cheryl Gottelf, director, school services, Children’s Television Workshop, New York, named assistant VP, school services.

Monique Stokes, programming assistant, Prime Ticket, Los Angeles, named program manager.

Sharon Ann Byrens, manager, original programs, West Coast, Showtime Networks Inc., Universal City, Calif., named director, development, original programming, West Coast. Judy Pastore, VP, Comedian Inc., joins Showtime, Universal City, Calif., as director, current programming, West Coast.

E. Scott Carpenter, production director, KABC (AM) Los Angeles, joins KRLD (AM) Dallas, in creative development.

Bruce Bernstein, senior producer, Sports Nightly, SportsChannel America, Woodbury, N.Y., coordinating producer, Sports Nightly.

Shawn Powers, former acting instructor, John Casablancas’s Modeling and Talent Center, joins KTTL (TV) Sacramento, Calif., as coordinator and host, Fox Kids Club.

Jocelyn Vande Berg, from Jujamcyn Theaters Corp., joins DLT Entertainment Ltd., New York, as VP, theater development.

Dan Markus, program director, WYBR-FM Belvidere, Ill., joins WZTR (FM) Milwaukee, as music director and air personality. Michael O’Shea, air personality, WWTC (AM) Minneapolis, joins WZTR as news director and morning news announcer.

Lawrence R. Schatz, VP, West Coast regional sales, All American Television, formed Randolph Media Group Inc., television programming distribution and marketing company, New York.

Bill Pasha, program director, WAPE-FM Jacksonville, Fla., joins KRSR (FM) Dallas (Fort Worth) as program director.

Cade Garrison, director of media services, Baptist General Convention of Oklahoma, joins ACTS Television, Fort Worth, as Western region manager.

Kerry Wolfe, music director and assistant program director, WMLF (FM) Waukesha, Wis. (Milwaukee), named program director.

Tim O’Connor, director of sports sales, KPLR-TV North Platte, Neb., joins SNI Sports Network, St. Louis, as VP, sales.

Ann Ingram, from United Video, Tulsa, Okla., joins The Weather Channel, Atlanta, as Southeast regional manager.

Sonia Clyne, manager, casting administration, Columbia Pictures Entertainment, Los Angeles, named director, casting administration.

the United States Telecommunications Training Institute (USTTI) honored its 2000th graduate, Krystyn Antczak (left), chairman of Solidarity’s Telecommunications Committee in Warsaw. Ambassador Michael R. Gardner (right), chairman, USTTI, presented Antczak with a special certificate from the industry-government joint venture that provides free training for men and women who manage the phone and broadcast system.

Janine Wolf, from KQZ(FM) Los Angeles, joins Unistar Radio Networks, Colorado Springs, as an air personality. Joe Huser, former air personality, KQLZ-FM Los Angeles, joins Unistar in same capacity, special blend format.


Malcolm Brett, acting director of development, Wisconsin Public Television, Madison, named director of development.

Harold Johnson, sports director, WSOCTV Charlotte, N.C., joins NASCAR Country radio show, there as host, NASCAR Race Week with Harold Johnson.

Steve Collins, air personality and music director, WMME-FM Augusta, Me., joins WTOS-FM Skowhegan, Me., as air personality.

**NEWS AND PUBLIC AFFAIRS**

Appointments at NBC News: Bill Wheatley, executive producer, NBC Nightly News with Tom Brokaw, named director of political coverage, Washington; Martin Fletcher, Tel Aviv correspondent, adds duties as Tel Aviv bureau chief; Deborah Roberts, from KCBS-TV Los Angeles, named correspondent, Miami, and Ann Curry, from WFTV-TV Orlando, Fla., named correspondent, Chicago.

Carlos Granda, reporter, WPLG(TV) Miami, joins WABC-TV New York, in same capacity.

Bob Bucci, executive producer, Joy Behar Show, WABCAM New York, adds duties as news director.

John Repetz, from WHTM-TV Harrisburg, Pa., joins WAGL-TV Lancaster, Pa., as sportscaster.

Tim Gray, 6 p.m. anchor and reporter, WBB-KTV Alpena, Mich., named weekday 6 p.m. and 11 p.m. sports anchor and director.


Appointments at KUSA-TV Denver: Fidel Montoya, VP, news director, named VP, news; Mark Antonitis, from Magid & Associates media consulting firm, named news director, and Karen Walker, from WXIA-TV Atlanta, named community affairs producer.

Mark Murray, former weather anchor and program director, Business Radio Network, joins KVUE-TV Austin, Tex., as weekend weather anchor.

Tim DeLarm, part time Great Expectations photographer and editor, KST(TV) Tacoma, Wash., named to position full time.

Phillip D. Palmer, sports director, KNOE-TV Monroe, La., joins KAKE-TV Wichita, Kan., as weekend sports anchor.

Rosalva Luevano, from KCBS-TV Los Angeles, joins KTL(TV) there as assignment editor.

Dave Willingham, correspondent, Independent News Network, Miami, joins Nostalgia Television, Los Angeles, as news director.

Robin Johnson, early evening anchor, KWTV-TV Waco, Tex., joins WWB(TV) Sarasota, Fla., as noon anchor.

Colleen Pierson, executive broadcast producer and director, Johnson & Dean Advertising, joins WOTV(TV) Grand Rapids, Mich., as director of public affairs.

Jeff Lyons, acting 5, 6 and 10 p.m. weathercaster, WPIE-TV Evansville, Ind., named 5, 6 and 10 p.m. weathercaster.

Mark James, VP, governmental affairs, Regional Commerce and Growth Association, joins Cencom Cable Television Inc., St. Louis, as manager of governmental and public affairs.

Bill Long Jr., news assignment manager, KDFW(TV) Dallas, joins WTV(SV) New London, Conn., as 10 p.m. news director.

Greg Shanley, producer and announcer, KUNIF(M)KHKE(FM) Cedar Falls, Iowa, named news director.

Kelly Ogle, reporter, KFOR(TV) Lincoln, Neb., joins KWTV(TV) Oklahoma City as reporter and noon co-anchor.

**TECHNOLOGY**

George Elsaesser, general manager, still-image division, Sony, joins BASYS Inc., Yonkers, N.Y., as manager, major account sales.

Joan Ruppert, producer, Amoco Corp., Chicago, joins Editel, there as D-1 Suite producer.

Jan Parry, senior broadcast engineer, Christian Science Broadcasting Center, Boston, joins Alacronics Inc. engineering and technical support firm, Wellesley Hills, Mass., as head of field services division.

Robert Pape, VP, finance and operations, Digital F/X, Mountainview, Calif., named chief financial officer.
PROMOTION AND PR

Aisha Karimah, producer, WRC-TV Washington, named manager of community resources development.

Tom Brocato, VP, management supervisor, entertainment group, Porter/Novelli, joins Hanna-Barbera Productions Inc., Los Angeles, as director of public relations.

Adrienne Gaudin, marketing communications coordinator, Home Shopping Network, St. Petersburg, Fla., joins Turner Broadcasting System Inc., Atlanta, as manager of corporate communications, public relations department.

Linda F. Torrence, consultant, Private Industry Council, Atlanta, joins WAGA-TV there as community relations director.


Wendy White, supervisor, Community Cable Television, El Segundo, Calif., joins Turner Educational Services Inc., San Francisco, as account executive.

Stan Steinreich, senior staffer, Howard Rubenstein Associates, New York, joins MWW/Strategic Communications Inc. River Edge, N.J., as senior VP.

Richard H. Frank, Walt Disney Studios; Earl Lestz, Studio Group of Paramount Pictures; Steven Papazian, Warner Brothers Television; Don Tillman, KTTV-TV Los Angeles.

David C. Pierce, analyst, National Economic Research Associates Inc., joins National Cable Television Association, as director of research.

DEATHS

William R. Hirshey, 64, president, KOCI-TV San Jose, Calif., died of heart attack Oct. 31 at his home in Saratoga, Calif. Hirshey joined Wilson Industries, group owner of three TV's, in 1974 as general manager, KTSB-TV Topeka, Kan., and in 1980 was appointed president of broadcast group. He is survived by his wife, Sheryl, and three children.

Floyd N. Lantzer, 84, engineer, died of kidney and heart failure Oct. 27 at Bethesda North Hospital in Cincinnati. Joining WSAI(AM) Cincinnati in late 1920's as engineer, Lantzer later joined Crosley Radio Co.'s co-owned WLW(AM) Mason, Ohio. Credited as engineer who gave WLW around-the-world reception with 500,000 watts in 1934-38, Lantzer retired in 1968 after 40 years with station. Lantzer was also amateur radio operator for 60 years. He is survived by his wife, Lila; daughter, Shirley; son, Lawrence; sister, Faye; six grandchildren and two great-grandchildren.

Richard A. Borel, 84, retired radio and TV executive, died of Parkinson's disease Oct. 24 at Naples (Fla.) Community Hospital. Borel began his broadcasting career in 1933 as business manager for WCAH(AM) Columbus, Ohio (now WBNS) and later served as general manager. In 1949, Borel was appointed director of television for WBNS-TV, and was named general manager for both stations until his retirement in 1971. He is survived by his wife, Margaret; two sons, Richard and William; two brothers, Robert and George, and one grandchild.

Kathryn E. Peterson, 40, television photographer, died of cancer Nov. 2 in Chicago hospital. Peterson worked as camerawoman at WTTG(TV) Washington, and WBBM-TV Chicago. She is survived by her daughter, Joyce; mother, Thea; father, Nels; and two sisters, Sally and Jo Anne.

Hugh McPhillips, 70, daytime TV actor, died of injuries resulting from August automobile accident Nov. 1 at Sherman Oaks (Calif.) Community Hospital. McPhillips appeared in numerous daytime drama series, including The Young and the Restless, Days of Our Lives, Guiding Light, Santa Barbara and appeared in Murder She Wrote and All in the Family. Surviving him are two daughters, Maureen and Anne-Marie; two sons, Brian and Michael; and brother, Charles.

INDEX TO ADVERTISERS

WARREN LITTLEFIELD: ALL THE RIGHT MOVES

Small town boy makes good—could as easily be the headline on a piece about NBC Entertainment President Warren Littlefield. The 38-year-old Montclair, N.J., native—an Eagle scout at 13—has not lost touch with his roots, although living and working in a town known for making over its residents.

“‘He’s not even remotely Hollywood showbizzy. He’s very close to his family and he’s retained a lot of his original friends,’ said Brandon Tartikoff, chairman, NBC Entertainment Group, who Littlefield succeeded in the post.

In fact, two weeks ago, Littlefield was back home for his 20-year high school reunion. Former classmates decided he was probably the most successful, ‘‘but that also probably worked the hardest,’’ he reports.

Littlefield’s earliest entertainment influences were classic movies. “I remember being sick as a child and watching MGM musicals like ‘‘Top Hat,’’ or action films from Republic Pictures or the road pictures with Bob Hope and Bing Crosby.” He also credits The Ed Sullivan Show’s influence. “One day while I was riding the school bus with a friend. He asked me what I wanted to be when I grew up and I said Ed Sullivan because he had such a great job.”

Littlefield’s only experience as a performer came in high school drama club. “I joined mainly to meet girls and wound up in several plays.” Coincidentally, Jim Duffy, then ABC Entertainment president, was in the audience for one of those plays and suggested afterward he consider a future as an actor.

By this time, however, Littlefield was more interested in a career in the political limelight. He spent two years at American University studying government and public administration before deciding the political process was too frustrating. “After two years I transferred to Hobart College [Geneva, N.Y.], got my degree in psychology and shifted my approach to helping people on a smaller, more specific, scale.”

Immediately after graduation, Littlefield took what he thought would be a detour from psychology when a friend found him a temporary part-time job at Westfall Productions in New York as a “gofer” for the production of The New Little Rascals. “We worked on a shoe-string budget, so I ended up doing a little bit of everything,” he says. “But a light bulb went off in my head and I realized that people doing this had a lot of fun and got paid doing it.”

He spent four years with the company, and was vice president, development and production, in 1979 when he moved to Warner Brothers Television as a director of development responsible for selling shows to the networks. Six months later, in December 1979, he took the job of manager, comedy development, NBC, and has been with the network since.

He jokingly characterizes 1979 as his “great career slide. At Westfall I had been vice president and they wanted me to become president, instead I accepted the job at Warner Brothers as director, and six months later I was with NBC as a manager. But every move was directed toward bringing me in contact with people from whom I could soak up knowledge and experience.”

Littlefield oversaw the network’s comedy development rise from near nonexistence to clear dominance. In 1980, the network only had two comedies on the air, “Different Strokes, which was a hit, and Hello Larry, which wasn’t. I looked over at ABC and they had 14 half-hours on the air. I really realized we were not starting from ground zero, but from a subterranean level.” Littlefield says he was fortunate to be at NBC Entertainment while the division was in disarray. “It was a crazy time, when there was a lot of opportunity and you could move up very quickly because they were getting rid of people very quickly.”

During the fall of 1983, described as “the great train wreck,” Littlefield thought he might be one of those people. NBC had put on nine new shows, all of which eventually flopped. “Brandon [Tartikoff], Jeff Sagansky (now CBS Entertainment president) and I were all sitting around waiting for what we thought was inevitable.” But one midseason show, Night Court, worked, and was coupled with Cheers and Family Ties, which had debuted the season before. The next year, Cosby was added to a Thursday night lineup that would be the network’s springboard to prime time dominance.

Although Littlefield is “not the kind of guy who’s going to waltz in and work the room,” said Tartikoff, his strengths, according to those who deal with him, are his forthrightness and honesty. “He doesn’t play games,” said John Pike, president, Paramount Network Television.

A test of Littlefield’s popularity came at “a little event held last July after he was named president and the other appointments were announced,” said Tartikoff. “We threw a modest event for Warren and the others late on a Friday when most people are on their way out of town; about 800 people showed up. There’s just generally a good feeling about Warren in entertainment.”

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**Warren Littlefield**


m. Theresa Foti, Dec. 30, 1979; children, Emily, 8; Graham, 5.
Warner Bros., Buena Vista Television, Viacom, LBS and ITC will host hospitality and screening suites at next year’s NAB convention at Las Vegas Convention Center (April 15-18). Syndicators will pay suite fee of $1,375 (or $975 for NAB members), and have right to meet and greet customers as well as screen and sell programs. Chuck Sherman, NAB senior VP, television, said goal was to sign up 15 distributors for suites on 28th floor of Las Vegas Hilton. “This will make NAB a one-stop shopping center for the folks that attend the convention,” said Sherman. “Program buying is spread throughout the year, and this market will give buyers and sellers another opportunity to do business, as well as talk about future trends and program needs.” TV consultant Thomas Cookerly, former head of Allbritton broadcast group, is coordinating NAB drive to sign up syndicators.

Turner Program Services made its first deal for Wonder Years off-network package, to WPLG-TV (New York). Sources with knowledge of deal, which includes syndicated exclusivity protection for WPIX, said station paid between $45,000 and $50,000 per week for package. (All stations taking show also give up one minute of barter time.) That compares with estimated $90,000-$100,000 per week that WWOR-TV New York is said to have paid for off-Fox Married...with Children earlier this year. Sources said WPIX was only bidder in New York. TPS President Russell Barry refused to confirm or deny reported price. Bids were due from Chicago stations last Thursday, with deal expected to be announced this week. Bids are due from Los Angeles stations tomorrow (Nov. 13).

Senator Alan Cranston’s (D-Calif.) announcement last Wednesday that he is suffering from prostate cancer, will retire at end of current term in 1992 and not seek reelection next week as Senate’s majority whip could make cable nightmare reality. If dominoes fall in certain way, Senator Wendell Ford (D-Ky.) could end up as whip and Senator Albert Gore (D-Tenn.) could emerge as chairman of Senate Communications Subcommittee. Both are strongly anti-cable. Ford had begun campaign for whip early this year and, with Cranston out of way, is likely to win. If Ford achieves goal, he may not only give up seat on Commerce but also chairmanship of Rules Committee. Daniel Inouye (D-Hawaii) would have opportunity to succeed Ford on Rules and may give up chairmanship of Senate Communications Subcommittee for it. Question then becomes who takes over Communications. Answer would likely be either Gore or James Exon (D-Neb.).

U.S. District Court in Miami last Thursday ordered CNN to stop airing tapes believed to contain telephone conversations between Manuel Noriega and his attorneys, fearing tapes invade privacy of deposed Panamanian dictator and could throw wrench into drug conspiracy trial. Judge William H. Hoeveler also ordered U.S. government to surrender tapes which cable network said are in its possession. CNN, which obtained tape through Telemundo correspondent Marlene Fernandez, declared judge’s order against it “an unconstitutional restraint” and planned to air material while pursuing appeal in Atlanta. CNN also said it would “resist fully within the law” court order to produce related “unpublished materials.”

CBS switched two comedies last week in effort to improve Monday and Friday nights. Evening Shade, currently in Friday 8-8:30 slot, moves to Monday at 8. Uncle Buck moves to Friday at 8. Evening Shade’s first Monday airing is Nov. 16.

Fox also made scheduling moves last week, putting D.E.A. (Friday, 9-10 p.m. on hiatus, replacing it with Against the Law (currently Sunday, 10-11). Replacing Against the Law on Sunday is Comic Strip Live. Against the Law will debut in Friday slot on Nov. 16, and Comic Strip Live makes its prime time debut on Sunday, Nov. 25. Late night version of Comic Strip Live, now seen Saturday at 11:30 p.m., will be retitled Comic Strip Late Night.

For first time in more than two years, CBS was ranked number one in household numbers on Saturday morning, position that has been held by ABC. For Saturday, Nov. 3, CBS was first with 4.1 rating. ABC averaged 3.9, NBC was third with 2.7 and Fox scored 2.0.

Reeves Entertainment has added division for development, production and marketing of programing for cable, direct broadcast satellite, home video, and other new technologies for domestic and international distribution. New division will be headed by Michael Yudin, executive VP, Reeves Entertainment.

Cable’s most celebrated romance, between Jane Fonda and Ted Turner, is culminating in marriage. Engagement was revealed last week by Fonda’s publicist, with wedding date expected sometime next year.

Warner Cable and SportsChannel Ohio have reached definitive agreement on carriage of regional sports service. SCO will continue on standalone $2.95 tier on Warner systems serving 275,000 basic subscribers. Warner had shifted service from $1.95 to $2.95, but remained unsatisfied with penetration results, which were below 8%. New deal runs throughout 1990’s, and includes addition of Cincinnati Reds to Columbus system. Terms were not disclosed but source indicated formula reflects sliding rate card with margin split shifting as penetration increases. Substantial marketing commitment is said to be part of deal.

Bank of New England has withdrawn motion to put group owner Tak Communications (3 FM’s and 6 TV’s) into receivership. Tak is in default on loans totaling $168.8 million and, according to court filings, has also reneged on promise to provide $3 million cash infusion. Bank of New England and Chemical Bank are thought to be in negotiations with Tak head Sharad Tak about restructuring. One industry source doubted that Tak would provide his lenders with any of his own equity and would choose instead to sell some properties. Tak owns WQYQ(FM) Fort Lauderdale, Fla.; WUSL(FM) Philadelphia; WKIO(FM) Urbana, Ill.; WGRZ-TV Buffalo, N.Y.; KTIV(TV) Honolulu and WQOW-TV Eau Claire; WXOW-TV La Crosse; WKOW-TV Madison, and WAOW-TV Wausau, all Wisconsin. Tak has reportedly turned down offer on Urbana station and deal to sell Wisconsin TV stations fell through last April. WUSL has also been on block for some time.
WTRG-AM-FM Altoona, Pa., has been sold by Empire Radio Partners Ltd. to Radio Altoona Inc. for $2.1 million asset sale that includes non-competitive covenant. Stations were acquired in August 1988 for $3.9 million (“Changing Hands” May 23, 1988). Seller, headed by Dennis Israel, has interests in WGY-AM-FM Albany-Schenectady, N.Y.; WITT(FM) Concord and WRCIFM) Hillsborough, both New Hampshire. Buyer, headed by Kerby Confer and Carol O’Leary, also has interests in WNNK(FM) Harrisburg, Pa. AM is on 1290 kHz with 5 kw day, 1 kw night. FM is on 98.1 mhz with 30 kw and antenna 1,020 feet. Broker: Frank Boyle Co.

KBRL(FM) Los Alamos/Albuquerque, N.M., has been sold by KKKBR Inc. to Eldon Broadcasting for undisclosed price. Sources estimate station sold for $500,000-$750,000, based on recent $1 million sale price of KOLT-FM Santa Fe. Seller, headed by C. Robert Allen, Frederick R. Phelan and Christopher F. Di- vine, also owns KBRL(FM) Ogden, Utah, and KBXRFM(Greenfield, Mo. Buyer, headed by William S. Scott, has no other broadcast interests. KBRL is on 98.5 mhz with 100 kw and antenna 1,781 feet. Broker: Kaili & Co.

Comsat Video Enterprises agreed to commit more than $100 million over eight years to lease at least six Ku-band transponders from Hughes Communications, beginning with SBS 6 launched last month. CVE will use capacity to deliver entertainment and special events programming to hotels and to provide video conferencing services to businesses. CVE continues to negotiate potential partnership with SkyPix, which seeks to launch midpower DBS service aboard SBS 6 next summer.

Fox Television Stations Inc. has licensed broadcast rights from comedian Milton Berle to air Milton Loves Lucy, half-hour special filmed in 1959, to air on five of seven Fox O&Os. As part of special broadcast, Berle has taped new introduction and closing remiscing about Lucille Ball. Fox spokeswoman said that Berle recently began opening up his vault of vintage TV series for renewed play. Milton Loves Lucy will air on WNYW-TV New York, KTTV-TV Los Angeles, WFLD-TV Chicago, KRIV-TV Houston and KDAF-TV Dallas. On KTTV-TV, Milton Loves Lucy will be teamed with an I Love Lucy episode that Berle appeared in.


In expected move (Broadcasting, Sept. 17), Hearst Corp. announced last week it has acquired 20% of ESPN from KRJ Nabisco for $160 million-$170 million, according to sources. Service is 80% owned by Capcities/ABC and 20% stake offers no management control. “If ESPN was owned 80% by someone else, we wouldn’t have bought it,” said Ray- mond Joslin, group head, Hearst Enter- tainment & Syndication Group. Hearst and Capcities/ABC are already partners in Lifetime Television and Arts & Entertain-

According to Associated Press, two Bank of Boston subsidiaries have filed suit to recover $17 million in loans from First City Communications head Norman Drubner. Suit asks for temporary orders barring Drubner and his family form transferring or disposing of assets of company which owns four AM’s and 8 FM’s.

FCC SETS FM TRANSLATOR LIMITS

At its open meeting last Thursday, the FCC said radio stations seeking to extend their coverage into areas that are already served by local broadcasters can no longer help finance the construction or operating of FM translators to carry those signals. However, independent third parties can finance, build and operate FM translators to bring distant signals into a community, even if that community is already served by local broadcasters.

But there were some reservations that allowing translators into areas that already have FM service may adversely affect the local stations. Said Commissioner Sherrie Marshall: “I have no doubt that translators have the potential to undermine our FM allotment scheme. But in its efforts to protect against improper uses of FM translators, this decision goes too far and throws the baby out with the bath water.” Marshall’s concern is that the decision will ultimately prevent the construction or maintenance of existing translators that serve “significant portions of rural America.” Although she voted with the majority, she said she would have preferred that restrictions keeping FM signals from reaching unserved areas or into areas “not already enjoying a minimal level of radio service” be eased. She admitted that defining minimal might be difficult.

But Bill Rogers of Rogers Broadcasting, which operates five translators around Muscle Shoals, Ala., would define it as a place that has only a few different formats in the market. One of Rogers’ translators brings rock formatted WKDF(FM) Nashville, while his others bring in classical, religious and gospel stations, he said. Muscle Shoals two other FM’s—WLAV-FM and WQRF(FM)—have C&W and public radio formats. Rogers said the decision is not in the public interest, because it may keep “people from hearing what they want to hear...it eliminates competition.”

Commissioner Ervin S. Duggan said that “too many imported signals may indeed undermine continued local service by incumbent FM stations.” Dug- gan said he was concerned about “localism...especially in small and rural markets...and about the public’s interest in diverse voices and opinions. This action of the commission does not adequately grapple with these competing concerns.”

The ruling was received favorably by Edie Fritts, president of the National Association of Broadcasters, who said the FCC “has recognized the important role played by full service broadcast stations and moved to prevent the undermining of that important role by FM translators, which have no public interest.”

But John S. La Tour, president of Du Pree Broadcasting Corp., which operates about 50 translators, said the FCC was “bowing to political pressure by the NAB.” The decision is good for broadcasters but bad for the public, because, he said, it denies listeners the same kind of programming diversity that cable brought to television. “It’s not progress...it’s regress.”

-PET

Broadcasting Nov 12 1990
OPEN AND SHUT

Last week, opponents of the FCC’s and Congress’s 24-hour indecency ban filed their petition in the U.S. Appeals Court for the District of Columbia, which will rule on the ban’s unconstitutionality (oral argument is scheduled for Jan. 28, 1991). Their case against the ban is solid and impressive, supported by clear legal precedent, not to mention plain common sense. In the face of that case, the ban, backed by the fulminating Jesse Helms, acquires to by a frightened Congress and carried into law lost in the folds of a voluminous appropriations bill, is shown for the tissue paper it is.

One need read no further than the table of contents of the petitioner’s document to be convinced of the airtightness of their case, which contains the following points: Indecent material is protected by the First Amendment; a blanket ban of protected indecent speech seriously impairs adult access to such material; the courts have never approved a blanket ban on protected speech in any medium; there has been no showing that the FCC’s action is narrowly tailored to further a compelling government interest.

As persuasive as the arguments are, equally as impressive is the range of divergent petitioners and their supporters brought onto the same page by the threat of government censorship. The following is a list of some of those opposing the ban: Action for Children’s Television, American Civil Liberties Union, Association of Independent Television Stations, Capital Cities/ABC, CBS, NBC, PBS, NPR, City Lights Booksellers, Allen Ginsberg, Society of Professional Journalists, Norman Mailer, Motion Picture Association of America, People for the American Way, National Association of Broadcasters, Pacifica Foundation and the Radio-Television News Directors Association.

What all of those parties see clearly is that a 24-hour ban on indecent speech is censorship, a truth that continues to languish in the collective blind spots of the legislature.

ABOVE AND BEYOND THE NEXT QUARTERLY REPORT

Just when we were beginning to think that high-definition television might never happen, the small band of engineers that continues to enhance the medium and its prospects has done it again. We cite as recent evidence:

- The accelerating development of direct broadcast satellite technology, made possible in large part by the same video compression techniques that HDTV will call into play.

- What these developments should demonstrate is that broadcast technology continues to be a moving target—as well as an insistent one. (Two or three years ago, no one had heard of simulcast as the way to go in HDTV; now it’s the only way.)

- We remember CBS’s Joe Flaherty, the dean among broadcast engineers, saying that the high definition TV demonstrated that day would be the worst HDTV we would ever see. In other words, that we were only on the bottom rung of a new broadcast ladder and that we could only guess what the view would turn out to be from the top.

- We remain in the debt of that small band, and of the broadcast organizations that support them—even putting the medium’s future ahead of their own bottom lines. The next generation of broadcasters already owes them one.

THE FIRST SHALL BE FIRST

The Gannett Foundation, whose investments in communications-related aid and scholarship were somewhat obscured recently by a teapot-sized tempest involving the autobiography of its chairman, Allen H. Neuharth, is back making news for the right reasons.

The foundation has established a $10 million-plus program to “foster First Amendment freedoms across the USA and around the world.” Half of that money will go to fund seminars and conferences here and abroad. The other half will be in the form of challenge grants to local communities, chiefly those served by Gannett broadcast outlets or newspapers (independently, the Gannett company is earmarking $4 million-$5 million for local philanthropy in the communities it serves and the foundation plans to give the communities first crack at using those funds to match foundation grants). The guidelines for the grants are expected to be completed by next month, at which time we would encourage local communities to take advantage of the opportunity to join with the Fifth Estate in helping preserve, protect and defend the First Amendment.
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“Focus group studies led us to several important conclusions. FM is for music; AM is for information. If you want to make money, you either produce an FM music format which delivers high audience ratings, or you develop an information based AM format.”

**On new directions for AM.**

“We learned that consumers have a great appetite for financial information. Furthermore, the economic climate is conducive for business programming. It doesn’t matter whether a person earns $10 thousand or $100 thousand per year, he or she wants to know more about money. That’s the common denominator.

“We decided that the best way to tap these market trends was to launch a business oriented station.”

**On selling AM radio.**

“AM radio presents vital opportunities for stations to garner income. Advertisers are moving away from mass marketing to target marketing. They’re seeking tightly defined market segments. That’s the great thing about BRN—it’s targeting efficiency.

“But today you have to be innovative. You’ve got to look at different ways to push the envelope. You can’t use traditional FM selling methods such as cost-per-point, CPM, and turnover. That’s nonsense.

“With FM, you sell dayparts. With AM, you’re selling programming.

“The format demands 40 or 50 accounts on the air every month. Forget about the big accounts. You’ll get a share. But the small businesses in your community will make your cash register ring.

“Selling AM today means getting back to basics like retailing, value-added services, direct-response, and sponsorships.”

**On ratings.**

“It’s not the quantity of people we reach which is important; it’s the quality. The WMEX listener does not have the propensity to fill out a diary or answer a telephone survey. He’s concerned about what the Dow Jones is doing, he’s not going to fill out a blue book for two bucks a week.

“We’re attracting high quality listeners. We’re developing a relationship with people who respond to advertisers.

“I never talk about ratings with our clients. WMEX is a conduit to an important group of people who care about financial and business matters. We talk about qualified listeners. We talk about results.

“The quality of our programming has given us access to the chief executives of banks, stock firms, and imported car dealerships. The proof is the substantial growth of our account list during the last year.”

**On satellite programming.**

“You can’t put a satellite signal on the air and then leave. Listeners need to identify with a radio station. People must feel involved. Because the local touch is critical, we integrate local programming with the network.

“We carry the New York Giants every Sunday. We also carry Harvard football, Boston College hockey, and Boston College basketball. We broadcast a car show on Saturday and Sunday. We produce a financial program called ‘Money Talk.’ Our audience listens to a local announcer at the top of every hour. We use liners like, ‘You’re never more than 15 minutes away from Wall Street with Boston’s Business Radio 1150 AM.’

“Network programming must be grounded. There has to be an interface. There has to be two-way communication. We take 75% of our programming from the network. We produce the remaining 25%.”

**On BRN.**

“I’m a big supporter of Business Radio Network. I think it’s the way AM radio is moving in the ‘90s.”

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