Advertising Outlook
How the pie will be sliced in '99
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With this issue, Broadcasting & Cable moves its editorial headquarters to New York City. After 67 years in Washington, and 45 on DeSales Street, we’re taking up official residence on West 17th Street in Manhattan’s Chelsea district.

Why? Because, as a national magazine, we’ve come to think that New York will provide a higher vantage from which to keep watch over the entire Fifth Estate, from coast to coast and internationally. The fact is, we’ve long had our greatest proportion of reporting power in New York; now it’s joined with our editing and production arms. We mean for the whole to be more than the sum of its parts.

Moreover, broadcasting and cable are not only big businesses but are part of an ever larger communications universe that is similarly situated along Sixth Avenue, Madison Avenue and Wall Street. And although major broadcast and cable companies are scattered across the country, there is a greater concentration of them in New York than in any other city. ABC, CBS, NBC, News Corp., Viacom, Time Warner, AT&T and Cablevision all call New York home. The city’s claim to being media capital of the U.S. (the world?) is a powerful one.

We’re not abandoning Washington. The importance of laws and regulations governing this business is every bit as important as it was when Sol Taishoff founded the magazine there in 1931. Yes, we are in an era of deregulation, but we know from experience how that pendulum swings. Whether it is making rules or relaxing them, Washington will always have not only a profound but a pivotal influence over the many telecommunication universes on our beat.

Don West, my predecessor as editor and now editor at large of the Broadcasting & Cable Group, has re-established his headquarters in Washington. While keeping an eye on our developing editorial universe (now 10 publications and counting) he’ll represent the magazine from Capitol Hill to the Portals; our editorial page will continue to benefit from his experience and opinions. As assistant managing editor and bureau chief, John Eggerton will direct four Washington-based reporters, including our woman on the Hill (Paige Albiniak) and our man at the FCC (Bill McConnell). Eggerton will continue to be heard in the editorials, particularly in defense of broadcasters’ First Amendment rights.

The downside is the loss of two longtime editors and the designer who made us reader friendly. Managing Editor Mark Miller, Assistant Managing Editor Kira Greene and Art Director David Borucki chose not to move North. We will miss their combined 55 years of experience, their professionalism and their commitment to excellence. Most of all, we’ll miss them. Their shoes will be hard to fill, but the new team, headed by Managing Editor Dwight Cunningham and Art Director Todd Gast, will bring their own considerable talents to the task.

In truth, the magazine could be sensibly based in a lot of places, what with modern transportation and the web of computers that can flash stories, graphics and entire magazine pages across the country. A case could be made for Los Angeles. Isn’t that where the real stuff of TV comes from? How about Chicago? Or Denver? Or Atlanta? It’s not that New York is the only place for this magazine, it’s just that we think it’s the best place to get ready for a new millennium.

Harry A. Jessell
Editor
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GMs AWOL at NATPE

By Steve McClellan and Joe Schlosser

Consolidation, worries about the economy and the fact that most programming plans are set for next season will dampen TV station attendance at the NATPE convention in New Orleans starting Jan. 25.

Major groups such as Gannett, CBS, Belo, Hearst-Argyle, and Paramount are sending fewer station general managers than in past years. Smaller groups, such as Pegasus and Benedek are also said to be sending fewer attendees or passing on the show altogether.

Despite the apparent drop in station attendance, a NATPE executive says overall registration for this year’s show is pacing 3%-4% ahead of last year’s 17,700.

Other anecdotal evidence points to a smaller turnout among domestic station ranks at this year’s convention. Peter Schruth, CBS vice president of affiliate relations, said a survey of the network’s affiliates indicated that only about 80 CBS general managers, out of 214 affiliates nationwide, were planning to attend NATPE ’99.

That’s down about 20% from last year. As a result, CBS canceled its winter affiliate meeting, usually held in conjunction with NATPE.

“Everyone is watching the cost side pretty carefully, which is a reasonable thing to do,” said Schruth. “We all prioritize expenses,” which is exactly what the network did when it concluded a meeting for just 80 CBS affiliates in New Orleans was not worth the cost, said Schruth.

Rep firm sources also say that all the indicators point to smaller station attendance at NATPE this year. An executive at one major rep says that one-third of the firm’s station clients indicate they won’t be at the convention this year. That’s up from about one-quarter that didn’t attend last year’s show, the source said.

“Attendance at the show may be up, but it won’t be English-speaking clientele,” quipped one source, who noted NATPE’s push in recent years to boost international attendance. Last year, international attendees accounted for 22.5% of the convention’s 17,700 registrants. NATPE senior VP Nick Orfanopoulos said last week that international registration was pacing 6% ahead this year, while domestic was pacing at 3% ahead. Orfanopoulos said he could not break out registration for just the domestic station segment.

Consolidation is clearly taking its toll on NATPE’s domestic attendance. Paramount is a good example. It’s added six or so stations in the last year to build a group that now totals 19 stations. A spokeswoman confirmed that in addition to a corporate contingent, headed by President Anthony Cassara, only the three or four GMs that are regional managers would also attend the convention. Attendance for the entire group at this year’s show, compared to attendance for the same group of stations a year ago, will definitely be down, she said.

At Gannett, sources say, a corporate edict was issued strongly encouraging station GMs not to attend NATPE this year. A one-person limit was also imposed on the show, a source said. Gannett Broadcasting President Cecil Walker couldn’t be reached for comment.

Hearst-Argyle is also sending far fewer people to the show this year, although Anthony Vinciquerra, the group’s executive vice president, said the decline had more to do with the fact that a major group meeting was being planned for the week immediately following the convention.

Word last week was that few if any CBS-owned station GMs were going to NATPE and that Belo was also sending fewer GMs than in the past. Executives at the companies couldn’t be reached by deadline.

Executives note NATPE is no longer the must it used to be. “Most stations are covered before NATPE” by syndicators, says one station source. “It’s not just the top 50 or top 75 markets either. Most of the distributors have regional structures so that large and small markets alike are getting covered at the same time or close to it.”

Also, sources say, off-network shows have been the key properties in recent years, and the selling cycles for those programs are years ahead of airing, and thus “never in lockstep with NATPE,” as one source puts it.

“A majority of stations don’t have anything else to do,” in terms of lining up programming for the next season, says Bill Carroll, vice president and director of programming at Katz Television. “They’re looking at expenditures and asking do we need to budget [for the convention] and for the most part they are saying no...The convention has gone from being the focal point of the selling season to being an afterthought.”

That, says Carroll, has to do with the dynamics of consolidation. “Launches and clearances are done as group deals and the need to do it at the show no longer exists. That’s not a criticism of NATPE so much as an observation of the changing dynamics of the domestic...
Meanwhile, program sellers were watching the developments with concern. One major syndicator, who spoke on condition of anonymity, said he will not be bringing his contingent to NATPE next year if attendance is down and business is off again.

"I'm so mad at myself, I just can't describe it," the syndicator said. "I'm so mad because I'm tired of throwing away money on this thing. I didn't have the guts to say that I wasn't going to go to this convention. Everything is sold and there is nothing left to buy.

The syndicator says his studio spends close to $2 million on the convention alone, $1 million of that on the convention floor booth. Another $500,000 goes into bringing the sales staff and TV talent down to NATPE, and the remaining percentage is spent on advertising, he says. "It is not a selling convention and it hasn't been for a long time."

Three years ago, MGM Domestic Television president Sid Cohen decided not to take a booth at NATPE, a move that created a lot of headlines. For the third straight year, the distributor of StarGate 9-1, Poltergeist: The Series and The Outer Limits is not going to occupy a spot on the conference grounds.

"I just felt it was a business decision based on what it would really cost to go down there," Cohen says. "What do we really accomplish?"

Cohen says his new syndicated show for fall 1999, a newsmagazine with tabloid National Enquirer, is already cleared in close to 75% of the country and that not much business on the show would be taking place in New Orleans anyhow.

A lot of the top studio executives have quietly been questioning NATPE's viability and timing—just after the holidays and late into the syndication sales process—but none of the big players this year have been outwardly critical of the conference, unlike years past.

"If it wasn't for the fact that [Cox Broadcasting president] Nick Trigony was running the thing this year, you would have heard a lot more screaming," the top syndication executive said. "Nick made it real clear that nothing was going to happen on his watch. He's a buyer and I respect him, but next year I'm not so sure."

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**CBS gouges Eye out**

*Completely divests profile network to Discovery*

By John M. Higgins

In a stark turnaround, CBS Corp. is completely exiting Eye On People by selling the entire operation to Discovery Communications Inc.

CBS had been planning to sell only half the start-up news profile network, letting DCI manage it and, most importantly, fund continuing losses.

But Tuesday, the companies disclosed that CBS would sell the channel outright for an undisclosed price. CBS so far has invested about $50 million in the venture, and a spokesman said only that the company would "book a gain" on the sale.

Depending upon CBS's accounting practices concerning the two-year-old channel, that could mean the broadcaster might be selling for less than its actual level of investment.

At a time when other broadcasters are spending heavily to capture eyeballs streaming to cable, the deal leaves CBS devoid of any new product in the cable pipeline. CBS's cable portfolio has the mature Country Music Television and The Nashville Network.

Consequently, CBS, which was notorious for failing to exploit cable opportunities under previous chairman Larry Tisch, is left pushing to extend distribution of CMT a little further as its only area of cable growth.

But CBS Chairman Mel Karmazin has virtually given up on trying to make the broadcast network much of a profit center, as NBC has been for parent General Electric Corp. For his part, Karmazin sees CBS Television more as a program supplier to stations than a big source of cash flow.

With CBS's unappealing old demographics and mixed ratings, even bulls don't expect its profits to reach $100 million on $4 billion or more in revenue in five years.

At the same time, DCI chairman John Hendricks has a seemingly insatiable appetite for expansion. DCI is expecting to spend up to $350 million to create Discovery Health, oriented toward fitness and medicine. Hendricks took control of the Travel Channel last year, tried to buy Court TV, cut a deal to distribute BBC Americas and launched a slate of digital cable services.

Eye On People will now be known as Discovery People and be completely run and funded by DCI. On Jan. 11 the network's on-air look will change and most references to CBS will vanish. Discovery People will continue to buy programming culled from CBS's news archives, combining it with its own programming library to create a string of soft news magazine shows.

The future of Eye On People President Geoffrey Darby was unclear. Under the original deal, Darby was supposed to continue running the network. But last week a Discovery spokeswoman said only that "his contract is with CBS."

Why CBS changed gears so dramatically is also not clear. Discovery said in a statement that the programmer's "strategic objectives warranted its sole ownership."

However, that was also true when they were negotiating the original deal. DCI was always more interested in owning 100% of the operation. It was CBS Cable Chairman Don Mitzner who originally insisted that the broadcaster keep a large interest, achieving Karmazin's directive to halt the cash flow bleed while giving the company a shot at ultimately enjoying some sort of return on its investment.

Westinghouse Corp., which bought CBS two years ago and assumed its name, had sold cable assets under pressure before, particularly a 14% stake in Discovery. Westinghouse staked the network when it started and provided critical satellite uplinking during a period when Hendricks couldn't pay the bills.

That sale fetched just $40 million in 1989, but would be worth 10-14 times that today.
The Strategy Behind 0
## First-Run Weekly Hours

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<td>Star Trek: Deep Space 9</td>
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<td>3</td>
<td>Hercules</td>
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<td>EARTH: FINAL CONFLICT</td>
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<td>Mortal Kombat**</td>
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<td>Pensacola: Wings of Gold</td>
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<td>Highlander: The Raven</td>
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<td>14</td>
<td>Psi Factor</td>
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<td>15</td>
<td>Honey, I Shrunk the Kids</td>
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<td>Howard Stern Radio Show</td>
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*Reels: Includes telecast on 185 cable networks.

**Source: Nielsen Media, *TV* ending 1/22/96, ranked by A25-54 rating. GAA's where applicable.
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NAB may shift to neutral on caps

Board likely to back off its opposition to raising station ownership limits

By Paige Albiniak

Under the threat of network defections, the National Association of Broadcasters next week is likely to vote to remain neutral on the issue of raising the TV station ownership cap.

The networks are lobbying the NAB to back off from its position that Congress should maintain the cap limiting group ownership of TV stations to 35% of the national viewing audience.

The NAB will reconsider its stance on broadcast ownership rules as well as pending satellite legislation at its winter board meeting Jan. 9-13 in Naples, Fla. Sources say NAB staff is inclined to adopt the new position, although there has been no vote count among board members.

Fox Broadcasting—which whose station ownership hits the cap—has been leading the lobbying charge to raise the limit to 45%. The other three networks also have been active on Capitol Hill and at the FCC on ownership issues.

Fox and ABC argue that networks need to be able to own more stations in order to be profitable.

"We think some broadcasters' positions are inconsistent," said one network lobbyist. "If you are for deregulation, you can't just be for deregulating the rules that would help you."

At the NAB's summer board meeting last June, the board unexpectedly voted to take a strong position against raising the cap. Many affiliates do not want the networks to be able to own more stations because they fear it will give the networks too much power, said one broadcast attorney.

Fox Senior Vice President Peggy Binzel, who could not attend the summer meeting, said that conducting the vote was unfair because board members had not expected to take up the issue. Since then, Fox has been unhappy enough with the NAB to threaten to join other networks and form their own lobbying organization. The other networks say they do not plan to leave NAB, but did say they felt blind-sided by the vote, which was brought up by Cox Broadcasting Executive Vice President Andrew Fisher.

Rep. Billy Tauzin (R-La.), chairman of the House Telecommunications Subcommittee, will meet with NAB television board members on Jan. 11. Tauzin, along with Senate Commerce Committee Chairman John McCain (R-Ariz.), is in favor of raising the ownership caps. Tauzin also would like to remove other ownership restrictions, including those prohibiting the ownership of two TV stations in a market and cross-ownership of TV stations and newspapers.

Tauzin spokesman Ken Johnson says Tauzin plans to hold hearings on ownership rules next year, and will work with Rep. John Dingell (D-Mich.) on revisiting the 1996 Telecommunications Act and reforming the FCC (see story, page 15).

Fox has been focusing its efforts on lawmakers such as Tauzin and McCain because the commission is not inclined to take a deregulatory position on broadcast ownership. FCC Chairman William Kennard repeatedly has blamed consolidation for low numbers of minority owners and employees in the broadcast industry.

Broadcasters also will discuss legislation allowing satellite broadcasters to transmit local TV signals into local markets. At last year's winter meeting, the board voted to support satellite TV companies offering local signals as long as they carried all broadcasters' local signals. Broadcasters altered that view last fall, agreeing to support a bill that would have allowed satellite TV companies to carry only some local signals at the outset.

Tauzin likely will address satellite issues with broadcasters during his visit. Tauzin supports giving satellite TV carriers some time before they have to carry all broadcasters' local signals. Late last term, he introduced satellite legislation, but the bill failed in the Senate, which also killed it in the House for the session. Congress needs to pass a satellite bill by the end of this year because satellite TV companies' copyright licenses expire in December.

The satellite legislation also creates conflict by causing a split between networks and their affiliates.

Networks would rather negotiate their carriage, while affiliates would prefer not to leave their carriage fate in the networks' hands. "The affiliates don't want to give the networks the power to say 'Either stay with us or lose the 200,000 satellite viewers in your market,'" says one communications attorney.

The landscape of the satellite TV
industry has changed since Congress considered the satellite package last fall. With EchoStar Communications Corp. recently buying the satellite assets of News Corp. and MCI WorldCom, and DirecTV taking over U.S. Satellite Broadcasting, the two major satellite players have enough capacity to offer hundreds of channels.

Only EchoStar wants to offer local signals via satellite, but it argues that it only has the capacity to offer some signals in the markets it serves. Broadcasters are considering whether Congress should require EchoStar to carry more local signals per market due to its new capacity. DirecTV is offering local service via off-air antennas its distributors will mount for customers.

“Companies that do not wish to [offer local service via satellite] are simply making personal business decisions. It’s a business decision, not a technology decision,” says Cox’s Fisher. “Most companies are quite equipped to offer this service if they want to.”

House to get dereg Speaker

Hastert’s election would give powerful ally to those angling to shrink FCC

By Bill McConnell and Paige Albinia

ongressional efforts to weaken the FCC’s regulatory grip on the communications industry got a big boost with the Dec. 19 elevation of Rep. J. Dennis Hastert to House speaker-elect.

The Illinois Republican, whose election to speaker is slated for Jan. 5, has repeatedly criticized the agency for dragging its feet on deregulation. As a Commerce Committee member, Hastert frequently joined Telecommunications Subcommittee Chairman Billy Tauzin in criticizing the agency’s approach to implementing the 1996 Telecommunications Act.

“I suspect the next speaker will embrace our efforts to fundamentally reform the FCC from top to bottom,” said Ken Johnson, Tauzin’s spokesman. “We share similar concerns and goals when it comes to making the marketplace work.”

Soon after the Telecommunications Act was passed, Hastert lambasted the FCC as a “renegade agency” and accused the commission of stymieing local phone companies’ entry into long distance service. Last February he criticized the agency again, complaining regulators hadn’t done enough to encourage competition. “We have more regulatory roadblocks than ever,” he said on the House floor. “At every junction, the FCC’s approach has been to adopt more rules and regulations.”

Hastert is likely to provide a high-profile endorsement for restructuring the FCC, a move many industry sources say is aimed at shrinking the agency and giving Congress a bigger role in deregulating the industry.

Hastert was not available for media interviews.

For his part, Tauzin (R-La.) has promised to review the agency’s operations this year.

Hastert’s support will provide a much-needed lift to Tauzin’s effort, given that Commerce Committee Chairman Thomas Billey (R-Va.) is not eager to overhaul the agency. Billey aides last week said their boss would take a wait-and-see approach to Tauzin’s review. Although Hastert has said he will give committee chairmen wide latitude to determine their agendas, Billey will have a difficult time keeping FCC reform on a back burner if the speaker wants to act quickly.

But Hill aides warn that partisan bickering in the wake of President Clinton’s impeachment may impede action on all key issues. “It’s less a question of whether Congress will get telecommunications issues done [than] whether it will get anything done,” said a Democratic aide.

Despite being a rhetorical target of the seven-term congressman, FCC staffers say they know little about Hastert. “We haven’t had much opportunity to deal with him,” said one commissioner’s aide.

Nevertheless, lobbyists credit him with a key role in shepherding the 1996 act through Congress and inserting a provision that allowed Bell companies to apply to offer long-distance service in markets with no competition.

Hastert’s limited dealings with the agency have generally been on behalf of local Bell telephone companies, which are among his largest campaign contributors.

“He has kept himself fairly well removed from [broadcast] industry issues, deferring to … Chairman Tauzin,” said Ward L. Quaal, retired president of Tribune Broadcasting Co.

But Hastert occasionally has intervened on behalf of broadcasters. A year ago, he teamed up with Tauzin to ask the FCC to keep channels 2-6 reserved for broadcasters rather than auctioning them off for other services. The agency later backed off the auction plan.

Hastert soon may have to choose between deregulation and aiding the Bell companies, industry sources said. The FCC is currently weighing whether to require cable companies to open their high-speed data networks to Internet competitors, and the two sides, no doubt, will ask congressional leadership to weigh in. Several local telephone companies, including U.S. West, are demanding that cable’s data networks be subjected to telephone-style common-carrier requirements.

To win Hastert’s support, cable companies must overcome the goodwill local phone companies have built through their generous contributions to Hastert’s campaign coffers. According to the Center for Responsive Politics, local phone companies contributed more than $35,000 to his 1998 campaign, while the National Association of Broadcasters and the National Cable Television Association each gave $5,000.
More cities Mull AT&T/TCI Merger

Should franchise transfers be contingent on Internet unbundling, locals ask

By Price Colman

In the wake of Portland, Ore.'s controversial move requiring TCI to open its modem network to competitors, four major cities are also examining their own stances on the so-called Internet unbundling issue.

Key officials in the four undecided cities—Denver, Dallas, Seattle and Los Angeles—are the focus of intense lobbying from the forces seeking access to TCI's network, particularly Baby Bell US West and AOL.

Most observers noted that the open-platform advocates are using the same argument they faced when the '96 Telecommunications Act primed the pump for telephone competition: True competition requires open access to the network. The sources also noted that Baby Bells continue to drag their heels on opening their own networks.

Portland and surrounding Multnomah County, Ore., late last year approved transferring control of TCI's 100,000-subscriber franchise there to AT&T only if the two companies would agree to provide open access to the capacity-rich broadband network. It's a condition TCI and AT&T found unacceptable. Shortly before the midnight Dec. 29 deadline, the two companies rejected the open-access condition while accepting all other provisions in the change-of-control ordinance.

Such franchise changes of control are prerequisites to AT&T's proposed $48 billion acquisition of TCI. So far, TCI has obtained consents from nearly 400 of the roughly 1,000 franchising authorities that oversee TCI systems. Portland and Multnomah County are the only local entities that have imposed unbundling. Top executives from TCI and AT&T have told the Federal Communications Commission that federally mandated unbundling likely would kill the merger.

For cable, unbundling Internet access is an explosive issue. It means redefining cable as a common carrier instead of a private network, as it is designated under current telecom law. The cable industry contends that unbundling now will stifle infrastructure investment, slow the deployment of advanced services and delay the kind of competition against the rich, much larger phone companies envisioned by the '96 Telecom Act.

"The fundamental is that the cable industry and @Home have built a better mousetrap," says Madie Gustafson, senior vice president of franchising and local government affairs for TCI. "Our competitors are saying we have a powerful product, give them a piece of us. A lot of this [unbundling] is being pushed by AOL. They have 14 million customers. TCI@Home has 27,000. Tell me who is the threat?" (@Home in total has more than 210,000 customers.)

Even if the four undecided cities follow Portland's lead, such piecemeal actions are unlikely to prevent the merger, local regulators said. But the debate over if, when and how cable is declared a common carrier underscores differences in the regulatory community. The chief one: Whether federal or local regulators have primary authority over a cable franchise.

"I have some real mixed feelings" regarding Portland's unbundling requirement, says Susan Littlefield, former president of the National Organization of Telecommunications Officers and Advisers (NATOA) and now head of cable regulation in St. Louis. Littlefield says it's the prerogative of local franchising authorities to address community needs and she's critical of federal lawmakers and regulators for failing to clearly spell out differences between telcos' common carrier networks and cable's private networks in the '96 Telecom Act.

"I think it was clever but not particularly fair of AOL to try to raise this argument with one company and one merger," she remarks. "AOL was all over NATOA lobbying very heavily. I don't think this [unbundling decision by Portland] is right. It has tremendous public policy implications, tremendous industry business-model implications. In my view, the merger is not the right forum for such decision."
for AOL to demand a national answer."

David Olson, who doubles as top cable regulator for Portland and Multnomah County, says he and local officials are focusing on what's best for consumers in that market.

"We were left with lots of arguments for open access as policy, most of which went unheeded by [TCI and AT&T]," notes Olson. "At the very end, [TCI and AT&T] did come in and make a few arguments about open-access policy that were largely directed to business investment and the fairness of others coming in on the foundation they laid. They were interesting arguments but came in several months way later than they should have. They were not effective."

Attempts to reach an 11th-hour compromise failed and some observers say the Mount Hood Cable Regulatory Commission, which recommended unbundling, had planned that from the get-go. Diane Linn, who delivered the one dissenting vote out of 10 in the Portland-Multnomah County case, thinks the timing of TCI's and AT&T's arguments had little bearing on the debate.

"David has a history on pushing the envelope on how far you can go in pushing these companies," says Linn, prefacing her comments with the acknowledgment that she is a former cable-industry employee. "I applaud him. I just happened to disagree...I think we acted outside our jurisdiction. The FCC should have dealt with it. We're going to have a legal battle on our hands."

Dean Smits, director of the Office of Telecommunications for the city and county of Denver, says he respects Portland's action. But his stance since the beginning is that the local governments he serves have jurisdiction only over the franchise's change of control, not determining whether cable is a common carrier.

"The Portland situation is an aberration," he says. "When AOL first approached me, my response was, 'You have a really compelling position.' But I told them I'm not convinced we had legal authority to impose such a condition on this transfer."

After a meeting with TCI, AT&T, Pacific Bell and local ISPs on Dec. 17, Los Angeles telcom regulators probed into the unbundling issue in-depth. No decision is likely before mid-February, the city's chief regulator said.

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**A new home and new faces**

**Broadcasting & Cable's move to New York leads to staff, organizational change**

With the move of Broadcasting & Cable editorial headquarters from Washington to New York, Editor Harry A. Jessell last week announced the names of a new corps of editors and some organizational changes.

Dwight Cunningham takes over as managing editor from Mark Miller. Cunningham, who joins the magazine from the same post at Mediaweek, has overall responsibility for the production of the magazine and is a member of the team that will help Jessell set editorial policies and direct overall coverage.

Along with Cunningham, that team includes three other senior editors already on staff: Steve McClellan, John Higgins and John Eggerton. With the new titles of deputy editors, McClellan and Higgins continue as lead reporters on broadcasting and cable, respectively, but they are also now involved in the magazine's top decision making. Eggerton, an assistant managing editor based in Washington, picks up the additional title of bureau chief.

"We were lucky to find Cunningham," says Jessell. "His vast experience in newspapers and magazines will help make for a seamless transition to New York and boost our reporting efforts."

Cunningham was a reporter in Greensboro, N.C., where he was a Pulitzer Prize runner-up for his coverage of the 1979 Ku Klux Klan-Nazi shootout and its aftermath. His career continued at The Philadelphia Inquirer and in Washington, D.C., as a correspondent and associate editor of the National Journal.

Key newcomers (l-r) Dwight Cunningham, Todd Gast and Evette Porter.

In addition to Eggerton, Cunningham's top lieutenants are Art Director Todd Gast, formerly of Wall Street & Technology, and Assistant Managing Editor Evette Porter, who joins the magazine from the Village Voice, where she was metro editor. Gast succeeds Dave Borucki. His new assistant is Ed Reynolds, a former production aide at Marvel Comics and Adweek. Taking over from Kira Greene, Porter is primarily responsible for special reports. Prior to entering journalism in 1987, she was a financial analyst at CBS and Group W.

On the copy desk are two experienced hands: Lesley Gaspar and Beatrice Williams-Rude. Gaspar has 20 years in magazine publishing, most recently at Variety. Williams-Rude, a one-time Broadway and soap-opera actress, has worked at Forbes and Fairchild Publications.

As assistant editor, Nolan Marchhand's principal duty is editing Cableday, a daily fax newsletter for the cable industry. He came from TVSM's Total TV, where he was a department editor and feature writer. Mara Reinstein, an editorial assistant in charge of the magazine's Fates & Fortunes section, is a 1998 graduate of the University of Missouri's School of Journalism.

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All-day nod for Playboy

Channeling scrambled adult services ruled unconstitutional

By Paige Albinak

Cable operators can again carry scrambled adult programming on their systems 24 hours a day.

In a court decision that strengthened cable’s First Amendment position, Playboy Entertainment Group last week won the right to run its premium channel, Playboy TV, all day. A three-judge panel in Delaware ruled unconstitutional a law that required cable operators to either fully scramble the audio and video of adult channels or keep them between the hours of 10 p.m. and 6 a.m.

“This affirms our long-standing position that the family, not the government, should be in control of television viewing,” said Christie Hefner, Playboy Chairman and CEO. “The good news is that this decision puts everything back the way it is,” says Jim English, president of Playboy TV Networks Worldwide.

Congress passed the law as part of the 1996 Telecommunications Act because it was concerned about “signal bleed,” which allows parts of the scrambled feed to slip by in some instances. The cable operator can solve signal bleed with additional blocking technology at the customer’s request, which the law requires cable operators to provide. The court found that allowing cable operators to block signals at the customer’s home on request adequately protects children from adult programming.

Playboy says that keeping its programming to eight late-night hours per day has cost it 30%-40% of revenues, which would have amounted to $25 million over the next decade. About 20 million homes subscribe to Playboy TV and AdultVision, the company’s adult movie channel, according to Playboy. Because 30% to 50% of all adult programming is viewed before 10 p.m., the FCC’s rules “significantly impacted” Playboy’s business, the court said.

Ownership gets a date

FCC Chairman William Kennard plans to hold a hearing, tentatively slated for Jan. 15, on proposed changes to the broadcast ownership rules. The commission had been expected to vote on the changes at its Jan. 28 meeting, but an aide to Kennard said the ballot date is now up in the air. Kennard has come under fire from several members of Congress and from broadcasters for measures that would restrict local marketing agreements and force many who own TV and radio stations in the same market to sell some outlets.

Get moving with fiber

Communications consultant Kathleen Wallman wants Americans to get more fiber. Wallman, whose clients include fiber optics maker Corning Inc., argues that cable and telephone companies are too slow in offering fiber lines to customers’ homes. The delay is choking off much-needed capacity for new telecommunications services, she says. “Unless the FCC acts to change the climate, a fiber-based advanced telecommunications capability likely will not be deployed to all Americans until 2030-2040,” she wrote in comments to the FCC last week. The FCC, as part of the 1996 Telecommunications Act, is reviewing how to make sure advanced telecommunications services are deployed “on a reasonable and timely basis.” Sources said the commission’s recommendations may be unveiled at its Jan. 28 meeting. Wallman argues that the debate so far has been dominated by cable and telephone companies, all seeking regulatory relief but offering nothing more than a quick buildup of currently available services.

NEW YORK

Selling ‘Access Hollywood’

NBC is getting close to naming a new distributor for Access Hollywood. Sources say three companies are in contention: Warner Bros. Domestic Distribution, Paramount Domestic Television and Columbia TriStar Television Distribution. A decision is expected between now and NATPE, which convenes in New Orleans in three weeks. NBC, which had been a 50-50 partner in the show with Twentieth Television, acquired a majority stake in the entertainment magazine strip last month. The NBC-owned stations have renewed the show for next season. Twentieth, the show’s current syndicator, retains a minority stake.

WASHINGTON

SBS perks profiled

The president of Spanish Broadcasting System Inc. enjoys some high-priced perks, according to SBS’s annual report, filed last Monday with the Securities & Exchange Commission. Beyond the $1.6 million salary and $215,000 bonus paid to President Raul Alarcon Jr. in 1998, SBS in December 1995 issued him promissory notes worth $1.9 million. Thirty yearly payments of $143,158—at the annual rate of 6.36%—are due each Dec. 30. So far, Alarcon has not paid back any of the money, the SEC document says. When SBS moved its headquarters from New York to Miami in fall 1997, the company advanced Alarcon $1.1 million in relocation expenses, which were repaid in March 1998. Meanwhile, SBS leases Alarcon’s two-bedroom furnished condominium in New York for $9,000 a month. SBS is in the process of renovating the condo, which it says is used by company executives, customers and business associates, at an anticipated cost of about $200,000. SBS also has leased a boat for $100,000 a year for the past three years from Alarcon and company Chairman Pablo Raul Alarcon Sr. Purpose: business entertainment, the document says. SBS also is paying Alarcon and Alarcon Sr. $9,000 a month for a building that houses the company’s three Miami stations.
FRITZ SHUMAKER, OF ZANESVILLE, OHIO, HAS NEVER WATCHED THE JERRY SPRINGER SHOW.
HE'S THE

#1 Across all Adult Demographics

TOP TEN FIRST-RUN SYNDICATED SHOWS

(1998-99 Premiere-to-date)

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Source: NSS Premiere-to-date through 12/6/98. (GAA% where applicable). Excludes umbrellas and sports.
NAB: Importing DBS signals is in harm's way

Satellite TV providers don’t need help signing up subscribers—and the government’s numbers prove it

By Bill McConnell

Regulators should not allow DBS companies to import out-of-town network signals into local markets, the National Association of Broadcasters argued last week.

The NAB said that broadcast satellite providers already have a clear advantage, since a recently released FCC report said that two of every three new multichannel video customers opts for DBS companies.

“There is no need for the commission to harm localism to help satellite companies compete with cable,” says NAB attorney Jeff Baumann.

Despite the growth of DBS, satellite company officials say their industry nevertheless is stymied. Restrictions on who can receive imported network signals are too strict, they contend.

“Part of the problem is that there is no realistic model for who can legitimately receive distant network signals,” says Echostar lobbyist Karen Watson. “We would have seen much higher growth if it were clear that more customers were eligible for network signals.”

The satellite industry has asked the FCC to design a predictive model that will be a less-expensive alternative to costly on-site signal tests that are now used to determine who is eligible. They also asked the FCC to increase the broadcast-signal strength that viewers can receive and still be eligible for imported network transmissions.

By contrast, broadcasters argue that letting more DBS subscribers get distant network signals is illegal. They also say the move would hurt local stations by directing viewers to out-of-town superstations.

“The commission should emphatically reject the invitation by the satellite industry to endanger and impair localism through delivery of distant network stations to served households,” Baumann says.

Instead, the NAB is pushing Congress for legislation that will allow DBS companies to provide network signals only from local broadcasters and only if they carry all the stations in a local market. Satellite industry officials, however, argue that they must rely on national or regional broadcasters because it is too expensive to relay local signals from every market across the country.

Currently, viewers are eligible for imported network signals only if they live on the outskirts of a local affiliate’s transmission area and are among 50% of area viewers who cannot receive an acceptable signal 50% of the time.

The FCC has put its decision on a fast track because 2 million PrimeTime 24 customers will lose their network programming by Feb. 1 if the rules aren’t relaxed. Though FCC officials warn there may be little they can do to help PrimeTime24 customers, they are considering two solutions that could help other customers down the road.

Determined to keep the satellite industry’s plea from getting off the ground, the NAB is pointing to the FCC’s new cable competition report and the five commissioners’ own remarks to show that getting more local programming on DBS services is the proper route.

■ From the FCC’s competition report: “The inability to provide local broadcast signals . . . is a major drawback of DBS service.”

■ From Chairman William Kennard: “The drop in local cable operators’ dominance of this market is primarily due to the continued growth of DBS systems.”

From Commissioner Harold Furchgott-Roth: “DBS companies are now simply adding a separate advanced antenna to the satellite package to give customers the local channels.”

Indeed, the FCC’s numbers show that DBS is getting stronger even as other multichannel services struggle. During the year ended June 1998, DBS customers grew 43%, to 7.2 million. At the same time other cable alternatives such as large home dishes, “wireless” cable, and satellite master antenna television, lost 1.7 million subscribers.

The FCC attributes the contrasting performances to the appeal of the smaller dishes used by DBS and the expanding channel lineup offered by the leading services.

However, FCC sources emphasized that the NAB might be reading too much into the commissioners’ support for local signals over DBS. “They definitely believe that legislation allowing transmission of local signals is critical for DBS growth, but in the meantime they want to do all they can within the law to boost competition now,” said one agency official.
Court OKs FCC carriage criteria

Cable systems can exclude fringe TV stations, according to commission formula

By Bill McConnell

able systems can refuse to carry signals of broadcasters located on the fringes of their markets, a federal appeals court has ruled.

A three-judge panel on Dec. 21 upheld an August FCC decision that blocked three stations on the outer edges of the New York City metro area from demanding carriage on cable systems operating within the greater New York market.

The ruling gives judicial endorsement to the FCC's criteria for deciding when cable operators can exclude broadcasters based in the same Arbitron market.

The impact goes beyond this case because the FCC has been holding up nearly 40 carriage requests from broadcasters pending the court's ruling.

The FCC's reaction was swift. One day after the decision was announced, the agency rejected requests by stations KJLA-TV (Ventura, Calif.), and KADY-TV (Oxnard, Calif.) for carriage on Comcast Cablevision systems in Santa Maria and Lompoc, Calif.

"The FCC now has the backbone it needs to move forward with a backlog of must-carry decisions," said Frank W. Lloyd III, Washington attorney for Cablevision Systems. "This decision endorses the FCC's balanced approach."

The stations, WLNY-TV (Riverhead, N.Y.; WRNN-TV Kingston, N.Y. and WHAI-TV Bridgeport, Conn., demanded to be carried by greater New York City cable systems operated by Cablevision, Time Warner Cable, Comcast Cablevision and Service Electric Cable TV of New Jersey.

The stations are considering an appeal, said Andrew Tollin, attorney for WLNY.

The court's decision upholds a four-part test the commission uses to determine if cable systems must carry a local broadcaster's signal.

The 1992 Cable Act requires cable operators to carry the signals of all local broadcasters located in the same Arbitron area of dominant influence (ADI). Congress, however, gave the FCC authority to add or exclude communities within an ADI to reflect a station's true local market. Accordingly, the FCC considers whether:

- Other stations in the same area have been carried on a particular cable system.
- The station seeking carriage provides coverage of community or sporting events of interest to the system's viewers.
- Other eligible stations in the same market are covering local events.
- Non-cable households in the system's viewing area traditionally view the broadcaster's signals.

The FCC says it can impose carriage requirements if one of the four criteria is met. In this case, the broadcasters challenged only one of the agency's criteria for exclusion. They said the agency unfairly ruled that the cable viewers were unlikely to receive coverage of local interest because their communities are outside the stations' broadcast signal area. The broadcasters complained that stations in a cable system's ADI should only be excluded when the channel capacity is needed to carry other stations that supply more local coverage.

But the court rejected that argument. "The FCC properly applied the statute," the court said. "When broadcast stations located at the edge of an ADI are targeted...a strict application of the four statutory factors might indicate that widespread exclusion is in order."

Jump-starting telcom review

Arguing that the FCC fell far short of congressional requirements during this year's review of telecommunications rules, FCC Commissioner Harold Furchtgott-Roth two weeks ago offered a new plan. He called on Chairman William Kennard to appoint a full-time team of FCC staff by June to prepare for the next review, which is scheduled for the year 2000.

He also called on the agency to conduct a more thorough review of its rules and to establish clear standards for evaluating whether any regulations should be repealed or amended. He also wants a full written record of the proceedings. The review, he added, should also require the commission to create a clear definition of the public interest standard, one of the primary criteria on which the commission bases license and merger approvals and other policy decisions. The 1996 Telecommunications Act required the FCC to review its telecommunications rules every two years. The first evaluation was launched in 1998. Furchtgott-Roth, however, has complained since February that only a handful of regulations were being scrutinized. "Congress directed a thorough, attic-to-basement review of all the FCC's telecommunications rules," he said. "Unfortunately, this report demonstrates that the commission has reviewed only a handful of rules." Chairman William Kennard, in a diplomatic response, called the report "constructive" and said he looks forward to working with Furchtgott-Roth on the next review. To show his colleagues how it should be done, Furchtgott-Roth this summer hired a team of legal interns to conduct a model review. Among their suggestions: The FCC should eliminate financial qualification requirements for spectrum licensees. They argued that competitive bidding ensures that winners will have the capital to complete their system buildouts.

—Bill McConnell
SOLD!
The Fastest Selling Daytime Strip.

VORCE COURT
Advertising Outlook
How the pie will be sliced in '99
They were bright, shining years in U.S. advertising. In 1997 and again in 1998, weeks stretched into months of sustained consumer confidence. Employment remained strong, while interest rates and inflation laid low. Small business woke up. Big business bore down. Marketers, armed with bigger advertising budgets, spent heavily during the Olympics. Like-wise, politicians, loaded with bulging war chests, spent freely for advertising time and space. Yes, those were the years.

Enter 1999, a year bereft of biennial highs like the Olympics and elections. Gone, for now, are the big events and the ad growth that fed them. What the consumer media are left with, the expert say, is 180 days of dollar-pinching anxiety within the ad community. It will be a time when growth isn’t likely to duplicate that of the first half of 1998. Still, unless economic conditions worsen, there will also be no advertising dol-drums. Most marketers, it’s clear, aren’t likely to retrench amid real domestic growth.

But stay tuned for the last six months of 1999, when the next big advertising wave surfaces and the millennium nears. Media watchers expect advertisers will take up the slack from that languid first six months, zeroing in on 2000 in a big-spending way. When the final count is taken for 1999, growth should be less than two points off 1998’s 8.6%.

However, not all media can count on matching last years totals as dollars flow out of one and into another. All agree that cable will continue its winning ways, capturing many of the dollars that had been going into broadcast TV and newspapers. Only for cable are the experts predicting double-digit growth (the consensus is 14%) this year. (Except, of course, for the Internet, which is still enjoying the frantic growth of its infancy.) It looks as if most other media will have to settle for 4%-5%.

On the following pages are Broadcasting & Cable’s special report on 1999 advertising expenditures in national and local consumer media—Network TV, Spot TV, Cable TV, Local TV, Syndication, Radio, Out of Home, Magazines, Newspapers and the Internet (just about everything but Yellow Pages and direct marketing). It features a poll of experts—from Wall Street, industry analysts, individual firms and stations—with each industry getting a consensus percentage for advertising growth in 1999. Cobbled together, the various sources show that ad spending on consumer media will rise from $124.1 billion to $132.6 billion, an increase of 6.8%.

Finally, while there are few clear indications of what lies ahead for U.S. advertising in 1999, barring extreme developments, the steady growth should continue and take the most of the media into the new millennium with plenty of advertising dollars in their pockets.

Sources: *Robert J. Coen, McCann-Erickson; Cabletelevision Advertising Bureau; Radio Advertising Bureau; Outdoor Advertising Association of America; Forrester Research*
Now SOLD!
Join the stations from these groups who recognize a proven performer:
NBC, TRIBUNE, GANNETT, HEARST, SCRIPPS HOWARD, ALLBRITTON, MEREDITH, CHRONICLE and HUBBARD.
PLEASE ADJUST YOUR OUTLOOK NOW.
Despite less growth in ad volume, industry upbeat about millennium as pharmaceutical firms woo baby boomers

By Len Hollie

They may complain about what they see, and increasingly people are tuning in cable TV and turning to their computers, but network television is still the main attraction. For now. Analysts expect advertising revenue at the four major networks to increase just 4 percent in 1999, to $14.5 billion, up from $13.93 billion last year.

But the big gainer is expected to be the WB television network, which forecasts a hefty jump in ad revenue in 1999—about $450 million of advertising revenue in this year’s “upfront” ad-buying season. (The upfront is when TV networks sell most of their commercial time for the season that starts in September.) That’s up from $300 million last season.

The network, which was started three years ago, is top-rated among teenagers, one of the most attractive groups of viewers to advertisers. WB also plans to add a sixth night of programming next season, either in September or January 2000, Jamie Kellner, chief executive of the fifth-ranked network, told the PaineWebber Media Conference last month.

Other network executives are also optimistic about ad growth on the networks in 1999.

“Despite the networks’ continued loss of audience to competitors, including cable television, they still deliver mass audiences and the intermediate term outlook for television networks looks promising,” said David Poltrack, executive vice president of planning and research at the CBS Television Network.

The CBS Television industry forecast predicts a 3%-4% increase in U.S. television revenues in 1999. That follows a 9 percent increase in 1998. Poltrack said network television revenues should escalate to 14% in the year 2000.

Leland Westerfield, an analyst at PaineWebber, said overall advertising spending in 1999 is expected to experience the normal post-Olympic, post-election deceleration of growth. PaineWebber expects network ad revenue to grow by a paltry 0%-3%. Nonetheless, Westerfield said the outlook for 1999 is for sustained consumer confidence, ready consumer credit availability, and influence by the millennium on brand promotion.

“We believe the second half of 1999 will see a surge in millennium theme advertising, and that the over-the-counter and prescription pharmaceutical category will continue to grow,” said Ave Butensky, president of the Television Bureau of Advertising. He expects network television ad revenues to rise 2%-4% in 1999.

Meanwhile, the networks continue to attract the largest advertising spenders, such as automotive and packaged-goods companies. In growing numbers, pharmaceutical companies are also being added to that list. Analysts said pharmaceutical advertisers are moving more ad dollars into television following the Federal Drug Administration’s 1997 ruling relaxing restrictions on television advertising.

“Network television has been the big gainer as the result of the relaxation of the FDA guidelines,” Butensky said. TV increased its share from 21% in 1996 to 27% in 1997 and to 48% in the first half of 1998.

Pharmaceutical direct-to-consumer spending is expected to grow 30%, to $1.7 billion in 1999, after reaching an expected $1.3 billion in 1998, said Michael Russell, an analyst at Morgan Stanley Dean Witter. “By 1999, we expect pharmaceutical direct-to-customer ad spending on television to exceed $800 million,” Russell continued. Television has been the big beneficiary of pharmaceutical advertiser-share movement and budget increases, said Russell.

CBS’s Poltrack said the millennium will offer broadcasters a potential market that rivals the bicentennial year of 1976, which he said remains the industry’s best year ever. “The new century will arrive as the baby boom generation is turning 50,” Poltrack noted. “In 1999 and 2000 alone, over five million adults will reach this point of mid-life reflection. Now add the fact that their collective discretionary income will be reaching new highs at the same time. Clearly this is a marketer’s dream.”

There’s one small nightmare awaiting, however: Declining network TV audiences portend fewer ad-revenue dollars. Consequently, network television remains in a pitched battle with Nielsen Media Research, the audience measurement service that continues to report that television is losing young viewers.

The decline within that age group—highly coveted by advertisers—applied to broadcasters and cable alike. Nick Schiavone, senior vice president for research for NBC, told The New York Times in late-December that NBC had lost $66 million in ad revenue since September because of Nielsen data. The networks have said they are considering audience-measurement alternatives.
Auto advertising may fall, but the indulgent consumer, in the partying Spirit of 2000, will lift expenditures

By Len Hollie

Spot television advertising will be up slightly this year as millennium-themed and prescription drug categories emerge, replacing the bounty reaped from midterm political elections and Winter Olympics advertising in 1998.

Still, it'll be a slow first six months. Then, as the millennium approaches, spot TV is expected to hit an ad groove with marketers trying to cash in on the indulgent consumer, analysts said. Pharmaceuticals will also pick up some slack left by other declining categories, such as automotive advertising.

The Television Bureau of Advertising forecasts spot TV ad revenue to rise 4.5% in 1999. TVB's consensus of the financial industry has a 4.5% rise in spot revenue. McCann-Erickson sees 4% growth. PaineWebber sees 4%-5% growth, and New York-based Veronis, Suhler & Associates, a media research firm, expects a 4.7% rise in 1999.

McCann Erickson says that spot will top out at just over $1 billion in 1999. "The first half of the year may be negative," said Ave Butensky, the TVB president. "We'll see a dip before ad revenue begins to rise in the second half of the year."

The top five national spot TV advertising categories in 1998—automotive, restaurants, food and food products, telecommunications and financial services—are also expected to be 1999's top categories, analysts said.

Some up-and-coming categories: consumer services, entertainment and computer/office equipment.

The automotive category, consistently the biggest national spot TV advertiser, posted an 11% gain to $1.6 billion for the first six months of 1998, according to TVB. Boosting the category were Nissan Motor Co., which doubled its spot TV advertising, and Chrysler Corp. with increased ad dollars.

Restaurants were second with a 7% gain, to $617 million; food and food products were third with a gain of 3% to $463 million. Telecommunications dropped 2%, to $323 million, while financial services surged 26%, to $258 million.

Since August 1997, when the U.S. Food and Drug Administration loosened its guidelines on TV advertising of prescription drugs, spending on direct-to-consumer advertising of prescription and over-the-counter drugs has escalated.

"The over-the-counter and prescription pharmaceutical categories will continue to grow," said Butensky.

Total spending on prescription drug advertising in the U.S. last year was estimated at more than $1 billion, with television garnering more than $200 million. "Drugs and remedies are viewed as a top product category," said Richard Intrader, PaineWebber managing director and group head for media investment banking.

Drug and remedies national TV advertising spending rose 10% in the first nine months of 1998, and rose 7% in national spot TV advertising, Intrader said.

In the local market, spot TV advertising rose nearly 10% in 1998, according to the TVB. That was due mainly to significant gains in home electronics and video stores, discount department stores, food stores and supermarkets, furniture stores, and medical and dental services.

The hottest categories are expected to be automotive, fast food and motion pictures, Butensky said. Digital TV and other electronics are seen adding significant ad revenue in the second half of '99. Last year, the top five local spot TV categories in 1998 were car and truck dealers, furniture stores, food stores and supermarkets, leisure time activities and events, and medical and dental services.

"The consumer electronics advertisers said they will begin aggressively marketing digital TV sets in the Top 20 markets," said Butensky.

At year's end, Butensky said, political advertising will begin to surface because of the primaries in large states will begin earlier in 2000 than in past years. "We won't be dealing with just New Hampshire and Iowa as the first political contests any more."

Meanwhile, local TV stations said they have had a good year.

"We're in three of the country's top 30 markets and that's where two-thirds of the spot advertising dollars are spent," said Dennis Fitzsimons, president of Tribune Broadcasting, which owns 17 television stations in New York, Los Angeles, Chicago, Philadelphia, and Boston, among others, and has a 25% stake in the WB Network.
SINCE ET'S PREMIERE, 1,870 OTHER SHOWS HAVE COME AND GONE!

WHAT A TIMI

PLEASE ADJUST YOUR COMMITMENT NOW.
Projections of rising ad revenues in 1999 buoy executives at local TV stations; analysts cite high consumer confidence

By Len Hollie

Local television honchos remain enthusiastic about prospects of rising ad revenues in 1999. The rationale: A resilient economy, increased retail spending and early expectations from Fox affiliates and O&Os of a mega-advertising bonanza from advertiser interest in this month's National Football League Super Bowl.

"We're expecting to see a pretty healthy first quarter in 1999," said Michael Wach, vice president and general manager of New York's WNYW-TV, a Fox television station. "The local economy looks good and retail spending is up. And, we have the Super Bowl in January. We also have other sports. And sports are hot."

Some of his station's biggest advertisers have been cellular phone companies, he said. The movie business also remains hot in New York. "Advertising of Internet sites are also picking up," he added.

Nationwide, McCann-Erickson expects local television ad revenue to increase by 5%, to $12.91 billion in 1999. The Television Advertising Bureau expects local television ad revenue to rise 3%-5% in 1999, down from a 7% increase in 1998.

That jibes with Veronis, Suhler & Associates' forecast. The New York-based media research firm projects local TV station ad revenues to increase by 4.5% in 1999, dropping from a projected 7.3% gain last year.

Nonetheless, local advertising grew more than initially anticipated a year ago, said Robert J. Coen, senior vice president and director of forecasting at McCann-Erickson. "Low unemployment levels and high levels of consumer confidence contributed to above-average consumer spending," said Coen. "And local marketers have responded with larger advertising budgets to attract the spending public."

Underlying the generally rosy prospects for increased local ad revenues are some thorns, however. Wach said one thing he saw in 1998 was a somewhat softer advertising market in New York, despite the political advertising. Wach said he expects 1998 ad revenues to show a 1%-2% increase over 1997.

Harold McGraw III, president and CEO of McGraw-Hill Cos. predicts modest ad growth at the company's four ABC-affiliate television stations—KMGH-TV (Denver), KGTB (San Diego), KERO-TV (Bakersfield, Calif.), and RTVW (Indianapolis) "We expect television ad revenues in the upper-single digits on the West Coast, and in the moderate-single-digits for Indianapolis," said McGraw. He noted that the TV stations had lower earnings and revenue, partly because of lower ABC network ratings.

When Clear Channel Communications Inc. completes its merger with Jacor Communications in September 1999, the company's 19 television stations will be affiliated with all four major networks. The stations include Fox affiliate WFTC-TV in Minneapolis; CBS affiliate WHP-TV in Harrisburg, Pa.; ABC affiliate WPTY-TV in Memphis, and NBC affiliate WPMI-TV in Mobile, Ala., among others.

Randall Mays, Clear Channel chief financial officer, said, however, he foresees no more modest gains from advertising. "We expect a mid-single-digit ad revenue increase in the television stations for the fourth quarter of 1998, and the same level for the first quarter of 1999," he noted.

Analysts said local broadcast stations will continue to attract increased advertising dollars despite declining audience share brought on by surging cable television viewership. This increase will be due mainly to a strong advertising market. However, analysts point out that stations will face greater resistance in generating ad rate increases as audience levels decline.

Ave Butensky, president of the Television Advertising Bureau, said he expects the first half of 1999 will see good growth in ad revenues, and that the second half of 1999 will be stronger than the first half. "That's because, advertisers will begin gearing up for the millennium and for political activity, and because 2000 will also be an Olympic year, which will generate increased advertiser spending," he noted, adding that TVB's estimates are intentionally conservative.

Many local stations have prospered this year and remain upbeat. "Through the first 10 months of 1998 we were the No. 1 revenue station in New York," said Dennis Swanson, president and general manager of WNBC-TV. "Given our performance in November and December we believe we'll be No. 1 for the year." If that happens, WNBC-TV would be the No. 1 revenue station for the past three years ('96, '97, '98).
Recycling the cream of the originators’ efforts, syndicators dominate certain time periods and reap greater revenues

By Len Hollie

Television viewers laugh at the Seinfeld gang’s antics in the early evening or in late night, and South Park and Rugrats draw children wherever they are shown. Such highly successful syndicated programs and dozens of others are expected to pull in more ad dollars in 1999.

“The animated series South Park is having a successful syndication and has shown a significant rise in ad dollars,” said Philippe Dauman, deputy chairman of Viacom Inc., the parent company of cable’s Comedy Central network and home to South Park’s irreverent third graders. “The success of the network run of Frazier is also increasing the ad revenue” for that syndicated offering, he said.

Last year was a good one for the syndication market, with “above-average increases” in ad dollars, said Robert J. Coen, senior vice president and director of forecasting at McCann-Erickson. Likewise, 1999 will be strong, with national syndication ad revenue expected to rise 7% to $2.82 billion, he added. Another analyst, PaineWebber, foresaw a 5% to 7% increase in syndication ad revenue in 1999.

Increased syndication ad revenue is driven by the quality of the off-network programs that are entering the market, said Allison Bodemann, president of the Syndicated Network Television Association, an industry group.

“A lot of the new programming are adult shows, such as Star Trek Deep Space Nine, that attract a wider spectrum of the viewing public than talk shows and game shows,” said Bodemann.

“There are more action-adventure shows and more dual-marketing, and we’re seeing a larger percentage of the available ad space on these shows being held back for barter.”

The Syndicated Network Television Association said upfront projections of ad revenues in 1998, not including cash from TV stations, are $2.1 billion, up from $1.9 billion the previous year. Executives forecast a 7% increase in ad revenues in 1999.

Syndication is the only way nationally for advertisers to reach people in the 4 p.m. to 8 p.m. time slots in the afternoon when there are no network shows, except news, media analysts noted. Such popular syndicated shows as The Simpsons, Mad About You, Home Improvement, Frazier, Friends, Entertainment Tonight, and Extra, are in that time period. “That is the only way that advertisers can buy those days-parts,” said Bodemann. “Media planners looking to expand their reach would try to reach people during these time periods.”

Christopher Dixon, a media analyst at PaineWebber, said network syndication is also driven by the fact that there is too much available tube space to fill.

“The networks need syndicated programs to fill all of the hours that they have available. There is unlimited space,” said Dixon. “The WB network is going to add another night of programming, which will further increase the need to fill space.

“Television has to buy hits. They spend hundreds of millions of dollars on failures,” said Roger King, chairman of Los Angeles-based King World Productions Inc, the top U.S. distributor of first-run syndicated TV shows. It delivers such hit shows to TV networks as The Oprah Winfrey Show, Wheel of Fortune, Jeopardy, Hollywood Squares, and Inside Edition. “They come to buy our shows,” he said.

Steve LoCasio, King World senior vice president and chief financial officer, said the company sells upfront advertising for the whole year. “The prices that we’ve been getting upfront for some of the new shows, such as Hollywood Squares, which is achieving Top 10 ratings in first-run syndication, have been very good,” he said.

However, one of the new shows, Roseanne, has posted less-than-stellar ratings. Consequently, that slump has affected King World’s bartering power for the show, King World officials conceded.

Meanwhile, King said the company is also looking to expand its European base. “There will be 180 new Channels in a unified Europe, and that gives us an opportunity to develop more programming.”

The most active advertisers on syndicated programs have been pharmaceutical firms, and all of the packaged goods advertisers, such as Procter & Gamble. Bodemann said she hopes to increase the advertiser base for syndicated programs.

“I’d love to see more automotive advertisers, telecommunications, and consumer credit cards,” she commented. She noted that retail advertisers are now looking at spending more on syndication.
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Source: NTI Dailies Plus, week of 11/23/98 (through end of November sweep) vs. week of 9/21/98 AA%.

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By Len Hollie

It's hard not to be severely optimistic about the prospects for cable television in garnering an increased share of ad dollars in 1999.

Clearly, it's up, up and away for cable TV, according to a consensus of analysts. They said a bevy of advertisers — ranging from newcomers like pharmaceutical companies to old standbys like automakers — will help make cable TV the clear winner as it outpaces all consumer media — including broadcast television, radio and magazines — in the percentage of ad growth in 1999.

"The cable TV networks will continue to increase their share of TV budgets, and another year of double-digit revenue increases appears likely," said Robert Coen, senior vice president and director of forecasting at McCann-Erickson. Coen predicts a 12% increase in advertising in 1999.

Other analysts are even more optimistic. The Television Bureau of Advertising pegs cable ad dollars to grow 13.5 percent this year. (TVB estimates — derived from a consensus of Wall Street and financial analysts, station representative firms and independent TVB research — represent national averages.)

And Veronis, Suhler & Associates, a New York-based media research firm, says cable will grow a whopping 16.4 percent in 1999.

National cable is expected to get $6.9 billion in advertising. Moreover, advertising revenue for the basic cable national networks this year is expected to climb to $7.49 billion, with total cable ad revenue (including local, regional and spot) seen rising to a total of $10.37 billion, according to the Cabletelevision Advertising Bureau, a trade association. Basic cable national network ad revenue in 1998 was estimated at $6.647 billion, with total cable ad revenue at $9.112 billion. The CAB offered a conservative 9% growth in ad revenues for 1999 compared to 1998.

"The influx of revenues to cable allows it to enhance its programming, thereby attracting more viewers from broadcast outlets," — Veronis, Suhler

Several fledgling basic cablers have gained strength in an industry that continues to erode broadcast television's hold on the viewing audience. "The continuing trend in cable television is that there are more and more crossover points where cable gathers a higher share of the audience than broadcast," said Joe Ostrow, the CAB's president and CEO. "That is seen in two dayparts — late night and weekend afternoon and evening.

"We also have seen an occasional week where cable crosses over in primetime. In addition, cable is the dominant force in children's programming," he added.

More good news for cable: The share of total viewing accounted for by basic cable programs is projected to climb to 45.6%, according to Veronis. "The influx of revenues to cable allows it to enhance its programming, thereby attracting more viewers from broadcast outlets," said Veronis, Suhler analysts. Ostrow agrees. "The contrast in programming offered on cable is triggering the shift in viewing away from broadcast."

Meanwhile, cable operators are seeing how this shift in audience viewing habits is favorably impacting their bottom lines. "Revenue is growing, and we have successfully renegotiated our King World shows at favorable growth rates," said Kenneth W. Lowe, president and chief executive officer of Home and Garden Television, an E.W. Scripps Company cable channel. Lowe said HGT has grown to 47.6 million viewers and became profitable after just three years on the air. The channel's prime time audience is 56% female, and 50% of its audience is in the coveted 18-49 age group. "HGT was ranked as the No. 1 network to be added in 1999," he said.

Another Scripps' cable entity, the Food Network, has an audience 60% female, and 44% of its viewers are between the ages of 18 and 49. Lowe said the Food Network's losses are narrowing, and is two years from profitability.

CAB said automotive is a big cable TV advertising sector, as is technology. "We find that the newer technology categories place ads on cable TV before they try other media outlets," said Ostrow. Other top cablers include the package goods giant Proctor & Gamble, General Motors, Time-Warner, Phillip Morris, Johnson & Johnson, Kellogg, and Unilever.

To many of those huge advertisers, however, heavy cable spending is just splashing over from their enormous general budgets, allocating relatively little of their ad spending to cable. Of companies' ad spending tracked by Competitive Media Reports, only about 8% goes to cable.

But the biggest spenders underweight cable in their budgets. Companies in five of the top 10 categories spend 7% or less of their budgets on cable. Car manufacturers and retailers, the two largest national ad buyers, spend just 3%-4% of their ad budgets on cable networks. ■
Buoied by a robust economy, continuing consolidation, new advertisers and cross-media marketing, radio revenues should grow 9% to 10% in 1999. Revenues should top off at about $16.6 billion, according to industry executives, Wall Street analysts and the Radio Advertising Bureau.

Nine percent for 1999 "may seem conservative" coming off 1998, says RAB President Gary Fries, "but it's a high-growth number when looking at advertising as a whole."

Indeed, 1998 was exceptional. According to the RAB, radio's take in 1998 should total $15.2 billion—an increase of 12% over the previous year.

When the numbers are for 1998, Fries expects local spending to have climbed 11% to $11.9 billion and national spot to have jumped 15% to $2.75 billion. Network radio, meanwhile, is also completing 1998 in an impressive fashion, according to Fries, who projects an increase of 12% to $5.57 million.

Faced with the absence of Olympic games and less political spending, Fries says, radio's growth this year won't match last year's. Still, he says, it should approach 10%—roughly 9% for local, 12% for national spot and 11% for network.

"Radio is experiencing extremely strong advertising growth," says Prudential Securities media analyst James Marsh, who agrees the 1999 increase could hit 10% if all goes well. Radio gives advertisers "pricing power" against other media because it is demographically deep, he says.

"There are no signs of a major slowdown," says Emmis Communications Chairman Jeff Smulyan. Several marketplace forces contributing to a steady 9% to 10% growth in 1999, he says. Among them: rising ad rates due to consolidation and a migration of retail dollars from newspapers to radio.

Other reasons for radio's bullish 1999 outlook include business from new advertising sectors. Liz Bratman, senior vice president and director of local broadcast for Creative Media, a New York media buying and planning service, says that radio is attracting new money from Internet companies and computer software and service providers. "Radio inventory has become very tight, particularly in the top 25 markets," she says.

According to other industry executives, radio also expects more money from cellular telephone and other telecommunications companies, automotive companies and restaurants.

Interp Chairman Ralph Guild says radio has once again become part of the national consciousness. The likes of Howard Stern, Don Imus and Rush Limbaugh are bona fide stars, he says.

The radio audience continues to grow. According to New York investment firm Veronis, Suhler & Associates, radio has been able to slowly, but continually, increase its audience (persons 12 years and older) in the past 10 years (5.8% from 1987-92 and 4.8% from 1992-97, while the audience for television and the number of newspaper readers have declined.

Veronis, Suhler, whose estimates for radio are slightly lower than those of the RAB, expects radio in 1999 to climb 9% to $16.1 billion. It expects radio revenues to grow at a 9.3% annual compound rate through 2002.

In the view of some executives, the development of new cross-media marketing packages that combine radio with outdoor advertising or the Internet will boost radio in 1999. Although intrinsically different, radio and outdoor both appeal to advertisers seeking consumers outside their homes, they say. According to George Sosson, senior vice president and eastern regional manager for Clear Channel's radio division, selling radio-outdoor packages has emerged as a "high priority."

Also watch for joint Internet ventures, says Sosson. Several Clear Channel radio stations, mostly in the eastern and western regions, have a joint marketing deal with Music Boulevard, a major online retailer of CDs, to promote each other's businesses via Web sites, he says. "We will be focusing heavily on new business streams and are creating non-traditional revenue departments."

On the network front, Traug Keller, senior vice president of sales for the ABC Radio Networks, characterizes network radio business as "the best I have ever seen in terms of new advertisers coming into the medium and traditional advertisers renewing."

"Brand managers are looking for ways to advertise more with less money, and network radio affords them effective reach and frequency," Keller says. He also points to new Internet business as a boon for network radio in 1998 and continuing into 1999. These Internet marketers include Priceline.com, which, Keller says, is one of the fastest branding stories in Internet advertising today.
THERE'S VIDEO, THERE'S REAL TV.

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PLEASE ADJUST YOUR LINE-UP NOW.
More time commuting, broadcast/outdoor combinations and new digital technology are among the factors helping out-of-home toward another extremely successful year.

By Vincent M. Ditingo

In a society increasingly in motion, out-of-home media are seizing the moment—and the future—with advertising revenues in 1999 expected to jump 10%, to $4.8 billion.

That's according to the Outdoor Advertising Association of America (OAAA), the leading source on spending on outdoor billboards and other out-of-home media.

The double-digit forecast comes on the heels of an economically productive 1998, which is projected to grow 10% over 1997 to $4.4 billion, according to the OAAA.

"The strength of the out-of-home advertising industry lies in the diversification of its products," says Diane Cimine, OAAA's executive vice president and chief marketing officer. In addition to roadside billboards, out-of-home media include posters on trains and buses, in airports and malls and on so-called "street furniture"—bus shelters, newsstands and the like.

Prudential Securities' media analyst James Marsh sees outdoor/out-of-home advertising well positioned for long-term revenue growth, forecasting close to a 10% increase in 1999. Consolidation, says Marsh, has put out-of-home advertising in the hands of publicly owned companies with quick access to capital.

The news for 1999 is not all good. One large out-of-home advertiser, tobacco, is scheduled to drop out by the second quarter of 1999 as part of tobacco's legal settlement with the U.S. government.

But Cimine and other out-of-home media executives believe that the tobacco ad dollars—which account for some 9% of the outdoor billboard business—can be replaced. "This is prime real estate that opens up opportunities for other advertisers," says Cimine.

A number of other marketplace forces favor out-of-home advertising in 1999. Government statistics show a marked increase since 1990 in traveling time to and from work, as well as a surge not only in drive times, but also in midday traffic patterns, which, out-of-home executives reason, only increases advertising exposure time.

New technology is also attracting marketers to out-of-home advertising. "The outdoor industry is rapidly moving toward digital printing technology," says Chris Ackerley, vice president of development and marketing for AK Media, the outdoor billboard subsidiary of the Seattle-based Ackerley Group.

Digital printing is done on a highly durable vinyl material via a large color printer. "Historically, it would take up to six business days to paint a large pic-

torial billboard," says Ackerley. "The new digitally-produced printing technology on vinyl allows a billboard message to be changed in about two hours.... Advertisers can now have a consistent image in the marketplace."

Jodi Yegelwel, executive vice president of marketing for CBS's TDI, a leader in transit advertising, sees branding and consumer awareness as the key strengths for her segment of the outdoor industry. "There is great product recognition in transport advertising," says Yegelwel, citing bus routes in densely populated areas as an example of advertiser penetration.

Yegelwel sees more upscale marketers using out-of-home in 1999 because of the availability of highly produced ads. These include financial institutions, pharmaceutical firms and Internet/e-commerce companies. And Ackerley and Yegelwel anticipate an influx of money from fashion designers and entertainment/media companies.

In addition to CBS, other major broadcast companies such as Clear Channel and Chancellor are now operating outdoor firms. They can offer advertisers broadcast and outdoor opportunities. The combination of the two media, executives believe, offers a potentially potent advertising package.

"Radio and outdoor can be a good mix because both are basically local mediums focusing on drive times," observes Andrea MacDonald, president of MacDonald Media, a New York-based out-of-home media agency.

Consolidation, says Prudential's Marsh, has put out-of-home advertising in the hands of publicly owned companies with quick access to capital.

Simultaneously, he said, advertising dollars for in-home media, including television, cable, satellite TV and the Internet, are increasingly becoming fragmented in competing for consumer attention. The trend will likely slow their future growth rates, Marsh says.

Other economic factors leading to Marsh's healthy financial outlook for the out-of-home marketplace include higher "occupancy rates" of available inventory. Advertisers, he said, will be experiencing much faster turnaround times as a result of the new digital printing technology.
While spending may cool in 1999, forecasters still expect ad revenues to rise between 4.5% and 6% for the year

By Len Hollie

The newspaper industry is expected to straddle at least two paths to ad revenue profits in 1999. Some publishers expect solid gains in local ad revenue, while newspapers with significant national presences see sustained ad revenue growth as advertisers try to reach large regional and national audiences.

Overall U.S. advertising spending is expected to slow in 1999 as the economy cools and the boost in ad spending in 1998 from the Winter Olympics and midterm elections dissipates. But total ad spending at U.S. newspapers is expected to rise 4.5% to $45.84 billion in 1999, according to the Newspaper Association of America, a trade group. Advertising spending in 1998 was forecast at $43.87 billion, up 6.1%.

Most local publishers agree that 1999 will be somewhat softer. For example, E.W. Scripps, publisher of about 20 newspapers, expects a 6% rise in ad revenue in 1999, compared with growth of 6.6% in 1998.

Publishers said that cost controls, flat or slightly lower newsprint prices, and efforts to boost circulation could counter the drop in ad revenue.

"As other media continue to splinter, newspapers will be the last mass-medium left and we see that as a plus for us," said Mark H. Willes, the Los Angeles-based Times Mirror Co. chairman, president and CEO.

The New York Times in December became the first newspaper in U.S. history to earn $1 billion in ad revenue. "This has been the most profitable year for us in New York Times history," said Arthur Sulzberger Jr., the Times' chairman. The newspaper increased the number of advertising categories and boosted daily circulation to 40% outside the New York area. Home delivery of the daily is now available in 168 markets national-ly; 66% of all display advertising nationwide. "By expanding the newspaper's role as a national newspaper, we have reduced our dependence on the New York area to sustain revenue," said Russell T. Lewis, New York Times president and CEO.

Newspapers are the largest local medium, and local advertising has benefited from tight labor markets and increased demands for workers as employers and employment agencies step-up classified ad spending to recruit workers.

Newspapers "have finally experienced a real increase in lineage and revenues at retail display rates, while also again registering very good classified advertising growth," said McCann Erickson analyst Robert Coen.

Overall, it's a good scenario, said several publishers in forecasting solid ad gains this year. "Our newspapers are having a good year, despite the circulation price war in Denver," said Daniel J. Castellini, Scripps senior vice president for finance and administration.

Scripps owns the Rocky Mountain News in Denver, the Daily Camera in Boulder, and 18 other newspapers. "Denver is becoming the biggest advertising center between the West Coast and the East Coast," said Alan M. Horton, Scripps senior vice president for newspapers.

"The weapon of choice in Denver is circulation pricing. Though we've spent a lot of money in the Denver market, we feel it's worth it to gain market share," he says.

However, some publishers see slower ad revenue growth in a number of regions. Unseasonably warm weather in many parts of the U.S. in November and December hurt retail sales. Times Mirror—whose papers include the Los Angeles Times, Newsday, The (Baltimore) Sun, and the Hartford Courant, said fourth-quarter ad revenue was soft at the flagship Times due to weakness in retail ads and help-wanted classifieds.

Additionally, there was an expected 17% rise in newsprint costs. The paper cut 250 jobs in 1998, about 3.4% of its workforce. Another round of job cuts was planned at year's end.

Dow Jones & Co., publishers of The Wall Street Journal and Barron's, expects profits to fall short of analysts' expectations due to continued weakness in advertising volume. Gannett Co., the largest U.S. newspaper publisher, said ad sales at the company's 74 dailies will rise between 2% and 4% in 1999, down from 6% in 1998. Gannett's USA Today will see a 5% rise in ad revenue in 1999, compared with a 12% increase in 1998.

Newspaper publishers are continuing to expand their online presence to defend their classified advertising turf and to extend their brands. By the end of 1998, the Newspaper Association of America said, about 900 of the 1,500 daily newspapers had an Internet site.
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Last year's 8.5% growth in ad revenues probably won't be duplicated during 1999, as pharmaceutical ads dip

By Len Hollie

Eating, smoking, buying clothes and watching their money grow (or not)—these are the staples that advertisers are expected to continue to hone on this year in the continuing effort to woo magazine readers. It worked in 1998, when magazine ad revenue rose 8.5%, primarily due to increased spending on retail, food, business and consumer services ads.

Seemingly, the hotter the category, the more ad dollars the collective titles can garner. For example, newsweeklies, women's and business titles continue to attract advertisers vying for upscale demographics.

In sum, U.S. magazine advertising revenue in 1998 was estimated at $10.36 billion. For 1999, analysts expect a modest growth spurt of 5.5% to 6%. "Expecting 6% growth in ad revenue may sound like a slightly optimistic number, but hopefully we'll do a little better than that," said Donald D. Kumerfeld, president and CEO of Magazine Publishers of America, based in New York.

"Retail spending in 1998 was a lot better than we expected," he said. "Although some of our most dependable categories—such as automotive, computers, and drugs and remedies—were down, tobacco advertising made a big comeback."

On the negative side, pharmaceuticals no longer are considered a magazine advertising growth category. But analysts from Veronis, Suhler & Associates, a New York-based media research firm, said that given the expansion of the 50-and-over population in the next two decades, overall prescription drug advertising is expected to grow significantly.

"We expect magazines to benefit from increases in prescription drug advertising." —Veronis, Suhler

they often reference their print ads in their broadcast messages."

General-interest magazine titles account for the majority of magazine advertising dollars, and newsweeklies and women's magazines are the two largest general-interest categories. Newsweeklies' ad revenue climbed to $4 billion in 1998, up modestly from $3.85 billion the previous year, according to Robert J. Coen, McCann-Erickson senior vice president and director of forecasting. Ad revenue in women's magazines rose to $2.72 billion, up marginally from the previous year.

Business and finance magazines are the third largest category. Veronis, Suhler said the continued strength of the category mirrored the improved economy, the soaring stock market, and the increased participation in that market by individuals. "Business Week had a record year," said Harold McGraw III, president and CEO of McGraw-Hill Companies Inc. McGraw expects Business Week's ad revenue to rise 6% in 1999, and that ad rates will rise 8%. He said the fastest-growing ad category in the magazine was information technology.

"We want to make Business Week the biggest business weekly worldwide," McGraw said, noting that all of the company's publications also were on the Internet.

The consumer magazine industry also consists of a large number of special-interest titles that offer a highly targeted audience to advertisers. The Times Mirror Company, publishers of Field & Stream, Popular Science and Sporting News, among others, said 1998 ad revenue rose 7%. Ad revenue for 1999 is expected to rise 11%, said Mary E. Junck, Times Mirror executive vice president and president of eastern newspapers. "We saw real strength in Field & Stream, Popular Science and Sporting News," said Junck. She said the company will launch three new titles in 1999—Outdoor Explorer, Surf and Surf Business magazines, and will add a Senior Golfer title.

Three of the top 10 magazine advertising categories were up substantially. Retail rose 24%, driven mainly by national advertising for shoes and clothes, according to the Magazine Publishers of America, quoting the latest available figures from the Publishers Information Bureau. Food and food products rose 15.5%, and business and consumer ad spending rose 13%. Tobacco advertising, the 12th largest magazine ad category, climbed a surprising 23% amid analyst speculation that tobacco advertisers driven from billboards and television turned to magazines.

Several of the usually stable top 10 categories tumbled. Automotive advertising was down 5.5%, due in part to the General Motors strike, when virtually no ads were ordered for new model introductions. Computer advertising fell 4.5%, and drugs and remedies fell 4.4%. Analysts said this decline is due to pharmaceutical advertisers moving more ad dollars into television following the Federal Drug Administration’s 1997 ruling relaxing restrictions on television advertising.
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M18-34

HOWARD

TP

0.9

NOV 97

4.4

NOV 98

M18-49

HOWARD

TP

1.1

NOV 97

3.5

NOV 98

HOWARD STERN RTGS
HEAD-TO-HEAD WITH SNL

HOWARD

+389%

SNL

-22%

% RTG CHANGE NOV 98 VS. NOV 97
HOWARD STERN HEAD-TO-HEAD WITH SNL

HOWARD STERN RADIO SHOW

SOURCE: NSI SNAP, ALL HEAD-TO-HEAD OCCURRENCES (36),
STERN NOV98 VS NOV97, SNL NOV98 VS NOV97.

www.americanradiohistory.com
Ad revenues will continue to rise sharply as the medium evolves, and new ad forms and sponsorships develop

By Richard Tedesco

Online advertising revenues are generally expected to keep soaring in 1999, ranging from $2.3 billion to nearly $3 billion, industry experts estimate.

Forrester Research foresees online ad revenues roughly doubling each year through 2000, with the rate of growth starting to slow down a bit after that in terms of absolute dollars. Relative to TV dollars, it’s not big money yet, but it’s growing fast from a paltry $550 million in ad revenues in 1997. Forrester estimates that Internet advertising will become a $2.3 billion U.S. industry this year, from $1.3 billion in 1998. It expects ad spending to go from $25 per person in 1998—double the rate spent in 1997—to $104 per Web surfer by 2003.

Jupiter Communications estimates 1998 Web ad revenues at $1.9 billion and projects a $2.9 billion ad market online in ’99. The Internet Advertising Bureau basically agrees, pegging 1998 online ad revenues at about $2 billion, said Tom Hyland, chair, PricewaterhouseCoopers New Media Group. (The IAB said it has no projection for 1999.)

“Internet advertising is going to continue to grow. You have many more people coming online and spending more time online,” says Bill Bass, senior analyst for Forrester. He said the 1998 Christmas season will help prove that the Internet is fertile ground for retailers and other marketers. “Advertisers want to be as close to the point-of-sale as possible. As transactions shift online, that dramatically increases the value of online advertising.”

But despite the robust state of the marketplace, Bass argues that the online landscape badly needs a makeover. For the most part, he said banner ads are becoming like so much wallpaper in cyberspace.

SOURCE: Forrester Research

"Advertisers want to be as close to the point-of-sale as possible."

—Bill Bass, Forrester senior analyst

"Nobody remembers banner ads. They remember TV commercials," says Bass, who sees to a coming trend in more memorable ad devices.

The first blush of that is in so-called “pop-up ads” embedded in commercially oriented sites, such as special car company offers appearing in auto classified services online. And Forrester expects the automotive category will remain among the strongest online.

Gerry Boehme, senior vice president of strategy for Katz New Media, agrees that the current mode of Net advertising is fast becoming outmoded, and considers many banner ads “glorified outdoor” advertising. Boehme believes the key to bringing Web advertising into the big time is to integrate it with more traditional on-air efforts. “A lot of the online advertising models are going to break down,” says Boehme.

An opportunity exists for local TV stations that could sell links to advertisers on station sites, and encourage viewers to check those links out in on-air promos, according to Boehme.

Evan Neufeld, Internet advertising analyst for Jupiter Communications, also anticipates the proliferation of integrated online-on-air media campaigns. And he also expects that an increasingly aggressive advertising environment online may reap the same consumer reaction registered to on-air ads in the past. “We’re going to see more intrusive campaigns,” Neufeld says, “and there’ll be consumer backlash against full-screen, intrusive campaigns.”

Forrester expects to see more advertisers buying into sponsorships online: sponsoring proscribed content areas rather than simply posting their banners because banner ads just aren’t generating click-through rates that justify current ad rates. “Sponsorships of a section is not a commodity,” Forrester says.

“There’s nothing you can compare that to,” says Bill Bass. “But a banner ad is a banner ad.”

Where banner ads do exist, Bass predicts we’ll see more utility built in, citing the example of a recent Scope mouthwash promo, enabling PC users to send e-mail kisses in cyberspace.

Along with the automotive category, Forrester figures the hot categories online in ’99 will include anything having to do with technology, and also financial services and telecommunications. "If you conceive of the Internet as an atomic explosion, there are some companies coming in at ground zero that are affected immediately," Bass says, pointing to the growing popularity of shopping for stocks and cars online.

While commercial activity online continues to be centered in the U.S., 30% of Internet traffic now comes from abroad, with companies such as Yahoo and Amazon.com now global brands. Forrester expects that to become an increasingly bigger part of the picture, with advertising from international sources to add $1 billion to the online pie by 2000.
Western brings back 'Conan'

Syndicator offers new episodes to stations that have been getting free plays

By Joe Schlosser

Western International executives are hoping their kind gesture will pay off next fall.

The Hollywood-based syndication company is now going into production problems late last year on its weekly action-hour Conan, The Adventurer, and failed to get the show out for its second season last fall.

In an effort to appease stations signed on for Conan's 1998-99 season, Western International President Chris Lancey decided to give the 22 original episodes from the series' first season back to stations for free play.

For 10 months, stations have been running Conan, The Adventurer on the weekend and keeping 100% of the inventory—not exactly the normal syndication deal. But there are some strings attached. "It is sort of our good-faith gesture to take us into 1999," says Lancey, who is currently selling a new version of Conan for the next season. "We said, 'Look, if you are a supporter of the show and you are getting ratings with it and you want to continue running it, then it's yours and you can make all the money off it. But just remember us when we come in and are looking for time-period support in 1999.'"

That time is now. Western has renamed the series Conan, The Barbarian, and has added action producer Larry Kusanoff as the show's new executive producer. Ralph Mueller, who was the show's original star in its first and only season, is signed on to play Conan again. "Conan is not your run-of-the-mill show. We feel it is a major institution in the entertainment business and that we are willing to and want to demonstrate to our partners how committed we are to this project," Lancey says. "The name change may be small, but it's a meaningful change to us, and the audience will soon see the difference in production, especially now with Larry on board."

The production budget will be more than $1 million per episode—at the high end of budgets for syndicated action hours. A production facility in Canada should be chosen by the end of the month, Lancey says.

Western is also bringing back the action-hour Acapulco H.E.A.T., which has a similar track record to Conan in syndication. Acapulco originally went into syndication during the 1994-95 season and was distributed by All American (now Pearson Television). The show's producers went through a number of problems, including legal issues, and it was put on the back burner until Western acquired the rights from All American. This season, Acapulco H.E.A.T. returned to domestic syndication and Western is out trying to renew the series for fall 1999.

McLaughlin named CBS chairman

In a move that surprised Wall Street, CBS has split the chairman/CEO duties and named long-time board member David McLaughlin to replace Michael Jordan as a non-executive chairman of the board of directors effective Jan. 1. As previously announced, CBS President Mel Karmazin has succeeded Jordan as chief executive officer of the company, also on Jan. 1.

As a non-executive chairman, McLaughlin will have no operating responsibilities at the company. McLaughlin has been on the Westinghouse and CBS boards since 1979.

"It's a little surprising that they split the titles [of chairman and CEO] said First Union media analyst Bishop Cheen. "But it is also easy to read too much into this." Cheen noted that during the Tisch era at CBS, Laurence Tisch had both titles and therefore greater ability to ignore dissatisfied shareholders and board members.

It's also an era in which corporate boards are being pressured to assume greater accountability and responsibility for the companies they oversee, said Cheen. "It's one more check on the CEO," he added.

But others questioned how much real leverage the CBS board was gaining by giving the chairmanship to someone other than Karmazin. "If he walks, CBS's stock drops 50%," said another Wall Street analyst.

But according to sources familiar with the situation, Karmazin himself wanted someone else to handle the board chairman chores and that he endorsed McLaughlin's election.

As a longtime Westinghouse board member, McLaughlin is familiar with the transitional issues (including some Westinghouse divisions still in the process of being divested from CBS) the company still has to address, sources noted. Karmazin, in turn, has his hands full running two companies—both CBS and spinoff Infinity Broadcasting. "This was Mel's decision," not to assume the board chairmanship, said a source familiar with the decision.

McLaughlin, 66, is also chairman and CEO of Orion Safety Products Inc. He is a former chairman and CEO of the Aspen Institute and from 1981 to '87 was president of Dartmouth College. He currently serves on three other boards—Atlantic Richfield; PartnerRe Services Ltd., and Atlas Air Inc.

—Steve McClellan

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NBC shuffles Monday

NBC has canceled freshman sitcom *Conrad Bloom* and is filling its Monday night slot with *Working*, sources said last week. Two weeks ago, NBC moved *Conrad Bloom* to Monday at 9:30 p.m. and last week was probably the show's final airing on the network. NBC executives would not comment, but sources added that production on the remaining segments of the original 13-episode order has been stopped and that the network is not going to pick up the back nine episodes either. *Bloom* scored a 5.0 rating/8 share last week, according to Nielsen Media Research. *Working*, which started the season on Tuesday night at 9:30 and was put on hiatus shortly after, will return to NBC on Monday, Jan. 11, according to sources. *Bloom* and *Working* are both NBC Studios shows.

Litton weighs in

Litton Syndications is looking to get in on the success that professional wrestling has enjoyed over the last few years with a new weekly syndicated hour based on Tough Man competitions. *The Tough Man* events, which helped bring Mr. T. and boxers Tommy Morrisson and Butterbean to national attention, will be shown weekly in an hour sports show that will feature the top bouts of the week. Competition features everyday people getting in the ring in both heavy-weight and light-heavy-weight bouts. Litton executives say Butterbean, Mr. T. and other former *Tough Man* standouts will be involved with the syndicated series in promotional and possibly announcing roles. Litton also is pitching a new half-hour weekend series, *All-Pro Sports*, with Access Hollywood host Pat O'Brien. *All-Pro Sports* will feature 26 original episodes of in-depth interviews with NFL and NBA players. Former Miami Dolphins coach Don Shula will conduct a number of the NFL interviews, Litton executives say. Both syndicated series will be available for next fall.

Dubrow to Joy Browne

Burt Dubrow has been named executive producer of Eyemark Entertainment's upcoming talk show with syndicated radio personality Dr. Joy Browne. Dubrow is credited with creating and launching *The Sally Jessy Raphael Show* and *The Jerry Springer Show* for Multimedia Entertainment. Dubrow has also worked on the syndicated series *Crook & Chase* and *The Mike Douglas Show*. The Browne show is cleared on 50 stations representing 52% of the country. Recent clearances include KTVU-TV San Francisco, KPRC-TV Houston and KARE-TV Minneapolis.

Animal Rescue returns

Telco Productions is bringing back *Animal Rescue* for a third season in syndication. The half-hour series is hosted by former KABC-TV Los Angeles reporter/anchor Alex Paez.

Them that refuse it are few

NBC Sports and Pepsi have reached an agreement making Mountain Dew the exclusive beverage sponsor of the network's upcoming *Gravity Games*. The deal is the first sponsorship commitment for *Games*, which is a joint venture with NBC Sports, Petersen Publishing and Advantage. The multi-year pact covers the inaugural *Games*, to be telecast next October, and the summer *Gravity Games* in 2000 and 2001. The first *Games* will feature eleven "adrenaline-based" sports, including hiking, inline skating and street luge.

Pearson promotions

Michael Bowman and Ludmila Palasin have been named co-directors of marketing and promotions at Pearson Television North America. Bowman and Palasin were formerly marketing managers at Pearson.

Seeing double

Oprah Winfrey is going to be doing double-duty in New York this year. WABC-TV is going to start airing a late-night repeat of that day's Winfrey talker starting early this month. The King World show is already airing in similar double-run patterns on the ABC stations in Los Angeles and Chicago. Winfrey will follow *Politically Incorrect* with Bill Maher.

Trimming, trekking and training with Tribune

Richard Simmons, Majel Barrett Roddenberry and Don Cornelius will all be on hand at the Tribune Entertainment booth at the upcoming NATPE Conference in New Orleans. Simmons is hosting Tribune's new talker *Dream Maker* and Roddenberry is the executive producer of Gene Roddenberry's *Earth: Final Conflict*. Cornelius, the creator and executive producer of Tribune's *Soul Train*, will join the others on Tuesday, Jan. 26, and Wednesday, Jan. 27, on the conference floor.
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29 million **Radio** listeners a month

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Living

Union blues in Chicago
The American Federation of Television and Radio Artists is filing a grievance with Chicago’s WMAQ-TV over the station’s use of a daily hire to anchor weekend news during the regular anchor’s maternity leave. AFTRA says that Libby Weaver’s filling in for Lisa Tutman marks the first time a per diem employee has anchored a newscast, which violates existing agreements and which it sees as part of an overall effort to expand use of per diem employees. WMAQ-TV officials had no comment. AFTRA says both WMAQ-TV and WBBM-TV have proposed such expansion in ongoing negotiations and employees at both stations have twice worn black in protest. WMAQ-TV officials had no comment.

...and in Kansas City
Employees at WDAF-TV Kansas City, will vote this week on whether AFTRA will represent photographers and on-air staff in negotiations. The yearlong campaign has gotten somewhat contentious. The National Labor Relations Board late last month filed a complaint against station owner New World Communications charging that management has improperly restricted employees’ ability to discuss unionization. A hearing is scheduled for April.
AFTRA’s Kansas City executive director, Don Scott, says some members of management have tried to intimidate staffers and, although the station has general prohibitions on discussions of unionization on company time, enforcement has been more lenient toward anti-union comments than pro-union. Station officials were not available for comment, but the station has maintained that it has acted properly throughout. Photographers and on-air staff will vote separately, a setback for AFTRA, which wanted to represent both groups as a single unit.

Fisher returning to Detroit screens
Former WJBK-TV anchor Rich Fisher will return to Detroit television early next year, this time as a special projects reporter for WKBV(TV). Fisher left the business in 1997, apparently feeling burned out, and WKBV news director Tom Bell said he’d been trying to coax Fisher into a return for some time. WKBV is the sole remaining evening newscast in the Paramount Stations Group.

“I needed a break,” Fisher said. “It got to the point where I wasn’t seeing my kids during the week.” During his hiatus, he’d been filling in occasionally on WRAM, doing some local speaking and master of ceremonies appearances, and “playing a lot of golf.” In his new role at WKBV he expects to be doing some interviews, features, and possibly some investigative reporting.
It’s the second high-profile return of a popular Detroit broadcaster in the past several weeks. Bill Bonds, who had left television for personal reasons, returned to WXYZ-TV in November.

Popular St. Louis broadcaster killed
St. Louis viewers were stunned in December by the death of longtime KMOV-TV reporter and anchor and KEZK-FM radio personality Mary Phelan in an automobile accident.

Phelan had left the station only a few months before in anticipation of her wedding and in an attempt to begin a work schedule that would accommodate a marriage.

“What makes this especially tragic is that she was just beginning a new phase of happiness,” said KMOV-TV news director Steve Hammel, who remembered Phelan fondly. “She could walk in and electrify the room. She was known for being tenacious, for getting the interviews others couldn’t get. She had a great mind, and a great memory for names and for detail.”

It was the second death by accident of a prominent St. Louis broadcaster. In September, KSDK-TV traffic reporter Allen Barklage was killed in a helicopter crash.

Miami station snags Marlins
USA-owned WAMI-TV Miami is adding Major League Baseball to its schedule. The station has cut a six-year deal with SportsChannel Florida to air up to 55 Florida Marlins games per season for approximately $3.5 million per year. SportsChannel Florida acquired the team’s TV rights last spring. It’s the second rights deal WHAM has done for a Miami-based pro-sports team. The station has the rights to air the Miami Heat basketball team, although with no end in sight to the NBA strike, it may end up airing the Marlins first. “As the home of both the Marlins and the Heat, we have realized our goal to become the sports station in South Florida after just six months on the air,” said USA Broadcasting President Jon Miller. The deal includes pre- and post-game shows with Mark Jones and Brian Stench, who anchor the station’s SportsTown show.

WNBC-TV New York wins race
WNBC-TV has won the rights to the New York City marathon, starting in 1999. Sources say the station will pay $10 million for the next five marathons, about 40% more than the current rights holder, WPIX(TV), has been paying. The deal was brokered by New York-based sports marketer TransWorld International.
**PEOPLE'S CHOICE**

Despite having the top five shows for the week in its Thursday line-up, NBC still fell behind CBS in the week's averages.

### December 14-20

**Broadcast network prime time ratings according to Nielsen Media Research**

<table>
<thead>
<tr>
<th>Week 13</th>
<th>TUESDAY</th>
<th>WEDNESDAY</th>
<th>THURSDAY</th>
<th>FRIDAY</th>
<th>SATURDAY</th>
<th>SUNDAY</th>
</tr>
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<tbody>
<tr>
<td>11/5/18</td>
<td>8:00</td>
<td>9:00</td>
<td>8:00</td>
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<td>7:00</td>
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<td>10:00</td>
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<tr>
<td>17. Spin City 9:15/14</td>
<td>11.1/18</td>
<td>23. Will &amp; Grace 8:7/14</td>
<td>3.9/6</td>
<td>5.6/9</td>
<td></td>
<td></td>
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<tr>
<td>9:30</td>
<td>9:45</td>
<td>10:30</td>
<td>11:00</td>
<td>12:00</td>
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</table>

**Week Avg**

| 7.4/12 | 8.5/14 | 8.3/14 | 6.1/10 | 2.0/3 | 3.3/5 |

**Std Avg**

| 8.5/14 | 9.2/15 | 9.0/15 | 7.3/12 | 2.0/3 | 3.3/5 |

**KEY: RANKING/SHOW TITLE/PROGRAM RATING/SHARE**

- Top ten shows of the week are numbered in red.
- Television universe estimated at 99.4 million households; one rating point is equal to 994,000 TV homes.
- Yellow tint is winner of time slot (NR)=Not Ranked; Rating/Share estimated for period shown.
- Premiere: Sources: Nielsen Media Research, CBS Research, Graphic by Kenneth Ray.
A: The program that beat JEOPARDY for the #2 slot.

Q: What is JUDGE JUDY?

<table>
<thead>
<tr>
<th>Rank</th>
<th>Program</th>
<th>GAA HH Rating</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Wheel of Fortune SYN</td>
<td>11.3*</td>
</tr>
<tr>
<td>2</td>
<td>Judge Judy (AT)</td>
<td>9.5</td>
</tr>
<tr>
<td>3</td>
<td>Jeopardy</td>
<td>9.4*</td>
</tr>
<tr>
<td>4</td>
<td>Friends SYN (AT)</td>
<td>7.5</td>
</tr>
<tr>
<td>5</td>
<td>Jerry Springer (AT)</td>
<td>7.4</td>
</tr>
<tr>
<td>6</td>
<td>Seinfeld</td>
<td>6.5*</td>
</tr>
<tr>
<td>7</td>
<td>Home Improvement SYN (AT)</td>
<td>6.3</td>
</tr>
<tr>
<td>8</td>
<td>Frasier SYN (AT)</td>
<td>6.1</td>
</tr>
<tr>
<td>9</td>
<td>Oprah Winfrey Show (AT)</td>
<td>6.0</td>
</tr>
<tr>
<td>9</td>
<td>X-Files SYN</td>
<td>6.0</td>
</tr>
</tbody>
</table>

*AA My, 344 not available. Source: NRS 12/7-13/98, excludes sports programs
TELEVISION'S NEW BENCHMARK

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<table>
<thead>
<tr>
<th>NSI Metered Market Average</th>
<th>% Change vs. Lead-in RTG</th>
<th>% Change vs. Year Ago T.P. RTG</th>
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<tr>
<td>Judge Joe Brown</td>
<td>+16</td>
<td>+40</td>
</tr>
<tr>
<td>Change of Heart</td>
<td>-23</td>
<td>-5</td>
</tr>
<tr>
<td>Donny &amp; Marie</td>
<td>-33</td>
<td>-20</td>
</tr>
<tr>
<td>Forgive or Forget</td>
<td>-21</td>
<td>+19</td>
</tr>
<tr>
<td>Hollywood Squares</td>
<td>+8</td>
<td>+4</td>
</tr>
<tr>
<td>Howie Mandel</td>
<td>-33</td>
<td>-33</td>
</tr>
<tr>
<td>Judge Mills Lane</td>
<td>-5</td>
<td>+17</td>
</tr>
<tr>
<td>Love Connection</td>
<td>-19</td>
<td>-11</td>
</tr>
<tr>
<td>Match Game</td>
<td>-7</td>
<td>NC</td>
</tr>
<tr>
<td>Roseanne Show</td>
<td>-18</td>
<td>-39</td>
</tr>
</tbody>
</table>

Source: NSS GAA's Dailies + w/o 9/14/98 vs. w/o 11/30/98, GAA Explorer 10/29-11/25/98. NSI wrap all TC, weighted average 10/29-11/25/98, 10/30-11/26/97. *New programs indicated above.
Justice-friendly radio deal?

Citadel, Capstar agree to station swaps, sales in Spokane, Colorado Springs

By Elizabeth A. Rathbun

In an apparent effort to avoid Justice Department ownership restrictions, Capstar Broadcasting Partners Inc. and Citadel Communications Corp. have agreed to swap some radio stations in Colorado Springs, Colo. Under the deal, Citadel also will buy other stations in Colorado Springs and Spokane, Wash., from Capstar.

The deal would kill joint sales agreements (JSAs) in both markets between Citadel and Triathlon Broadcasting Co., which is being acquired by Capstar (that deal is expected to close in the second quarter). According to Triathlon's quarterly report, dated Nov. 16, 1998, Justice has zeroed in on Spokane and Colorado Springs because of the concentration of radio revenue in those markets.

The details of the plan are not available because the deal is not completely hammered out, a spokesman for both companies says. It should be a done deal in about two weeks, he said last Tuesday.

However, Securities & Exchange Commission filings and 1997 estimates (the most recent available) from BIA Research Inc. indicate what may be fueling the deal. For one thing, Triathlon's report notes that Justice previously has forced the termination of a JSA based on the concentration of radio revenue it added to a station's holdings in a market.

In Spokane, Arbitron's 87th-largest market, Citadel controls 52.7% of the radio revenue with its ownership of four stations and JSAs with four more owned by Capstar-Triathlon, according to a July 1, 1998 Securities & Exchange Commission filing. Justice has promised to examine any deal that gives a company 50% or more of a market's revenue share, but has brought cases against companies whose holdings give it about 40% of a market's revenue.

Under the deal, according to a source close to the plan, Citadel would get ownership of two Capstar-Triathlon stations in Spokane with which it has JSAs: KEYF-AM-FM. According to BIA's 1997 estimates, which differ from Citadel's SEC filing, that combo already accounts for $1.2 million of Citadel's $7.25 million in market revenue (47.1% of total market revenue).

Excluding its JSAs with Citadel in Spokane and including its JSAs with two FM stations owned by American General Media there, Capstar-Triathlon owns or sells advertising for five stations and controls $4.9 million of the market's $16.5 million in estimated 1997 revenue, or 29.7%, BIA says. Including the stations for which Citadel sells advertising, it controls 48.8%.

The source adds that the deal currently calls for Capstar to swap its KKLJ(FM) Colorado Springs to Capstar in addition to paying an unknown amount of cash for Capstar-Triathlon's KVOR(AM)-KSPZ-FM and KTWK(AM) there. Citadel already operates those stations under JSAs.

Citadel claims to be tops in Colorado Springs with 63.5% of total revenue, the company's SEC filing says. It owns three stations there and has JSAs with all four Capstar-Triathlon stations in the market.

Under BIA's calculations, which give Citadel an estimated 1997 market share of 60.9%, or $9.4 million (including JSAs), the company's share in Colorado Springs would fall to 52.5% under the deal, or $8.1 million.

The revenue numbers provided by the deal still may give Justice pause. A department spokeswoman was not available for comment. Nor were representatives or antitrust lawyers from Capstar or Citadel.

The deal also would limit Capstar-Triathlon's Colorado Springs holdings to just Triathlon's KVUU-FM, which had 1997 estimated revenue of $1.25 million, or 8.1% of the total market, according to BIA. That station also is currently operating under a JSA with Citadel; whether that will change could not be determined.

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USA climbs over TNT to No. 1

Without NFL football, TNT can’t overcome USA’s original programming

By Donna Petrozzello

In 1998—a year in which ratings for news, original series and movies and cartoons on cable soared—USA Network vaulted to first in prime time and third in total daytime. TNT slipped from the top ranking after losing prime time football, leaving it No. 2 for the year.

Last year, USA ranked second in prime time behind Turner Network Television and fourth in total-day ratings behind Nickelodeon, TBS Superstation and TNT, respectively.

USA Network senior vice president of research Tim Brooks pinned USA’s ratings gains in 1998 to strong ratings for its Sunday night original series and to its original movies, notably Moby Dick. In two nights last March, the remake of the Herman Melville classic averaged 8.1/5.8 million homes, delivering the largest audience in basic cable history for original entertainment programming, according to USA officials using Nielsen data.

USA averaged a 2.3 rating/1.7 million homes in prime time, a 15% ratings boost and 20% household delivery increase for 1998 compared with 1997, according to Nielsen data measured from Dec. 29, 1997 through Dec. 20, 1998. In total day, USA averaged a 1.0/722,000 in 1998, marking an 11% gain in both ratings and delivery for 1998 as compared with 1997.

“The strength of USA Network historically has been its infrastructure of continuing, series programming,” says Brooks. “Our series on Sunday nights deliver audiences week after week. There are cable critics who characterize cable as full of reruns, and that may have been true 10 years ago, but it’s clearly original programming that is driving the whole industry forward.”

In 1998, TNT averaged a 2.1/1.5 million homes in prime time—just slightly short of its performance for 1997. Turner Networks vice president of audience development Bob Sieber notes that the drop was related to TNT’s loss of NFL coverage, which TNT had in 1997 before ESPN purchased rights to the Sunday night games beginning with the 1998 season. Sieber also noted that TNT has missed out so far this year on its planned coverage of NBA games due to the continuing owners’ lockout.

For its part, ESPN garnered eight of basic cable’s top-10-rated shows for 1998 with its NFL coverage. MTV’s Video Music Awards on Sept. 10 ranked ninth and Comedy Central’s South Park cartoon episode on April 22 ranked 10th for 1998, according to Nielsen.

Despite less sports coverage, TNT nonetheless attracted a larger share of adults ages 18-49 and adults ages 25-54 in prime time in 1998 than did USA. According to Nielsen, TNT delivered an average of 1,095,000 adults ages 18-49 and 1,093,000 adults 25-54 in prime time in 1998 compared with USA’s average of 1,026,000 adults 18-49 and 1,091,000 adults 25-54 for the same period. USA ranked second in both adult demographics for 1998 and TBS ranked third.

“TNT’s success without the NFL or NBA games affirms that our strategy of directing viewers to prime time, early-fringe prime time and other dayparts is working,” says Sieber. “TNT and TBS both benefited in 1998 from our concerted efforts to drive feature film presentations in prime time.”

Nickelodeon/Nick-At-Nite ranked third in prime time, averaging 2.0/1.4 million homes. Nickelodeon also ranked first in total daytime for 1998, averaging a 1.6 rating/1.1 million homes, showing no increase over 1997, according to Nielsen.

TBS ranked second in total day with an average 1.1/792,000 homes, which, compared with 1997, marked just a 2% gain in household delivery. USA ranked third in total day with a 1.0/722,000 homes, an 11% gain in both ratings and delivery compared with 1997.

On the cable news front, viewership soared throughout 1998. Of course, it was bolstered by reports of a presidential sex scandal and international political tension. CNN reigned supreme in the cable news wars, clinching an 11th-place ranking in prime time with an average 1.0/722,000 homes, up 11% in ratings and 22% in households over 1997.

CNN’s highest-rated week of 1998 was Dec. 14-20, averaging a 1.5 rating in total day viewing with 1,155,000 homes and a 4.4 share to rank first in total day performance for the week, according to Nielsen. CNN also recorded its highest-rated 24-hour period in more than three years on Saturday, Dec. 19, averaging a 2.4 total day rating with 1.8 million homes.

Among other news networks, Fox News Channel reported Dec. 19 as the highest-rated total day in the network’s two-year history, earning a .8 rating/273,000 homes that day. In 1998, FNC averaged a .4/16,000 homes in prime time, a 300% increase in ratings and 364% increase in delivery over 1997.

Likewise, MSNBC recorded a .9 rating in total day with 394,000 households on Dec. 19, making the day MSNBC’s second highest-viewed day of the year. Overall in 1998, MSNBC averaged a .4/172,000 homes, a 33% ratings gain and 77% gain in delivery compared with 1997.

By relating news about the President and other topical stories to business and stock market activity, CNBC averaged 75% higher ratings and household delivery in 1998 compared with 1997.

Basic Cable Prime Time Top 10

<table>
<thead>
<tr>
<th></th>
<th>1998</th>
<th>1997</th>
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<tr>
<td></td>
<td>Rtg</td>
<td>HHS</td>
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<tr>
<td>1 USA</td>
<td>2.3</td>
<td>1712</td>
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<td>2 TNT</td>
<td>2.1</td>
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<td>3 NICK</td>
<td>2.0</td>
<td>1441</td>
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<tr>
<td>4 TBS</td>
<td>1.9</td>
<td>1404</td>
</tr>
<tr>
<td>5 ESPN (tle)</td>
<td>1.6</td>
<td>1217</td>
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<tr>
<td>LIFE (tie)</td>
<td>1.6</td>
<td>1155</td>
</tr>
<tr>
<td>7 TOON</td>
<td>1.5</td>
<td>742</td>
</tr>
<tr>
<td>8 A&amp;E</td>
<td>1.3</td>
<td>915</td>
</tr>
<tr>
<td>9 FAM (tie)</td>
<td>1.2</td>
<td>890</td>
</tr>
<tr>
<td>DISC (tie)</td>
<td>1.2</td>
<td>858</td>
</tr>
</tbody>
</table>

Source: Turner Entertainment Research from Nielsen Media Research data

USA averaged a 2.1/1.5 million homes in prime time, with Nielsen data measured from Dec. 29, 1997 through Dec. 20, 1998.

In total day, USA averaged a 1.0/722,000 in 1998, marking an 11% gain in both ratings and delivery for 1998 as compared with 1997.

By relating news about the President and other topical stories to business and stock market activity, CNBC averaged 75% higher ratings and household delivery in 1998 compared with 1997.
CNBC recorded an average 7.4/460,000 homes in prime time last year and an average 4.2/264,000 homes in total day for 1998, according to Nielsen. Comedy’s ratings also pushed up from 3 to .4 in total day for 1998.

Likewise, Cartoon Network’s prime time rating jumped to a 1.5 in 1998 from 1.3 in 1997, pumped up by ratings for original cartoons that the network began stripping in prime time mid-year. Overall for 1998, Nielsen data reports a 2% gain in homes-using-television over 1997, Viewership for basic cable, broadcast networks and pay-cable networks averaged a 58 rating/57,065,000 homes in prime time. Over the past year, basic cable’s average prime time rating is up 13% and its household delivery average is up 14% to 23/22,674,000 homes in 1998, according to Nielsen.

Meanwhile, the combined average prime time ratings and household delivery for the top four broadcasters—ABC, CBS, NBC and Fox—was 29.7/29,188,000 homes for 1998, a decrease of 6% in ratings and 5% in delivery from their performance in 1997, according to Nielsen data.

Interactive TV ads on the horizon

Experts disagree about how fast they’ll become part of the TV experience

By Price Colman

The interactive TV world, after fits and starts, looks like it’s about ready to ad up.

Cable operators, ad agencies and a host of consumer products companies intend to bring interactive advertising to the television screen as soon as possible. For digital cable subscribers, “soon” will mean this year. The broadband pipe is primed and advertisers are pumped up about the prospects of translating the PC “click through” to the TV.

More than ushering in a new era for advertising, interactivity marks TV’s gradual shift away from a purely passive experience. With the technological melding of PC, TV and telephone, everyone’s trying to divine how to capitalize on the corresponding changes in consumer behavior. Underlying it all is a crucial question: Will TV viewers be willing to “lean forward” as they do with the PC, or will they revert to their typical “lean back” reaction?

“The trick is to not make this like a computer,” says Mike Samet of ad agency Young & Rubicam’s Brand Dialogue division. “The trick is to figure out a user interface that’s more like TV than computer. The computer is not the model. The computer is what I would call a complex medium. TV is what I would call a simple medium. You can deal with complexity on the computer—just look at most Web pages. TV cannot deal with complexity.”

Advertisers are in the early stages of exploring how consumers and interactivity mesh. Kraft Foods, which in early 1998 signed on with TCI to deliver highly targeted ads in addressable cable systems, recently linked up with TCI to deliver Internet ads with a “cross-media connection.”

One example: the company’s “Holiday Flavors of Kraft” promotion, which blends a traditional TV and print campaign with Kraft’s Interactive Kitchen Web site. It’s the measuring capability of Web and interactive TV alike that has the ad world excited.

“One of the benefits of the Web and digital cable is you don’t have to guess,” says Robert Mitchell of Campell-Ewald, a suburban Detroit ad agency that focuses on the auto industry. “You can throw it out there and let consumers tell you what they like or don’t like.”

Valuable as the Internet is as a test lab for interactive advertising, it has only about one-third the reach of television, which is in about 100 million U.S. homes. It will be years before interactive TV approaches ubiquity, but waiting isn’t an option.

With the cable industry accelerating its deployment of digital cable, enabled in part by a set-top box with plenty of processing power, the tools are in place to deliver targeted advertising and, even better, measure viewer response with the same ease as a PC.

“If the Internet has been the training wheels for the marketing industry, digital cable for the consumer will be the first foray into rich interactive TV,” says Rick Markovitz of BBDO West.

In this new technology’s early days, interacting with TV ads likely will consist of using the remote control to click an on-screen “more” button. Even a small number of responses will be valuable for advertisers, who’ll already be using data from the digital set-tops to zoom in on the more promising prospects. For instance: A home with a history of watching the Disney Channel will get a minivan ad while a home that tunes into the Outdoor Channel will receive an SUV ad.

“It’s beyond narrowcast. It’s direct marketing,” says Jerry Machovina, executive vice president of ad sales at TCI Communications. “We’re not just sending out messages to a passively involved consumer. We’re now communicating those messages in a proactive direct-response environment. It’s a whole new way of using television.”

Seeing the revenue potential, TCI wants to be on the leading edge of the interactive advertising curve. It’s well positioned, with its digital cable subscriber count at 1 million-plus and growing quickly. TCI last fall hosted an advertising summit attended by leading agencies and advertisers such as AT&T, Anheuser Busch, GM, Ford, Nike, Pepsi, P&G, Unilever, Kraft, Citibank, Universal Pictures, Johnson & Johnson and SmithKline Beecham. Subsequently, TCI, Time Warner, MediaOne, Comcast and Cox met to lay the groundwork for an industry-wide approach that will include establishing early standards for the “look and feel” of interactive ads.

Interactive advertising on TV may be inevitable, but Kent Valandra, executive vice president for New Media at Western International Media, cautions that it may come more slowly and manifest itself differently than many expect.

“We don’t view interactive TV being a big factor in the next couple of years,” he says. “It’s still in the experimental stage.... These things hardly ever come out the way you’ve been expecting. Rarely does the first guy in get a lot of edge on his investment. I never advise someone to be first on new technology if there’s any investment required.”
New President, Same Team for E!  
Shea appoints management duo to handle business side

By John M. Higgins

Recently promoted E! Entertainment president Fran Shea made her first management assignments, putting a new layer of executive vice presidents underneath the top office.

Named as executive vice presidents were senior vice president of advertising sales David Cassaro and Mark Feldman, senior vice president of business and legal affairs and general counsel. The effect of the appointments is to reduce the number of departments reporting directly to Shea, who was formerly senior vice president, programming. She takes direct charge primarily of the network’s creative side.

The “business” side reports first to the newly promoted executives, who in turn will answer to Shea.

Cassaro takes charge of all advertising and affiliate sales efforts. He will also oversee Debra Green, senior VP affiliate relations, and Christopher Fager, senior VP, international development.

Feldman takes charge of the network’s core operations, new business development and strategic planning departments. Those include William Keenan, chief financial officer, and Jeremy Verba, president of E! Online. He will also have partial responsibility for E!’s overseas startup ventures.

Departments that will continue to report directly to Shea include marketing, headed by senior vice president Dale Hopkins, and human resources, headed by senior vice president Lisa Kaye. Shea also continues to directly oversee programming for E! and startups U.S. channel Style.

Court TV takes civil action

By Donna Petrozzello

In an effort to infuse more programming for general audiences into its prime time lineup, Court TV has teamed with Touchstone Pictures co-produces a special about the landmark trial that is the subject of Touchstone’s upcoming theatrical release A Civil Action.

The one-hour special, A Civil Action: In Pursuit of Justice, is slated to air Jan. 8 at 8 p.m. ET.

The trial focuses on a lawsuit filed against Beatrice Foods and W.R. Grace & Co. by residents of Woburn, Mass., who claimed the company was funneling toxic waste into their community water wells.

John Travolta, who stars in the movie, will introduce the special, which includes interviews with the original prosecuting attorney, Jan Schlichtmann and a jury member, as well as parents who lost their children to leukemia. In addition to the special, Court TV is creating a five-part series of segments to run within the network’s original series Pros and Cons, documenting true events on which the movie is based.

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CABLE’S TOP 25

Following are the top 25 basic cable programs for the week of Dec. 14-20, ranked by rating. Cable rating is coverage area rating within each basic cable network’s universe; U.S. rating is of 98 million TV households. Sources: Nielsen Media Research, Turner Entertainment.

<table>
<thead>
<tr>
<th>Rank</th>
<th>Program</th>
<th>Network</th>
<th>Day</th>
<th>Time</th>
<th>Duration</th>
<th>Cable U.S.</th>
<th>Hhs (000)</th>
<th>Cable Share</th>
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<tbody>
<tr>
<td>1</td>
<td>NFL: Jacksonville vs. Minnesota</td>
<td>ESPN</td>
<td>Sun</td>
<td>8:15P</td>
<td>205</td>
<td>9.8</td>
<td>7.4</td>
<td>7400</td>
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<td>2</td>
<td>Clinton Address/Impeachment</td>
<td>CNN</td>
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<td>4:14P</td>
<td>16</td>
<td>7.1</td>
<td>5.4</td>
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<td>3</td>
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<td>4.5</td>
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<td>CNN</td>
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<td>5.9</td>
<td>4.5</td>
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<tr>
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<td>Clinton Impeached by House</td>
<td>CNN</td>
<td>Sat</td>
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<td>4.4</td>
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<td>Larry King Live</td>
<td>CNN</td>
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<td>CNN</td>
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<td>5.4</td>
<td>4.1</td>
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<td>WWF Wrestling</td>
<td>USA</td>
<td>Mon</td>
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<td>3.9</td>
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<td>9</td>
<td>WWF Wrestling</td>
<td>USA</td>
<td>Mon</td>
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<td>5.1</td>
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<td>Strike Against Iraq Special Report</td>
<td>CNN</td>
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<td>13</td>
<td>5</td>
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<td>House: Impeachment Hearings</td>
<td>CNN</td>
<td>Sat</td>
<td>2:15P</td>
<td>119</td>
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<td>Movie: 'Lethal Weapon'</td>
<td>TBS</td>
<td>Sun</td>
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<td>TNT</td>
<td>Mon</td>
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<td>3.5</td>
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<td>Iraq Ambassador PC/UN Strikes</td>
<td>CNN</td>
<td>Wed</td>
<td>10:13P</td>
<td>30</td>
<td>4.7</td>
<td>3.0</td>
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<td>TBS</td>
<td>Thu</td>
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<td>30</td>
<td>4.2</td>
<td>3.1</td>
<td>3191</td>
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<tr>
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<td>House Impeachment Hearings</td>
<td>CNN</td>
<td>Sat</td>
<td>9:02P</td>
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<td>4.2</td>
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<td>ESPN</td>
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<td>7:30P</td>
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<td>4</td>
<td>3.0</td>
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<td>CNN</td>
<td>Sat</td>
<td>5:00P</td>
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<td>3.9</td>
<td>2.9</td>
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<td>30</td>
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<td>Sat</td>
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<td>2.8</td>
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<td>24</td>
<td>Rugrats</td>
<td>NIC</td>
<td>Mon</td>
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<td>2.8</td>
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<td>South Park</td>
<td>COM</td>
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<td>30</td>
<td>3.7</td>
<td>2.1</td>
<td>2055</td>
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<tr>
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<td>Strike Against Iraq</td>
<td>CNN</td>
<td>Thu</td>
<td>12:22P</td>
<td>278</td>
<td>3.6</td>
<td>2.8</td>
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<tr>
<td>26</td>
<td>The World Today</td>
<td>CNN</td>
<td>Thu</td>
<td>8:00P</td>
<td>30</td>
<td>3.6</td>
<td>2.7</td>
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</tr>
<tr>
<td>26</td>
<td>Rugrats</td>
<td>NIC</td>
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<td>7:30P</td>
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<td>26</td>
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<td>SatNicklons TV</td>
<td>CH</td>
<td>Sat</td>
<td>9:30A</td>
<td>30</td>
<td>3.6</td>
<td>2.6</td>
<td>2633</td>
</tr>
</tbody>
</table>
Adelphia Cuts Scranton Deal

Adelphia Communications Corp. is filling in its central Pennsylvania operations by agreeing to acquire systems in and around Scranton from Verto Communications Inc. for about $159 million. The deal gives Adelphia systems serving 56,000 subscribers, and adds to the 30,000 the Coudersport, Penn.-based MSO already serves in the market.

Verio is getting a strong price for systems not in a high-growth suburban market. The price equates to about 12 times running-rate cash flow and more than $2,800 per subscriber. Adelphia is paying 3 million of its common shares plus assuming about $32 million in Verto debt. Family-owned Verto has run systems in the market for 25 years.

Echostar Refinances

Echostar Communications Corp. has commenced cash tender offers to purchase its debt securities, including: $375 million aggregate outstanding principal of 12.5% senior secured notes due 2002, 2.875% senior secured discount notes due 2004, and 13.125% senior secured discount notes due 2004. The 12.875% notes due 2004 have an accreted value of $592.8 million as of Jan. 1, 1999. The 13.125% notes due 2004 have an accreted value of $498.1 million as of Jan. 1, 1999. The tender offers are part of a plan to refinance existing debt at more favorable rates and terms. In conjunction with the tender offers, Echostar also is seeking approvals for amendments that would remove restrictive covenants governing the notes and amend certain other provisions. Echostar is offering to swap its 12.125% Series B Senior Redeemable Exchangeable stock due 2004 for 12.125% senior exchange notes. Donaldson, Lufkin & Jenrette Securities Corporation is acting as the sole dealer-manager in connection with the tender offers for the notes. DLI and NationsBanc Montgomery Securities are acting as co-financial advisers in connection with the consent solicitations.

ISP Channel Inks Three MSO Pacts

ISP Channel, a subsidiary of Mountain View, Calif.-based SoftNet Systems, says it has signed affiliation deals with three cable operators encompassing 100,000 homes passed. ISP provides turnkey Internet access to small- and mid-sized cable operators. The agreements are with Ohio-based Coaxial Communications and Washington-based Cedar Communications; an existing contract with SunTel Communications (formerly Sun Country Cable) in California was extended. ISP’s deal with Coaxial calls for launching the ISP Channel’s high-speed data services to 72,500 homes in Ohio. The agreement with Cedar Communications encompasses 6,500 homes passed; the SunTel contract includes 21,000 homes passed plus acquisitions.

Ameritech Gets New Cable Franchise

Ameritech New Media received its 91st cable franchise, and 10th in the Cleveland area, as Strongsville granted Ameritech a 15-year franchise. The Cleveland suburb has about 16,000 households. Ameritech will compete in the market against CableVision Systems. Ameritech intends to begin building a hybrid fiber-coax cable system in Strongsville next year. It did not set a launch date.

Correction: Due to an editing error, some information in this chart was transposed when it ran on December 21 in connection with DirecTV’s acquisition of United States Satellite Broadcasting. The following is the corrected version.

<table>
<thead>
<tr>
<th>Owner</th>
<th>Satellite Assets*</th>
<th>Subscribers (in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hughes Electronics (NYSE: GMH), subsidiary of General Motors</td>
<td>35 full-MUS, high-power transponders (32 at 101 degrees, 3 at 110 degrees); 4 full-MUS, medium-power transponders on PanAmSat Galaxy III-R at 95 degrees.</td>
<td>4.3</td>
</tr>
<tr>
<td>Publicly traded company (Nasdaq: DISH); controlled (80%) by Charlie Ergen; News Corp. has 30% of equity.</td>
<td>50 full-MUS, high-power transponders (21 at 119 degrees, 29 at 110 degrees); 35 half-MUS, high-power transponders (11 at 81.5 degrees, 24 at 148 degrees)</td>
<td>1.8</td>
</tr>
<tr>
<td>Partnership: TCI Satellite, Time Warner, Advance/ Newhouse, Comcast, Cox, GE Americom</td>
<td>24 full-MUS, medium-power transponders on GE Americom's GE2; 11 full-MUS, high-power transponders at 119 degrees</td>
<td>2.2</td>
</tr>
</tbody>
</table>

* Satellites orbit in "slots" identified in degrees west longitude. Transponders are, in essence, satellite channels. With the help of digital compression technology, each transponder can broadcast several channels of TV. Full-MUS transponders reach the entire Continental U.S. Half-MUS ones, only half. High-power transponders, the mark of true DBS, require smaller reception dishes than medium-power transponders.
LIN goes for Comark/DiviCom

Station group will first use encoders, PSIP gear in Indianapolis and Hartford

By Glen Dickson

Comark Communications will provide LIN's digital TV stations with SDTV and HDTV encoding systems from DiviCom Inc., it was announced Dec. 17.

The sale is the first to a station group by the team of Comark and DiviCom, who announced they were working together on DTV encoders last spring. Comark will also supply LIN with its own PSIP (Program & System Information Protocol) product.

Terms of the deal were not disclosed.

Comark's first two encoder installations for LIN will be at CBS affiliate WISH-DT Indianapolis and ABC affiliate WTHN-DT Hartford-New Haven, Conn. LIN's other six stations are WISH-DT Grand Rapids, Mich.; WTVB Buffalo, N.Y.; WAVY Norfolk, Va.; KXAN Austin, Texas; WAND-5 Decatur, Ill. and WNRO Fort Wayne, Ind. The station group also has four LMAs: WOTV Battle Creek, Mich.; WBBN Hartford, Conn.; WVBK Norfolk, Va. and KNVA Austin, Texas.

LIN's decision to have Comark provide it with DTV compression gear isn't surprising, since the station group already has a deal with Comark for UHF digital transmitters (Larcan is supplying LIN with VHF DTV units).

But LIN is placing a lot of trust in DiviCom, which has yet to deliver an HDTV encoder to market. In fact, LIN's two digital stations currently on-air, WISH-DT Indianapolis and WTHN-DT Hartford, are now using encoders from other vendors while they wait for DiviCom to finish its HDTV product.

Comark has loaned WISH-DT a Mitsubishi 1080i unit and WTHN-DT a Tier-2 1520p encoder.

According to LIN's engineering Vice President Bob Ogren, LIN evaluated all the major DTV encoders before going with Comark and DiviCom. As part of LIN's evaluation process, Ogren traveled to DiviCom's Milpitas, Calif. headquarters to get a demonstration of its SDTV production-model encoder and HDTV prototype. "I was impressed by what they're doing," says Ogren. "Even though we haven't seen HD product yet, we decided to give them a shot. Their SD encoding is really incredible, and I have a feeling that what they're doing on SD is so slick that HD will be super-duper as well."

Ogren says that DiviCom's statistical multiplexing technology, called MediaView, is what sold him. While LIN is committed to broadcasting HDTV, Ogren says the company is also interested in being able to squeeze in additional content with an HDTV picture. For instance, he says, LIN could use the DTV signal to send weather programming to cable headends rather than using expensive microwave and fiber connections as it does now.

"To get a couple megabits in there as well as 1080i, while not affecting HD quality, is very important to me," says Ogren. The DiviCom encoder was able to compress 1080i video down to as low as 12 Mb/s. "You couldn't see the artifacts," says Ogren. He doesn't think LIN will need to go that low with HDTV to leave room for its cable weather programming—16 Mb/s for 1080i should be fine.

"The weather channel motion is pretty limited," he says. "Two megabits should be able to do it without a problem."

WGBH develops DTV captioning

Noncommercial WGBH Boston and ABC affiliate WCVB-DT Boston are testing a closed-captioning system for DTV that they hope will become an industry standard.

The system uses a software protocol developed by WGBH and a closed-captioning data server from Ultech Corporation to convert NTSC closed-captioning (the 608 protocol) to the DTV captioning standard (the 708 protocol).

"Ultech came out with a box that inserts captions into 601 [digital] video," says Gerry Field, manager for WGBH's DTV Access Project, a program run by the Corporation for Public Broadcasting and the WGBH National Center for Accessible Media. "We asked them to design the box for DTV, so we could take existing NTSC programming with the captioning already encoded, strip the data off and reinsert it in the MPEG stream."

The 708 data is then fed into the Harris/Lucent Flexocoder high-definition encoder used by Hearst-Argyle station WCVB-DT Boston to generate its digital content for broadcast. WGBH has been handling WCVB-TV's NTSC closed-captioning for years and has a data line to the station to transfer the information. The two stations are working with consumer electronics manufacturers such as Sharp to test the reception of the closed-captioning data through DTV receivers and prototype DTV closed-captioning decoders.

WGBH's Field hopes that closed-captioning encoder suppliers and consumer electronics manufacturers adopt WGBH's software protocol, which it is openly publishing along with Ultech and Lucent. "Our hope is that there will be one unified protocol."

—Glen Dickson

JANUARY 4, 1999 / BROADCASTING & CABLE
AccuWeather debuts Forecast Center

Service permits stations to call up video, talk to meteorologists on the air

By Karen Anderson

AccuWeather is taking weather broadcasting a step beyond data and graphics with the Global Forecast Center.

The new turnkey service, available starting today (Jan. 4), offers TV stations and cable networks complete weather packages, including on-air meteorologists and packaged segments with UltraGraphix ULTRA and Animator displays. A station’s local weathercaster will be able to interact live via satellite with AccuWeather meteorologists in State College, Pa.

“People want accuracy. They want animation. We’re a total weather source,” says AccuWeather President Joel Myers. “Now we have a studio to provide live and taped feeds for insertion whenever they can come to us. It’s all backed by 93 meteorologists to provide live reports during severe weather.”

AccuWeather will customize its set appearance so that its reports can be “seamlessly” integrated into news programs, Myers says. “The audience can’t tell that it is out of State College, Pennsylvania,” he adds. “It looks like it’s right from the studio.”

MSNBC has been testing the service since its October coverage of Hurricane Mitch. Using SGI computers, MSNBC receives via ISDN telephone lines live hourly feeds of animated weather spots for on-air playback. “It is really automated,” says MSNBC’s Mel Weidner, vice president of technical operations. “It doesn’t take any manpower on our end, and that was one of our requirements.”

From the center, AccuWeather also sends MSNBC via satellite, two-way video feeds of weather segments with on-air meteorologists. In addition, MSNBC uses its signal’s vertical blanking interval to send localized AccuWeather-provided weather data to Time Warner cable customers in New York. Weidner notes that this service may be rolled out at other MSOs in the future.

AccuWeather has already snagged several other customers including the Texas State Network, which will begin using its services on Jan. 11.

Price varies based on type of service. While Myers would not talk numbers, he notes, “They are getting the very best presentation for the best money without all of the other headaches.”

Oregon stations tap SeaChange

Co-owned Fox and UPN affiliates in Eugene will use gear for ad insertion, playback

By Karen Anderson

California Oregon Broadcasting Inc. (COB) has chosen SeaChange International’s Broadcast MediaCluster server to automate ad insertion and some program playout at its new double station in Eugene, Ore.

The facility, expected to go online early next year, will house KLSR, a full-power Fox affiliate, and KEVU-LP, a co-located low-power UPN affiliate.

The new $250,000 server will replace tape-based ad insertion in the 30,000 square-foot facility. It will also be used for short-term storage and playout of overnight programming. A Philips Venus routing system will feed each of the station’s master control rooms.

Currently, each station inserts about 25 local ads per hour, says Dan Ebnother, project engineer for the KLSR/KEVU-LP project. “The server allows us to dramatically improve quality and automate the spots we put on the air.”

COB plans to install the three-node MPEG-2 4:2:2 server later this month. The server is configured with three inputs and six outputs. It has 18 gigabyte hard drives with 12 drives per node. At a bitrate of 24 Mb/s, the server can hold 32 hours of video; at 8 Mb/s, it can handle up to 96 hours.

The server employs SeaChange’s RAIS (redundant array of inexpensive servers) architecture, which improves the system’s redundancy. Since the two stations will rely on the one server to run their advertising spots, redundancy was the main consideration. “It gives you a second layer of RAID across the server and reduces your storage requirements dramatically,” says SeaChange’s John Pittas.

Ebnother also considered ASC’s VR300 server, Hewlett-Packard’s MediaPool and Tektronix Profile, but liked MediaCluster’s fault-tolerant design.

“The redundancy was inherent in having a three-node server,” he says. “The multiple input and output as well as the multiple playlist means there is significantly less chance of catastrophic failure.”

www.americanradiohistory.com
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**Our digital newsroom can go together piece by piece. So it’s only as elaborate as you need it to be.**

NewsBase™ server system and DNE-1000 nonlinear editor, which speed news to air and cut transfer time to zero by letting you edit directly from tape or server. This MPEG-2 based system maintains the highest quality image from acquisition to delivery. Then there’s

our ClipEdit™ desktop system which puts video editing right at journalists' fingertips and integrates with

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We’re ready. Are you?™
KTLA kicks off New Year in hi-def

At press time, Los Angeles WB affiliate KTLA was scheduled to do a 1080i HDTV local broadcast of the Tournament of Roses Parade. KTLA’s Geraty says the parade, with its colorful floats and marching bands, offers the Tribune station the perfect venue to show viewers the picture clarity and color sharpness of HDTV. The station planned to handle production using a suite of Sony equipment on board the Northwest Moblie Television HD2 production truck. Since the parade is not a graphic-heavy production, the station planned to upconvert its Chyron Infinfty graphics, Geraty says. “Most high definition [graphics equipment] is relatively new,” Geraty says. “We did not want to make that a concern for the live broadcast, so we’re using tried and true equipment.” KTLA was to use NDS 5800 HDTV encoders for the broadcast.

Study: programming will spur HDTV sales

Technophiles may be willing to pay a premium for HDTV, but only if broadcasters make it worth their while. Those were the findings of a “living room” study of consumer attitudes toward HDTV conducted in November by Meredith College assistant professor of mass communications Dr. Connie Book. For one week, 10 Raleigh, N.C. families watched HDTV in their homes on $7,000 rear-projection sets on loan from Panasonic and Sharp. Now! Audio and Video retail outlets helped target the participants—all of whom had purchased a DVD player or spent more than $1,500 on a home entertainment system in the past year. WRAL-HD provided 3 1/2 hours a day of 1080i programming and local news upconverted to standard definition with side boxes. While all participants were enthralled by the visual and audio quality of the 1080i programming, Dr. Book says participants felt the quality of the upconverted programming would not merit buying HDTV sets. Participants suggested that showing big-name movies like Top Gun and Jurassic Park, sports like NASCAR racing and favorite shows, including ER and X Files, would tempt them to buy sets, Dr. Book says.

Pinnacle Systems acquires Truevision

Nonlinear editing supplier Pinnacle Systems is acquiring Truevision Inc., a maker of desktop video products for Windows and Macintosh, in a transaction worth $14.5 million. Under the deal, Truevision shareholders will receive 0.0313 shares of Pinnacle common stock for each share of Truevision common stock. Pinnacle Systems expects to issue approximately 400,000 new shares of Pinnacle common stock and to assume outstanding Truevision stock options and warrants. The transaction is expected to close in the first quarter of 1999. Pinnacle expects to merge Truevision’s Santa Clara, Calif. engineering, sales and logistics operations into Pinnacle’s Mountain View, Calif. headquarters. Pinnacle President and CEO Mark Sanders says the companies’ product lines complement each other and that Truevision’s investment in new scalable chip technology for HDTV applications was a big factor in the deal.

MediaCom sets up HDTV display in NYC

Grey Advertising’s MediaCom has installed a temporary HDTV kiosk at LaGuardia Airport in New York City to gauge consumer reaction to high-def programming. The HDTV kiosk display, which is set up in the US Air shuttle terminal, will display a wide variety of HDTV programming. MediaCom staffers will be present full time to ask consumers questions about their viewing preferences, how HDTV might influence their future viewing habits and what kinds of digital services they want. MediaCom conducted a similar study in Boston this past October, polling consumers’ reactions to WCVB-DT Boston’s live HDTV broadcast of the John Glenn space-shuttle launch.

ABC taps SporTVision for Fiesta Bowl

ABC Sports plans to use SporTVision Systems’ 1st and Ten live insertion system for tonight’s (January 4) ABC broadcast of the Tostitos Fiesta Bowl national college football championship game between Tennessee and Florida State. The 1st and Ten system, which was jointly developed by SporTVision and ABC sister network ESPN, electronically generates a yellow line that shows television viewers the location of the first down. ESPN has been using the system for its NFL Sunday Night Football telecasts since September, but this will be ABC’s first use of the system.

Sony’s Steinberg shifts roles

Charlie Steinberg, president of Sony Electronics’ Broadcast and Professional Company (BPC), is transitioning to a new strategic assignment within Sony in preparation for his mid-1999 retirement. Steinberg, who has been with Sony since 1988, has become an advisor to Sony Electronics President and COO Dr. Teruaki Aoki and will support Sony’s DTV initiatives in the broadcast and production markets. He is continuing in his capacity as Chairman of Sony TransCom, Sony’s in-flight airline entertainment business. Steinberg’s duties as head of Sony BPC have been taken over by BPC Executive Vice President Michael Vittelli.

Telemundo to move to GE-1

Spanish language network Telemundo has signed a deal with GE American Communications (GE Americom) for satellite capacity. Under a multi-year agreement, Telemundo will begin service on GE-2 and migrate in early 1999 to the GE-1 bird. GE-1 at 103 degrees west longitude and the soon-to-be-launched GE-4 at 101 degrees west will make up GE Americom’s CABLE 2 Neighborhood, permitting dual reception of feeds from both birds by a single ground antenna.
Online games gain ground slowly

Microsoft, Sony and Warner Bros. vie to raise genre above cult status

By Richard Tedesco

For the longest time, the only really popular games were shoot-em-ups. You moved around in some macabre, virtual landscape shooting aliens and monsters who were shooting at you. It was a cult thing, but there was a financial killing to be made in the online space beyond games like *Quake* and *Doom*, and their clones.

The lure of online gaming is increasingly compelling, drawing such diverse players as Microsoft, AT&T and the @Home Network to what industry analysts believe will be a billion-dollar business in the first year of the new millennium.

And powerful media players pushing online gaming are probing alternatives by varying game genres and exploring different business models in what is still a largely unformed marketplace. Sony Online has built its traffic for The Station from the on-air audiences for *Jeopardy* and *Wheel of Fortune*. It has also created a small following for a tank combat game called *Tanarus* and has most recently introduced an online version of *Trivial Pursuit*.

But playing to what it recognizes as its strong suit, Sony's next multiplayer game will be an online version of its *Dating Game* series, set for a spring debut. "The TV connection is valuable. It's the only thing that really drives us," says Robert Gehorsam, senior vice president of programming and platform development for Sony Online. "People come to the games already knowing the rules."

While Sony says it's exceeded its expectations for cultivating an online gaming audience, the overall category has been slow to gain financial footing online.

London-based Datamonitor predicted the online gaming market would hit the $70 million range this year, building to the $250 million mark by 2000 and reaching $1.4 billion by 2002. Cambridge, Mass.-based Forrester Research foresees a much bigger market, beginning with 1998 revenues of $277 million. Approximately half of that will represent sponsored or ad-supported game sites.

Beyond the current year, Forrester expects online gaming revenues to balloon to $555 million in 1999 and $1.16 billion in 2000—with nearly 70% of that revenue from ad-supported sites.

While big ad-supported models will be represented mostly by larger players such as Sony and Warner Brothers when it launches its Gamedom service in the first quarter, smaller players are already getting legs with it. Berkeley Systems is building on the cult franchise it created with its trivia-with-attitude game *You Don't Know Jack*.

Sony could be poised to re-create that success with the more staid—and classic—*Trivial Pursuit*.

But Sony's franchise will remain firmly based on *Wheel* and *Jeopardy*, which draw 80% of the visitors to The Station, although it also aims to expand its gaming repertoire with turn-based role-playing games.

Earlier this year, @Home got into the gaming scene in a deal with SegaSoft.

Staid AT&T made a similar move with its AT&T WorldNet service earlier this month, introducing a premium GameHub service for $4.95 per month.

High-speed access could accelerate the advent of more sophisticated fare for hardcore gamers.

Seema Williams, a Forrester Research analyst, sees particular potential in services that address less-than-hardcore gamers, who would play games over a period of time, if they could periodically suspend play.

TEN's recent multiplayer distribution deal with Excite, CNet, GeoCities, Infosreek, Netscape Communications and Alta Vista, help secure its place with partners which currently reach approximately 60% of the available online audience.

Meanwhile, Forrester estimates 32% of all households online by the millennium will be playing games in cyberspace, up from the 22% of households there now and the 16% that joined last year.
## COMBOS

<table>
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<th>Station</th>
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<th>Price</th>
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<th>Facilities</th>
<th>Formats</th>
<th>Brokers</th>
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<tbody>
<tr>
<td>WDAK(AM) and WSTH-FM</td>
<td>Cumulus Media Inc., Milwaukee</td>
<td>$4.5 million</td>
<td>Solar Communications Co., Columbus (Allen Woodall, president)</td>
<td>AM: 1240 khz, 1 kw; FM: 93.9 mhz, 3 kw, ant. 328 ft.</td>
<td>AM: news/talk; FM: country music</td>
<td>Media Services Group Inc.</td>
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<td>KGKH(AM) and KCSJ(AM)</td>
<td>Colorado Springs Radio Broadcasters Inc., Colorado Springs</td>
<td>$4 million</td>
<td>Pueblo Broadcasters Inc., Pueblo (Ken Salazar, vice president)</td>
<td>AM: 1260 khz, 5 kw day, 500 w night; FM: 106.1 mhz, 100 kw, ant. 981 ft.</td>
<td>AM: oldies; FM: news/talk; KXYZ: country</td>
<td>Broadcasting Group Inc.</td>
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## PROPOSED STATION TRADES

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<th>Facilities</th>
<th>Formats</th>
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<tr>
<td>WBW-AM-FM Jupiter, Fla.</td>
<td>$450,000</td>
<td>AM: Palm Beach Inc., Boca Raton, Fla. (Mitchell Rubenstein, president)</td>
<td>SBS Broadcasting Inc., Boca Raton (Howard Goldsmith, principal); owns four AMs and one FM</td>
<td>AM: 1240 khz, 1 kw; FM: 93.9 mhz, 3 kw, ant. 328 ft.</td>
<td>AM: country; FM: adult standards</td>
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<tr>
<td>WSHK-AM-FM Wewoka, Okla.</td>
<td>$400,000</td>
<td>One Ten Broadcasting Group Inc., Shawnee, Okla. (Herman L. Jones, president); owns KIRC(AM) Seminole, Okla.</td>
<td>Five Bells Inc., Wewoka (Jean Bell Spencer, president); no other broadcast interests</td>
<td>AM: 1260 khz, 1 kw; FM: 104.7 mhz, 6 kw, ant. 328 ft.</td>
<td>AM: country; FM: adult standards</td>
</tr>
<tr>
<td>WGRM-AM-FM Greenwood, Miss.</td>
<td>$500,000</td>
<td>Willis Broadcasting Corp., Norfolk, Va. (Levi Willis Sr., president); owns 13 AMs</td>
<td>Twelve-Forty Inc., Greenwood (F. Clay Ewing, principal); no other broadcast interests</td>
<td>AM: 1350 khz, 300 w day; FM: 96.5 mhz, 10.5 kw, ant. 495 ft.</td>
<td>Both country</td>
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## FACILITIES

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<td>WDFM(FM) Defiance, Ohio</td>
<td>$3.95 million</td>
<td>AM: 1240 khz, 1 kw; FM: 93.9 mhz, 3 kw, ant. 328 ft.</td>
</tr>
<tr>
<td>KMG(FM) Tooele, Utah</td>
<td>$3 million</td>
<td>AM: 540 khz, 5 kw day, 500 w night; FM: 106.1 mhz, 100 kw, ant. 981 ft.</td>
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<tr>
<td>KBUG(FM) Osceola, Mo.</td>
<td>$70,000</td>
<td>AM: 1350 khz, 5 kw day, 1 kw night; FM: 106.1 mhz, 100 kw, ant. 981 ft.</td>
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<tr>
<td>KGKH(AM) and KCSJ(AM)</td>
<td>Colorado Springs Radio Broadcasters Inc., Colorado Springs</td>
<td>$4 million</td>
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<tr>
<td>KTXTS-AM-FM</td>
<td>Cabstar Broadcasting Corp., Austin, Texas</td>
<td>$2.4 million</td>
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<tr>
<td>KLRA(AM) and KHUG(FM)</td>
<td>Equity Broadcasting Corp., Little Rock, Ark.</td>
<td>$2 million</td>
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## CONSTRUCTION PERMIT

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<th>Buyer</th>
<th>Seller</th>
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<tbody>
<tr>
<td>KBUG(AM)</td>
<td>$32,000</td>
<td>KNXX Inc., Albuquerque, N.M. (Dorothy and Don Davis, owners); owns CP for FM in Santa Rosa, N.M. The Davis family also owns KMIN(AM) and KQEO-FM Grants, N.M.</td>
<td>Tony Gonzales, Chama; no other broadcast interests</td>
</tr>
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</table>
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Assistant Director of Technical Operations. WFUV-FM Radio. WFUV-FM is seeking a technical professional to assist the Director of Technical Operations to oversee station maintenance, assure compliance with FCC regulations and service station broadcast equipment. Direct responsibilities include oversight of production department and studio operations. Assist in supervision of broadcast engineering staff; satellite operations, production of promos and fundraising spots, remote broadcasts, EAS tests and operation logs. Requirements include prior radio experience and working knowledge of radio audio equipment, familiarity with computer hardware and software, as well as digital technologies and techniques. Attention to detail and follow through and ability to train and direct peers a plus. Send letter and resume to Dr. Ralph Jennings, WFUV Radio, Fordham University, Bronx, NY 10458. EEO/AA.

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The Billy Graham Evangelistic Association is looking for experienced stringer reporters to cover breaking news and events in their geographic area for its new daily radio program, Decision Today. Stringer reporters are paid on a per-story basis. For more information contact Decision Today's Mary Hope at (612) 335-1362.

Evangelical Christian organization looking for producer/reporter to work with award winning staff on nationally syndicated financial programs. Must have demonstrated broadcast skills presenting financial, consumer and economic issues in a clear and entertaining way. Excellent writing and editing skills a must. T&R to Steve Moore, Christian Financial Concepts, 601 Broad Street, SE, Gainesville, GA 30501-3790.

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WFLA-TV is an equal opportunity employer, m/f, drug free workplace with pre-employment drug screening required.

WIEF NBC 14, has two Photographer openings within the News Department. The successful full-time Photographer candidate should have 1-2 years experience in a fast paced newsroom. It must be able to work under deadline pressure. Applicant should be creative and able to work with others as part of a team. Good driving record is required. Experience with non-linear editing as well as advanced education preferred. If you are a current grad and would like to learn the ins and outs of television news, this ground floor opportunity is what you need. Experience a plus. Interested parties should send resume with cover letter designating the desired position to: WIEF-TV, PO Box 1414, Evansville, IN 47701. EOE.

Univision 23 is looking for a news director. Must be an experienced journalist who can lead the team and communicate a clear vision. Applicants must have previous news management experience and at least 2 years as a producer. A bachelor's degree in journalism or communications and fluency in Spanish and English are also required. Demonstrable skills and knowledge in the areas of expense control, deployment of technical resources, and long term budgeting are highly preferred. Previous experience in top ten television markets a plus. Send resumes to: General Manager, 2323 Bryan Street, Suite 1900, Dallas, TX 75201. EOE.

Reporters- cover Florida government for statewide nightly news program. Tape and resume to: The Florida Channel, P.O. Box 1456, Tallahassee, FL 32302-1456. Deadline: Jan.14.

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JANUARY 4, 1999 / BROADCASTING & CABLE 79
Producer. Are you a creative thinker who puts the needs of the viewer first? Channel 2 News, the NBC affiliate in Buffalo, New York is looking for a producer with a minimum of 3 years experience to take a growing product to the next level. We are not interested in show stackers or followers. If you are a leader with excellent writing skills, a good manager of both time and people and want to be part of a winning team, send a resume, writing samples (including teases) and non-returnable tape of a recent newscast to: Stacy Roeder, News Director, WGRZ-TV, 259 Delaware Ave., Buffalo, NY 14202 EOE.

Position Available. Anchor for Central Texas top 100, NBC affiliate 6 and 10pm newscasts with its female co-anchor. Related 2-3 years anchor experience required. Send resume and non-returnable 1/2" VHS tape to: Box 01479 EOE.

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Newswriter/Producer: Major market East Coast Station seeks experienced producer/writer. Ideal candidate is an excellent writer and self starter who has produced daily newscasts and worked on special projects. Familiarity with NewStar computer system a plus. Please send cover letter and resume to: Ken Jobe, Assistant News Director, WABC-TV, 7 Lincoln Square, New York, NY 10023. No telephone calls or faxes please. We are an Equal Opportunity Employer.

Newsgrapher. Experienced newsgrapher to shoot and edit stories out of our Southern Illinois news bureau. Must have 1-2 years experience as a newsgrapher in a commercial television station news department. Prefer a degree. Must be able to edit. Personable and able to work without close supervision. No phone calls, please. Send resume and 1/2" non-returnable VHS to: Dan Steele, WPBD-TV, P.O. Box 1197, Paducah, KY 42002-1197, M/F, EOE.

News Producer for Univision 45 in Houston for weekend news programs. Will also serve as Associate Producer for some weekday programs. Must have at least 2 years of experience as Producer or Associate Producer. Responsible for organizing and formatting newscast rundowns. Candidates must have computer knowledge and good writing skills. Experience with live ENG and SNG technology. Editing skills desirable. Must work well under pressure. Bilingual (Spanish/English) preferred, strong Spanish skills a must. College degree in related field preferred. Send tapes and resume with salary history to: Producer, KXIN-TV, Channel 45, 9400 Kirby Drive, Houston, TX 77054, EOE.

Station on the move: A growing news department in the southeast is accepting tapes for a number of positions: Producer, Anchor, Weathercaster. If you are ready for your next big move, and have the experience and knowledge to get the job done the right way, send non-returnable tapes and resumes to Box 01474 EOE.

News Associate Producer. KXAN-TV is seeking a News Associate Producer. Specific Duties: Electronically edit stories for news broadcasts/Operate playback machines during newscast to ensure stories get on the air/Archive lineups, scripts and tapes, insert index tape labeling, control tracking and storage for quick access/Must be available to work a schedule that is consistent with the times of our broadcasts/Prepare scripts for broadcasts as required by Newscast Producer/May be called upon to set up and receive feeds from Live Van and Satellite. Knowledge of Panasonic DVC PRO/Sony BVW editing systems helpful. Send resume to: Jose Stephan, Assistant News Director, KXAN-TV, 800 V Ch, Martin Luther King Blvd., Austin, TX 78701 (No phone calls please) KXAN-TV is an Equal Opportunity Employer.

News Anchor. Do rip and readers make you sick? Do you ozone credibility without being boring? Can you jam 20-pounds of news into a five pound bag? If this sounds like you, and think you can hack it in one of America’s busiest newswires, then we need to talk. We’re News Jersey, and we’re looking for a dynamic News Anchor who’s not afraid of pressure. Excellent writing and reporting skills a must. EOE. No calls. Send tape, resume, and writing samples to: Eric Scott, News Director, New Jersey 101.5 FM Radio, PO Box 5698, Trenton, NJ 08638.

News Anchor. Looking for great communication skills and commanding presence. Primary news anchor to complement our established female anchor. Mid-Atlantic Network affiliate on the rise, in search of this missing piece of the puzzle. Minorities encouraged to apply. Send a non-returnable tape and resume to Box 01475 EOE.

NBC 10 is looking for a frontline reporter/anchor. We just lost one of our key people. Must have strong anchoring skills, experience. If you like breaking news, field reporting and want to be part of the NBC family send Tape and Resume, ASAP to Steve Schwall, VP of News, 10 Monument Road, Bala Cynwyd, PA 19004. Indicate position on label. No Phone Calls Please. We are an Equal Opportunity Employer.

Morning Newscaster: WABC-TV seeks an outstanding producer to lead our Monday morning news into the next century. If you have editorial skills, creativity and drive to make it in the #1 market and have at least 5 years producing experience, send your tape and resume to Ken Jobe, Assistant News Director, WABC-TV, 7 Lincoln Square, New York, NY 10023. No telephone calls or faxes please. We are an Equal Opportunity Employer.

Meteorologist. Aidedra of a little snow? Then stop reading. We’re looking for a strong communicator who can formulate and deliver accurate, smooth, understandable, and entertaining forecasts. We’re the leader in a dynamic weather market, equipped with the tools and commitment to stay on top. Ideal candidate should have at least 2 years experience with an AMS or NWA seal. Rush tape and resume to: Bob Longo, News Director, Channel 7/WKWB-TV, 7 Broadcast Plaza, Buffalo, NY 14202. No phone calls. EOE.

Assignment Manager, Central Pennsylvania FOX affiliate looking for well organized news junkie to develop and manage day-to-day coverage for 10pm newscasts. Experience required. Resume to: Jim DePury, News Director, WPMT FOX 43, 2005 S. Queen St., York, PA 17403. A Tribune Broadcasting Station. EOE. Drug test. No calls.

Grow with us! Univision O&Os seek experienced news directors, assignment editors, producers, and photographers/editors for major markets. Excellent spoken and written Spanish essential for news directors and producers, preferred for other positions. Tape/resume to: Univision, P.O. Box 45073, Los Angeles, CA 90045-5073. EOE.

Executive Producer-Nightside. WKMG-TV in Orlando, a Post-Newsweek station, is looking for an Executive Producer to supervise our coverage. Must be an idea leader with major market producing experience or management experience in a smaller market. Solid news judgement and good people skills are essential. Send resume + non-returnable tape to Lena Sadewisky, News Director, WKMG-TV, 4465 John Young Parkway, Orlando, FL 32804. EEO.

Executive Producer, WNEP-TV- the ABC affiliate serving Wilkes-Barre/Scranton (ADI #51), seeks a dynamic newsroom leader. How do you define dominance in the 80s? Here’s one way: 4 out of every 5 homes in 6:00 p.m. but our nearest competitor is at 6:00 p.m. But what will dominance look like in 2000- and beyond? How will we guarantee success with broadcasting in a break-neck chase to help shape the future of one of the country’s most respected medium-market stations, one with all the tools (helicopter, SNG, state-of-the-art graphics, etc.) This is also a stepping stone to who-knows-what at other stations owned by the New York Times. If you think you can help decide the future of broadcast news, send your tape, resume and a brief statement of philosophy to Paul Stueber, News Director, WNEP-TV, 16 Montague Mountain Road, Moosic, PA 18507. Obviously, you need a track record and impressive credentials to apply.

Executive Producer/ Good Day Philadelphia. WTXF-TV a FOX Broadcasting Station is looking for an Executive Producer for Good Day Philadelphia. The ideal candidate will be responsible for a three-hour morning news, information, and entertainment program mix from 6-9 am, Monday through Friday. This person will work with eight anchors/reporters, two producers, six writers, and large support staff. The ideal candidate should have 5 years line producer experience or small to medium market executive producer experience and a college degree. Become part of a four person management team. For immediate consideration, qualified applicants should send a resume and tape to: Human Resources Department, WTWF-Fox Philadelphia, 330 Market Street, Philadelphia, PA 19106.

Do you like LIVE TV? If yes, read on. NBC 10 is looking for aggressive, creative journalists for a variety of freelance positions. Reporters, photographers, editors, producers, writers. If you enjoy fast paced, live, local TV, send tape, resume ASAP. NBC 10, the fastest growing station in Philadelphia is looking for people who want to be part of the NBC family. Send to Steve Schwall, VP of News, 10 Monument Road, Bala Cynwyd, PA 19004. Indicate position on label. No Phone Calls Please. We are an Equal Opportunity Employer.

You can simply fax your classified ad at (212)206-8327.

www.americanradiohistory.com
Consumer Unit Producer: WABC-TV seeks an experienced broadcast journalist to produce outstanding consumer/investigative reports for our 7 On Your Side unit. Previous consumer and/or investigative reporting or producing experience required. Major market experience preferred. Please send tape and resume to: Ken Jobe, Assistant News Director, WABC-TV, 7 Lincoln Square, New York, NY 10023. No telephone calls or faxes please. We are an Equal Opportunity Employer.

Assistant News Director - WHO-TV, The New York Times Company's NBC affiliate in Des Moines has a fantastic opportunity for the right person. We're looking for a #2 person to run in our daily newsroom operations and oversee special events and projects. Strong producing, organizational and people skills are required. We do 27 hours of live programming each week with a staff of 38. If you're up to the challenge and want to help lead the news department selected as the state's best the past four years send a resume, cover letter stating newscasts to: Al Setka, News Director, WHO-TV, 1801 Grand Avenue, Des Moines, IA 50309. EOE.

Assignment Editor: Looking for a leader who can generate ideas, direct crews and plan ahead. Person must be able to react quickly to breaking news. Must have great people and communication skills. Minimum of two years experience required. Join an A.H. Belo station and one of the top CBS affiliates in the country. Send Resume to: Steven D. Hammel, Executive News Director, KMOV-TV, One Memorial Drive, St. Louis, MO 63102. KMOV-TV is an equal opportunity employer.

HELP WANTED PROMOTION

Promo Producers/Sports Fanatic. South Florida's Sports Station, WAMI-TV is looking for a promo producer who lives, breathes, and eats sports. Write and cut high-end promos for the Heat, the H, and our half-hour nightly local sports show. We have all the toys MondoMac's, AVID's, SGI, and did we mention film shoots? Send your reel and resume pronto to: Gina Board, Human Resources, WAMI-TV, 605 Lincoln Rd., 2nd Floor, Miami Beach, FL 33139, USA Broadcasting is an affirmative action/E.O.E.

Television Promotion Director. WHEC-TV, the NBC affiliate in Rochester, N.Y. is looking for a Promotion Director who can make a difference. The station has state-of-the-art equipment and a strong commitment to promotion. Our ideal candidate will be highly creative, a good writer, experienced in video production, and familiar with market research. Send resume and salary requirements to: Kathleen E. Knox, Human Resources Coordinator, WHEC-TV, 191 East Avenue, Rochester, N.Y. 14604. No telephone calls please. EOE.

TV Promotion Writer/Producer. Local TV station wants a highly creative, motivated team player with strong video and film production skills. Must have strong writing skills and at least two years experience writing and producing TV promos for news, delivering solid ads within budget. Send a reel and a resume to: Audience Promotion Manager, WCCO-TV, 90 South 11 St., Minneapolis, MN 55403. EOE M/F/H/V. No phone calls please!

Promotion Writer/Producer. KPIX-TV, the CBS O&O in San Francisco has a terrific opportunity for a do it all writer/producer. If you can write copy that grabs viewers, people are jealous of your creativity, and you can write copy that grabs viewers, people are jealous of your creativity, and you can make an AVID sing, we're looking for you! We've got the latest AVID toys, a talented team of producers and designers, and a view you've gotta see to believe! Must have sold experience in all phases of production, a keen understanding of Marketing and branding, and a killer tape! Send your resume and reel to Brian Blum, Marketing Director, KPIX-TV, 855 Battery Street, San Francisco, CA 94111.

Design Director. KPIX-TV CBS O&O San Francisco. Are you an experienced producer and veteran of the news wars? Are you known for your outstanding creativity and leadership? Are you ready for the 5th market and the country's best city? Then this is your opportunity to join the best team in the business. Rush your tape and resume to: Brian Blum, Marketing Director, KPIX-TV, 855 Battery Street, San Francisco, CA 94111.

Producer/Director - NASA-JSC Contractor has an immediate opening for an individual with experience in industrial and news production. Requirements include ability to write and produce news packages about technical subjects, produce informative and entertaining industrial videos, write treatments, create and follow budgets, and be responsive to demanding client needs and deadlines. On-Camera experience a plus. Send reel (NTSC) and resume to producer search, Dyncorp, PO Box 57250, Webster, TX 77598. Deadline: 1/15/99.

HELP WANTED CREATIVE SERVICES

MONICA IMPEACHMENT??

Just another FOX's new day in the nation's capital! If you're a new-driven DESIGN DIRECTOR, have we got a job for you! Direct and supervise a team of six artists to constantly feed our aggressive news machine! Produce eye candy with these cool toys: FLINT, SGI Indigos & Octane, Liberty, Alias/Movefront, Maya, PowerMac & Infiniti! This job requires exceptional organizational skills and keen sense of consistency. Must have previous management experience and a killer demo reel. If you have at least five years experience in a dynamic news environment plus a positive and cooperative attitude, rush your resume, non-entosable reel, salary history and requirements to: Mary Tally, VP/Human Resources WTTG-Fox, 515 Wisconsin Ave., NW Washington, DC 20016 EOE/M/F/H/V.

HELP WANTED PRODUCTION

Vice President for Production. New senior management position at KNPB/Reno, public television for northern Nevada. Gorgeous area near Lake Tahoe and the Sierra Nevada. Lead Channel 5's local production efforts, including local programming, projects for distribution, and new media content. More details on the web at www.knpb.org, or call Cheryl Foreman at 775-784-4555. KNPB is an equal opportunity employer.

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Call 1-800-353-9177

WANT TO RESPOND TO A BROADCASTING & CABLE BLIND BOX?

Send resume/tape to: Box 245 West 17th St., New York, New York 10011
Traffic, 24 hour Cable News Channel is seeking a traffic assistant. In this position, you will be responsible for the daily commercial logs, confirmation and copy rotation. You will assist in daily reconciliation, sales order entry and other traffic duties. Must be able to handle many tasks simultaneously and work overtime. Some experience and college degree preferred. Only resumes with salary requirements will be considered. We will only respond to those applicants under consideration. Send resume to: 460 West 42nd Street, 4th Floor, NY, NY 10036. Attention: Traffic Manager or fax: (212) 563-8426.

HELP WANTED PRODUCTION

Editor, Fox Sports New England is seeking a full-time Editor to work with our related production staff on the creation of sports packages and features for both live and taped productions. Will also be working with On-Air Promotions in creation of elements for on-air marketing. Selected candidate must possess a knowledge of sports (Basketball and Hockey are big on our list), willing to work flexible hours, have strong communication skills and the ability to pay attention to details in a fast-paced, deadline driven environment. Minimum 3 years hands-on experience with tape based editing systems. Knowledge of Sony 9100/900 a plus. Non-linear experience will be considered. Please send non-returnable tape and resume to: Director of Production, Fox Sports New England, 10 Tower Office Park, Woburn, MA 01801. EOE.

ALLIED FIELDS

HELP WANTED INSTRUCTION

Michigan State University. Endowed Chair and Director of the Quello Center for Telecommunication Management and Law. Person of significant academic and/or industry stature to develop the new, substantially-funded Center for research, outreach and teaching in telecommunication and media management and policy. Send vita or resume to: Thomas Baldwin, Dept. of Telecommunication, 409 CAS, Michigan State University, East Lansing, MI 48824-1212. Tbaldwin@msu.edu (517-353-6336).

Graduate Assistantships (3), Miami University in Mass Communication Master's degree program. The following assistantships are available: (1) work for WMUB FM, full time 24.5 kw NPR affiliate, news/talk format- position in news. (2) positions as teaching and research assistants. Stipends for 1999-2000 academic year approximately $9,147, plus fee waiver. 3.0 GPA required. Send letter of inquiry immediately to Dr. David Sholle, Mass Communication, Williams Hall, Miami University, Oxford, OH 45056. AA/EOE. Deadline for application February 14, 1999.

BROADCAST COMMUNICATIONS/SPEECH

Westminster College, New Wilmington, Pennsylvania. Tenure Track position beginning August 1999. Teach college wide speech communications requirement plus a variety of broadcasting courses in area of expertise. A Ph.D., demonstrated teaching ability, and professional experience in broadcasting or production expected. The ability to assist in the supervision of campus broadcast facilities is preferred. The selection process begins January 4, 1999. Submit Vita and three references to Dr. David L. Banner, Chair, Communication Studies and Theatre Department, Box 162, Westminster College, New Wilmington, PA 16172. AA/EOE.
HELP WANTED TECHNICAL
Video Control Center Operators/Network Operations. Globecast North America, a France Telecom Co and major provider of transmission services for TV and radio broadcasts, seeks VCC Operators/Net Omps. Must be able to use routing switches, tape recorders, uplink and downlink equipment and audio and video patch panels. Min. 1-2 yrs. related exp. in TV engineering, production or satellite ops. Must be able to work shifts. We offer competitive salaries and excellent benefits. Mail or fax resume to R. Behar at 7291 N.W. 74th St., Miami 33166. Fax (305) 887-4121. No phone calls.

Technical Manager Wanted. Rapidly growing NYC based broadcast documentary production company needs hands-on manager to oversee all technical resources. Resources include: 6 AVIDS, DV cameras, digital betacam, mixed MAC/PC computer network. Must be familiar with broadcast standards, be able to provide training and leadership within department and guide company in the digital revolution. E-mail resume to techjob@broadcastnews.com or fax 212-532-5554.

HELP WANTED SALES
Sales Support Engineer. Globecast North America, a France Telecom Company and a leading supplier of transmissions services, has an immediate opening for a Sales Support Engineer. This position will be responsible for supporting the sales activities for North and Latin America including customer interface, presentations, consulting on technical issues and seeking innovative ways to utilize technology. Background in RF eng. and analogue and digital video required; data a plus. We offer competitive salaries and an excellent benefits package. For immediate consideration please send or fax your resume to: A. Millan, Globecast North America, 7291 N.W. 74th St., Miami, FL 33166. Fax: (305) 887-3035. No phone calls please.

HELP WANTED PRODUCTION
Producer/Copywriter: Will coordinate audio, scenes, music, timing, camera work and script writing. Will use the Spanish language to write and edit program script for television programs and commercials aired in Spanish language. Will work 40hrs/wk, 9-6, $20.48 hr., $30.72 hr. overtime. Must be able to speak read and write Spanish and have 4 yrs. experience. Must have proof of legal authority to work permanently in the U.S. Send resume to: Illinois Department of Employment Security, 401 South State Street-7 North, Chicago, IL 60605, Attention Arlene Thrower, Reference #4-V-L, 19845-T. An Employer paid ad No calls- send 2 copies of both resume and cover letter.

Commercial Producer/Commercial Layout Editor. Development of approx. 250, 30 and 60 second commercials, in the Spanish Language from production for audio and video in Spanish Language T.V. and Radio. Will use the Spanish Language to coordinate development of commercials. Will work 40hrs/wk, 9-5, $43K yr. Must be able to speak read and write Spanish and 7 yrs. exp. Must have proof of legal authority to work permanently in the U.S. Send resumes to: Illinois Department of Employment Security, 401 South State Street-7 North, Chicago, IL 60605, Attention Arlene Thrower, Reference #4-V-L, 19846-T. An Employer paid ad No calls- send 2 copies of both resume and cover letter.

HELP WANTED FACULTY
School of Journalism, Media and Graphic Arts, Florida A & M University, seeks a broadcast journalism assistant or associate professor. Ph.D. in appropriate field and five years of solid professional experience in TV news as reporter/anchor/producer. An MFA in a related field will be considered. Previous successful teaching and TV graphics a plus. Research and publication record and ability highly desired. Starting date: August 8, 1999. Application deadline: February 15, 1999. Letter of interest citing Position No. 0170560 and resume should be sent to: Dean Robert M. Ruggles, School of Journalism, Media and Graphic Arts, 108 Tucker Hall, Florida A&M University, Tallahassee, FL 32307-4800.

SERVICES
Sign up for broadcast training programs, including AVID, on the web at www.edivideo.com.

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You can get thousands of dollars worth of broadcast journalism training FREE!
For a limited time only, the Long Beach (CA) School for Adults is offering training, equipment and television shows for you to hone your skills and produce a dynamic reel. Call today and become the producer or reporter you want to be.
(562) 997-8000, ext. 7198
Ray Sharp
rs@lbusd.k12.ca.us

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ADVERTISE on www.broadcastingcable.com

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www.americanradiohistory.com
CLASSIFIEDS

BROADCASTING & CABLE'S CLASSIFIED RATES

All orders to place classified ads & all correspondence pertaining to this section should be sent to BROADCASTING & CABLE, Classified Department, 245 West 17th Street, New York, NY 10011. For information call Antoinette Pellegrino at (212) 337-7073 or Francesca Mazzucca at (212) 337-6982.

Payable in advance. Please money order or credit card (Visa, Mastercard or American Express). Full and correct payment must be by wire transfer or by letter or Fax (212) 206-8327. If payment is made by credit card, indicate card number, expiration date and daytime phone number.

Deadline is Monday at 5:00pm Eastern Time for the following Monday's issue. Earlier deadlines apply for issues published during a week containing a legal holiday. A special notice announcing the earlier deadline will be published. Orders, changes, and/or cancellations must be submitted in writing. NO TELEPHONE ORDERS, CHANGES, AND/OR CANCELLATIONS WILL BE ACCEPTED.

When placing an ad, indicate the category desired: Television, Radio, Cable or Allied Fields; Help Wanted or Situations Wanted; Management, Sales, News, etc. If this information is omitted, we will determine the appropriate category according to the copy. No makes goods will run if all information is not included. No personal ads.

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 credits or 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.

Rates: Classified listings (non-display). Per issue: Help Wanted: $2.50 per word, $50 weekly minimum. Situations Wanted: 1.35q per word, $27 weekly minimum. Optional formats: Bold Type: $2.90 per word, Screened Background: $3.00, Expanded Type: $3.70 Bold, Screened, Expanded Type: $4.20. All other classifications: $2.50 per word, $50 weekly minimum.

Word count: Count each abbreviation, initial, single figure or group of figures or letters as one word each. Symbols such as 35mm, COD, PD etc., count as one word each. A phone number with area code and the zip code count as one word each.

Rates: Classified display (minimum 1 inch, upward in half inch increments). Per issue: Help Wanted: $218 per inch. Situations Wanted: $109 per inch. Public Notice & Business Opportunities advertising require display space. Agency commission only on display space (when camera-ready art is provided). Frequency rates available.

Color Classified Rates

Online Rates: $50 additional to cost of ad in magazine Blind Box Service: (In addition to basic advertising costs) Situations Wanted: No charge. All other classifications: $35 per issue. The charge for the blind box service applies to advertisers running listings and display ads. Each advertisement must have a separate box number. BROADCASTING & CABLE will now forward tapes, but will not forward transcripts, portfolios, mailing lists, or other oversized materials; such are returned to sender. Do not use folders, binders or the like. Replies to ads with Blind Box numbers should be addressed to: Box (number), c/o BROADCASTING & Cable, 245 W. 17th Street, New York, NY 10011.

Confidential Service. To protect your identity seal your reply in an envelope addressed to the box number. In a separate note list the companies and subsidiaries you do not want your reply to reach. Then, enclose both in a second envelope addressed to CONFIDENTIAL SERVICE, BROADCASTING & Cable Magazine, at the address above.

BROADCASTING & CABLE Classifieds

Order Blank (Fax or Mail)

CLASSIFIED RATES

Display rate: Display ads are $218 per column inch. Greater frequency rates are available in units of 1 inch or larger.

Non-Display rates: Non-Display classified rates (text only) are $2.50 per word with a minimum charge of $50 per advertisement. Situations Wanted rates are $1.35 per word with a minimum charge of $27 per advertisement.

Online Rates: $50 additional to cost of ad in magazine

Blind Boxes: Add $35.00 per advertisement

Deadlines: Copy must be in typewritten form by the Monday prior to publishing date.

Category: Line ad □ Display □
Online: 1 Week □ 2 Weeks □

Ad Copy:

Date(s) of insertion:

Amount enclosed:

Company:

Phone: _________ Fax: _________

Address:

City: __________ State: __________ Zip: _________

Authorized Signature: ____________

Payment:

Check □ Visa □ MasterCard □ Amex □

Credit Card #: ____________________________

Exp. Date: _____________ Phone: _____________

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245 W. 17 Street ▲ NYC 10011 • Attention: Antoinette Pellegrino or Francesca Mazzucca

Fax Number: 212-206-8327

apellegrino@cahners.com fmazzucca@cahners.com

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**DATEBOOK**

**THIS WEEK**


**FEBRUARY**

Feb. 2-3 - Arizona Cable Telecommunications Association workshop sponsored by Phoenix Hilton Hotel. Phoenix. Contact: (602) 955-6776.

Feb. 4-7 - Eckstein, Summers & Co. annual conference on new business development for the television industry, Don Cesar Beach Resort, St. Pete Beach, Fla. Contact: Roland Eckstein, (727) 530-1996.


Feb. 9-12 - Milia, the international content market for interactive media. Palais de Festivals, Cannes, France. Contact: Patrick Lynch, (212) 689-4220.


Feb. 21-24 - 21st Monte Carlo TV Market conference and expo. Leoons Hotel, Monte Carlo, Monaco. Contact: (201) 869-4022.


**MARCH**


March 4-7 - Cabletelevision Advertising Bureau 17th annual Cable Advertising Conference. New York Marriott Marquis, New York City. Contact: (212) 508-1214.


March 15-17 - North Central Cable Television Association annual convention and trade show. Hyatt Regency Hotel, Minneapolis. Contact: Karen Stamos, (651) 641-0268.


March 22-25 - SPORTEL America TVMarket conference and exhibition. Miami Beach, Fla. Contact: (201) 869-4022.


**APRIL**

April 2-3 - 21st annual Black College Radio convention. Renaissance Hotel, Atlanta, Ga. Contact: (404) 523-6136.


April 12 - Gracie Allen Awards presented by the National Association of Broadcasters Foundation. San Francisco. Contact: (415) 598-9877.

April 16-19 - 44th annual Broadcast Education Association convention and exhibition. Las Vegas Convention Center, Las Vegas. Contact: (202) 429-5354.


April 19-22 - National Association of Broadcasters annual convention. Las Vegas Convention Center, Las Vegas. Contact: (202) 429-5300.


April 21 - Broadcasters Foundation Golden Mike Award. The Plaza Hotel, New York City. Contact: Gordon Hastings, (203) 862-8577.


**MAY**

May 2-4 - Pennsylvania Association of Broadcasters annual convention. Adam's Mark Hotel, Philadelphia. Contact: (717) 534-2504.

May 11-12 - Kentucky Cable Telecommunications Association annual convention. Radisson Plaza Hotel, Lexington, Ky. Contact: Randa Wifght, (502) 684-5302.


May 17-20 - 39th annual Broadcast Cable Financial Management Association/Broadcast Cable Credit Association conference. MGM Grand Hotel, Las Vegas. Contact: Mary Telier, (703) 746-2900.


**JUNE**

June 5-7 - Cabletelevision Advertising Bureau local cable sales management conference. Hyatt Regency Hotel, Chicago. Contact: Nancy Lagos, (212) 508-1229.


June 10-15 - 21st Montreux International Television Symposium and Technical Exhibition, Montreux Palace, Montreux, Switzerland. Contact: (800) 968-7205.


Compiled by Nolan Marchand (nmarchand@cahners.com)

www.americanradiohistory.com
Viacom Inc. Vice President DeDe Ferrell doesn’t mind taking the hard road to the top.

“I don’t always operate in my comfort zone. I don’t always take the most traveled road. I tend to take the chances,” Ferrell says. “I go for it, work hard and in the end, it all works out.”

So far, the 34-year-old Ferrell seems to have successfully negotiated the tough spots. She has climbed to the executive ranks of a major media company, Viacom, and the National Association of Broadcasters. A former co-worker says she doesn’t expect her to stop until she becomes a media mogul herself.

Ferrell arrived in Washington in 1981 as a freshman at Howard University. Majoring in broadcast management, she planned a career running stations. Graduating in 1985, she immediately got a job as a sales assistant at WTTG-TV Washington, then owned by Metromedia Inc. (and now owned by Fox Television Stations Inc.).

In 1986, she said goodbye to her entry-level gig, becoming an account executive at nearby WDGY-FM. “I wasn’t going to sit around being a sales assistant for five years, waiting for someone to quit or leave and then hoping that someone would promote me,” Ferrell notes.

After three years, she moved to Washington’s WRQX-FM. A year later, she knew a career in broadcast ad sales wasn’t for her, opting for Georgetown University law school instead. “Most of the people I knew had to move around [from] station to station, and I didn’t want to move around.”

But Ferrell soon realized she wanted to be back in the working world, at least some of the time. She had a summer internship in the legal department of the National Association of Broadcasters in 1991. “[Law] firms at that time didn’t really appeal to me,” she says. “Because I had worked in broadcasting, I wanted to make certain that I stayed close to broadcasting.”

After that summer, two NAB friends told her about a full-time opening in the NAB’s government relations department, which handles the association’s lobbying efforts. She interviewed with NAB Executive Vice President Jim May for the job, feeling that “part of me wanted to be with people who were at the same level as I was. Being out of school for five years and then deciding to go to law school, you are at a different place.”

Ferrell had to hit the ground running when she started working at the NAB in October 1991. Not only was she attending law school at night, but the trade association was smack in the middle of lobbying the 1992 Cable Act, which was a complicated piece of legislation for the broadcasters.

But once Ferrell got going, she found she was on more familiar ground than she had expected.

“I don’t know if naïveté is the right word for how I felt about going into lobbying, but it’s sales. And I used to sell,” Ferrell notes.

Ferrell’s sales skills served her well in her new job. She managed to quickly climb the ranks to senior vice president of government affairs—even while she was attending several fund-raisers each week and taking law classes at night and on weekends. By the time she left the NAB in 1991, she was overseeing two House and two Senate lobbyists and crafting legislative strategy with May and NAB President Eddie Fritts.

“DeDe’s got the best combination of brains and personality I’ve seen,” May comments. “There’s no limit as to what she can achieve in this business. She’s a huge loss to us and huge gain to Viacom.”

Ferrell left the NAB after being recruited by Viacom Senior Vice President Carol Melton. Melton had just left Time Warner to head Viacom’s Washington office.

“One of the things that makes you a successful salesperson is that you have to believe in your product,” Ferrell notes. “All along the way, from radio to NAB to [Viacom], I have believed in my product. MTV, Showtime, Paramount, Simon & Schuster—I can identify with the products of each of those [Viacom] divisions.”

Ferrell has much work ahead at Viacom, with issues ranging from cable rate regulation to intellectual property. Viacom also is getting increasingly involved with electronic commerce, and last year was heavily involved in legislation regarding children’s online privacy and digital copyright protection.

“When I hired DeDe, I received congratulatory phone calls from [Capitol] Hill and from many of DeDe’s friends in Washington,” Melton says. “She’s not only someone that you enjoy being with, but she’s disarmingly smart and persuasive.”

—Paige Albiniak
**FATES & FORTUNES**

**BROADCAST TV**

Appointments, WB Television Network, Burbank, Calif.: **David Zaccaria**, director, dramas and specials, on-air promotion, NBC, Burbank, Calif., joins as VP, on-air promotion; **Dan Spangler**, director, creative services, WATL-TV Atlanta, joins as VP, affiliate marketing; **Suzanne Kolb**, VP, print and radio advertising, named VP, strategic marketing.

**Michelynn Woodard**, manager, sales research and marketing, Fox, New York, named manager, network distribution, Eastern region.

Paul Button, supervising producer, KCAL-TV Los Angeles, named executive producer.

Robert Olive, director, program administration, WTVK-TV Charlotte, joins PBS Programming Services, Alexandria, Va., as executive, major projects.

Paul "Dino" Dinovitz, general manager, KMBC-TV Kansas City, Mo., joins co-owned KCRA-TV Sacramento, Calif., in same capacity.

Lisa Goyette, manager, Telerep Boston, joins WCVB-TV there as manager, national sales.

Kirk Winkler, owner, Winkler and Associates, Omaha, Neb., joins KPTM-TV there as VP/director, news.

**Farrell Frenness**, director of development, Lyric Opera, Chicago, joins Window to the World Communications Inc. there as senior VP, marketing and community relations.

**Cindy Day**, executive assistant, ABC, New York, joins WJBX-TV Detroit as administrative assistant.

Appointments, WFSB-TV Hartford, Conn.: **Steve Sabato**, news director, named station manager; **Rob Ewert**, director, sales and marketing, WPRITV/WNACTV Providence, R.I., joins as manager, general sales.

Shaun McDonald, manager, general sales, WTVK-TV West Palm Beach, Fla., joins WDCA-TV Washington in same capacity.

**Mitch Goldberg**, supervisor, production and studio operations, Garden State Cable, Cherry Hill, N.J., joins WHYY(TV and FM) Wilmington, Del., as technology manager.

**Caroline Tolber**, manager, corporate finance, Spartan Communications, Spartanburg, S.C., named director, operations analysis.

**Joel Gardner**, promotions manager, KMSS-TV Shreveport, La., joins KLRT-TV Little Rock, Ark., as promotions producer/editor.

**PROGRAMMING**

**Jeffrey Tuchman**, president, Tuchman Group, New York, joins Broadcast News Networks, New York, as VP/senior producer.

Appointments, Playboy Entertainment Group, Beverly Hills, Calif.: **Sadie Huene**, manager, sales and affiliate marketing, named director; **Donna Anderson**, senior publicist, named manager, international television sales.

Appointments, Pearson Television, New York: **Michael Bowman**, marketing manager, named director, marketing and promotions; **Carol Callahan**, manager, research, named director; **Ludmila Palasin**, marketing manager, named director, marketing and promotions.

**JOURNALISM**

**Alan Duke**, editor, national news desk, CNN, Atlanta, named managing editor, CNN Student Bureau.

**Eric Dodd**, reporter, WJBX-TV Detroit, joins Fox News, Los Angeles, as national correspondent.


**Kevin Dalton**, account representative, Barry Advertising, York, Pa., joins Associated Press, Washington, as regional radio executive, broadcast news center, Philadelphia.

**Jana Leindecker**, director, events and vendor marketing, Jacor Communications.

**RADIO**

**James Starace**, director, affiliate administration, Westwood One, New York, named VP, affiliate information and compliance.

**Jim Ryan**, program director, WLTW(FM) New York, named operations manager.

Appointments, National Public Radio, Washington: **J.C. Patrick**, director, marketing and development, KUHF(FM) Houston, joins as station development representative; **Jane Kelly**, assistant station manager, WVOY(TV) Oswego, N.Y., joins as producer, on-air fund raising and promotion.

Appointments, Chancellor Media Corp., New York: **Andrew Rosen**, manager, general sales, WHTZ(FM) New York, joins as regional VP, sales; **Thomas Garry**, VP/general manager, KQOL(FM) Minneapolis, joins as regional VP, sales; **Kate Gigi-Walsh**, account manager, Quantum Leap, Berkeley, Calif., joins as managing director, marketing division, San Francisco.

**Wayne Larrivee**, football play-by-play announcer, WMAL-AM Washington, joins WDBO-AM Orlando in same capacity.

**Steve Schier**, political commentator, WCCO-TV Minneapolis/St. Paul joins KSMP-TV there in same capacity.

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**Jana Leindecker**, director, events and vendor marketing, Jacor Communications.
tions, Columbus, Ohio, named VP, new business development, Midwest region. **Vincent C. Fruge**, VP/general manager, WTL(C AM AND FM) Indianapolis, named black/urban seat, Arbitron Radio Advisory Council, New York.

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**CABLE**

**Jeff Gaspin**, senior VP, programming and production, VH1, Santa Monica, Calif., named executive VP.

Appointments, The WeB, a cable-delivered television station group affiliated with the WB, Burbank, Calif.: **Cris Chavarría**, director, creative services and programming, KGT(VTV) San Diego, joins as director, on-air promotion; **Maureen Milmore**, producer, Universal Television, Los Angeles, joins as director of production.

**Len Marino**, director, on-air marketing promotion, Hallmark Entertainment/Jim Henson Company, Denver, joins the Odyssey Channel, Los Angeles, as VP, creative services and on-air promotion.

Appointments, E! Entertainment Television, Los Angeles: **David Cassaro**, senior VP, advertising sales, named executive VP; **Mark Feldman**, senior VP, business and legal affairs/general counsel, named executive VP.

**Barbara Wall**, director, current programming, Fox, Los Angeles, joins TNT there as VP, original series.

**Kathy Abbott**, writer/producer, on-air promotion, Fox Kids, Los Angeles, named director, production and administration, on-air promotion.

**George Finkel**, free-lance sports producer, Philadelphia, joins the Military Channel, Louisville, Ky., as executive producer, sports production division.

**John Guran**, director, advanced digital services, Time Warner Cable, Northeast Ohio division, Akron, Ohio, named VP, commercial services, Road Runner.

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**TECHNOLOGY**

Appointments, LodgeNet Entertainment Corp., Sioux Falls, S.D.: **Darla Werner**, director, data processing operations, EROS Data Center, Sioux Falls, joins as VP, corporate technology.

**Roger McAulay**, president, Connect Group, San Francisco, joins as VP, Internet technologies.

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**ALLIED FIELDS**

**Scott Ginsburg**, CEO/president, Chancellor Media Corp., Irving, Texas, joins DG Systems, San Francisco, as chairman/CEO.

Appointments, Ember Media, a multi-media communications/technology applications company based in New York: **Clayton Banks**, VP, affiliate relations, Comedy Central, New York, joins as president; **Andres Fehr**, creative director, Strategic Communications Group, New York, joins as VP, creative services.


**Mary Ball**, manager, government and community relations, multiple systems operator Cox Communications, San Diego, named director.

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**RETIEMENTS**

**Allan Howard**, president/general manager, KXTV(TV) Sacramento, Calif., retired on Dec. 31.

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**DEATHS**

**Virginia Graham**, 86, talk-show hostess pioneer, died Dec. 22 of complications from a heart attack. Graham’s career started in radio in the 1930s as host of *Weekday*. But her popularity soared because of two nationally syndicated television talk shows—*Girl Talk* on ABC from 1963-1969, and *The Virginia Graham Show* from 1970-1972. Both programs mixed news, entertainment, interviews and female-oriented features. She also appeared on *The Big Payoff*, *Strike it Rich*, *The Jack Paar Show*, and in recent years, *The Roseanne Show* and *The Rosie O’Donnell Show*. Graham’s success wasn’t limited to the small screen; she authored five books, including the yet-to-be-published *I Love Antiques But I Don’t Want to Be One*. Graham, who was deeply involved in charitable causes, joined the American Red Cross during World War II, co-founded the Cerebral Palsy Foundation in 1947 and served as president of the American Cancer Society. She is survived by a daughter and a grandson.

**Robert Marshall Hall**, 89, radio station owner and former newspaper syndicate executive, died Dec. 21. In 1945, Hall, a president and general manager of the Post Syndicate, bought out the *New York Post*’s shares and became sole owner of the Hall Syndicate. Its contributors included columnists Dr. Norman Vincent Peale, Howard K. Smith and Hank Ketcham, with his *Dennis the Menace* comic strip. Hall’s second career started in 1964, when he purchased a small radio station in Connecticut. This led to Hall Communications Inc., which has since grown to 16 radio stations nationwide. He is survived by two children and four grandchildren.

**Michelle Thomas**, 29, television actress, died Dec. 23 of cancer. Thomas was recently nominated for an Image Award by the NAACP as outstanding actress in a daytime drama series for her role as Callie, an aspiring vocalist, in the CBS soap opera *The Young and the Restless*. She also portrayed Justine, the long-time girlfriend of Theo (played by Malcolm Jamal Warner) on *The Cosby Show*, and Myra, Steve Urkel’s girlfriend on *Family Matters*. She is survived by her parents.

**Jerry Webber**, 62, anchor, KJRH(TV) Tulsa, Okla., died Dec. 19 of cancer. Webber’s career spanned 30 years at KJRH, beginning as a news reporter in 1969. He was later promoted to sports director, news anchor and news department editorial manager. In 1997, he hosted two local news series, *From the Heartland* and *Oklahoma People*. He is survived by his wife, Dorothy, and three sons.

**Ed Wilkes**, 67, radio show host, KRFE(AM) Lubbock, Texas, died Dec. 21. As host of *The Big Ed* in the *Morning Show*, Wilkes defied tradition by combining personal humor with hard news. He owned KRFE(AM) and operated it for seven years. After health problems forced him to give up operating the station, he leased air time for his own show. Wilkes’ radio career began in 1962, when he broadcast farm reports for KFYQ(AM) in Lubbock, a position that he kept for 17 years. He is survived by his wife, Marsha, and three children.

—Compiled by Mara Reinstein
mreinstein@cahners.com
Engineers Not to Blame

EDITOR: The reason for the “crowded” control room ["Union Blues," B&C, Dec. 14] is so that each individual can totally concentrate on his or her job. This leads to the perfection that airs on many network shows. Creativity by these people at their jobs makes for an exciting show. If and when there is one person there trying to make decisions on a multitude of situations, it seems to bring out the simplest way to do a function just to get it right. In the TV studio, every person’s job is respected. At the corporate level, everyone in the studio is a “check they hate to write.”

I’ve been at a network for 20 years and have been involved with many live shows—from the news to the Olympics—and the technical people have never caused one slip in the ratings points. And when it does slip, I feel just as horrible as all the people involved. With the abundance of channels and shows today, quality has taken a back seat and the viewers’ eye has become more tolerant of mistakes. But self-pride and professionalism is what keeps some of these shows looking good. This is what the down-sizers do no understand, or they just want to use it to their advantage.

Money is not the fight in talks today; it is security and caring for family, the thing that comes before anything. Maybe with all the new college grads getting in the business, these are not important yet. I guess I was like that too—but soon they will want the same as us “old timers.” —Steve Rubbinaccio, engineer, ABC Networks, New York

Union Blues: A NABET Perspective

EDITOR: As a NABET employee for more than 20 years, I think you might be interested in my opinion of the current lockout, prior events and the general mood of the employees of ABC. Simply put, we have been watching the worsening of our working conditions and treatment by the company since Disney acquired ABC. The mood has been one of oppression and total disdain of the workers in the union for some time. One of the main players at KGO(TV), Tony Savicke, [station controller], has openly expressed his feeling that we “are the enemy.” I presume that means that the workers, requiring decent conditions and pay, are an obstacle in the way of this company reaping obscene profits. There is no hope for any respect or reasonable treatment from management at ABC, and it is simply taken that there will be an atmosphere of deep hatred when we all return to our jobs. This strike may be a victory for Disney financially, but they will have a work force composed of pissed-off workers. Who wins? Maybe Disney, since they obviously don’t care about people at all. Me? I am looking for employment at a company that respects its workers—Ron Giuntini, ENG cameraaman/tech, KGO(TV) San Francisco

MMS Ad Offends

EDITOR: I am deeply distressed that your publication is running advertisements for [Media Management Services], a scab-recruiting firm that is supplying engineers to ABC in order to replace locked-out NABET-CWA workers.

It is unconscionable in my viewpoint that a publication that counts tens of thousands of union-represented technicians amongst its readership base would think nothing about being complicit in promoting the destruction of those unions, and the loss of jobs for those represented employees. It appears that the advertising revenue that is generated by this weekly classified ad, is worth alienating a significant portion of your readership.

The labor struggle currently taking place at ABC/Disney has caused more than 2,400 workers to lose their source of income and has terminated health benefits for those workers and their families. Do you feel that your publications are serving the interests of those people by advertising for replacement workers so their misery may continue?

Please be advised that I will continue to notify my fellow brothers and sisters in all the broadcast unions, as well as the CWA, and CWU in Europe of your advertising practices. It is clear to me that you don’t care about the workers who have forged careers in this business and subscribed to your publications in the past. I would think that many of them will absolutely think twice about subscribing or reading your magazines in light of this “slap in the face.” —Paul Colten, NABET-CWA Local 16, New York

Editor’s Note: These are two of many similar letters that we have received during the past three weeks. Our policy is to accept classified ads “as is,” except those that we deem indecent or those that are not in compliance with civil rights laws.

Apples and oranges

EDITOR: You’ve done it again. Yes, CNN had impressive ratings with the goings on in Iraq. But the 5.4 [rating] you show [Dec. 21] is in its cable universe only. The national rating at 4.88 million homes is 4.9. Still a good feat, but you should get the right facts.—Ave Butensky, Television Bureau of Advertising.
Networks looking to cover presidential impeachment hearings will have to wait for senators to plot the course of those hearings. Cable and broadcast network news departments contacted said they could not plan coverage until the Senate gave some shape to the hearings—which may not occur until this week. But the question remained whether the process—in whatever form—would remain open. Finding that the Senate rules developed for the 1868 impeachment of President Andrew Johnson would put deliberations behind closed doors, C-SPAN Chairman Brian Lamb asked Senate Majority Leader Trent Lott (R-Miss.) for rules that would allow the cameras to keep rolling. The official book, Senate Procedure, acknowledges that “the doors shall be closed for deliberation.” Citing the president’s televised grand jury testimony, House Judiciary proceedings, and the impeachment debate and vote, Lamb said the process had been characterized by its openness. “The Senate should adopt the same degree of openness for its role in this matter of such great importance to every American. That openness can be achieved simply by not turning off the Senate-controlled cameras as the Senate turns from hearing the evidence to considering it as jurors.” We are hopeful the Senate will choose not to interrupt the public’s ability to witness every step their elected representatives take in the process that will determine whether the president remains in office,” Lamb wrote.

C-SPAN, which would carry the procedure live and in full and then rebroadcast it, believes that the senators can change the rules by majority vote. But some senators, notably Mitch McConnell (R-Ky.), the incoming chairman of the Rules Committee, has publicly indicated a preference for keeping some of the testimony from “the children or the families of America.” McConnell said last week that, “It’s not at all clear to me that we have to put on a sort of public show trial and bring all of these rather infamous characters into testifying before the American public.” McConnell also said that, “There’s nothing in the rules that require that all the witnesses be heard in open session.” Senators are expected to take up the matter Wednesday, following the holiday recess. But it was unclear last week when and whether a formal trial presided over by chief justice—and impeachment expert—William Rehnquist would begin. Democrats are expected to maneuver toward censure as an alternative to a full trial.

Senate Commerce Committee Chairman John McCain (R-Ariz.) last week became the first Republican to take official steps toward running for president in 2000. McCain filed a statement of candidacy with the Federal Election Commission to form an exploratory committee. Rumors that McCain would run have been flying around Washington for the past two years. In November, Steve Grubbs, chairman of the Iowa Republican party, said McCain had talked to him about heading up McCain’s campaign effort in Iowa. Although McCain is the first to make an official move, likely to join him in the race for Republican nominee are Texas Governor George W. Bush Jr., former Tennessee governor and former U.S. Education Secretary Lamar Alexander and magazine publisher Steve Forbes. Other possible contenders include former Vice President Dan Quayle, television personality Patrick Buchanan, California Governor Pete Wilson, Rep. John Kasich (Ohio) and Sen. John Ashcroft (Mo.). Most expect Vice President Al Gore to be the forerunner in the Democratic race.

After a shaky start, viewing of the National Football League TV packages bounced back by the end of the regular season, with ESPN being the biggest gainer. CBS, which took over NBC’s AFC package this year, posted a 10.3 rating and a 24 share for the first 16 weeks of the season, dead even with the package’s performance on NBC last season. CBS Sports President Sean McManus said he was pleased with the results. “We accomplished everything we set out to this season,” he said. CBS would have been up significantly, he remarked, if it hadn’t been for the unusually warm fall and the extraordinary interest in baseball’s home run derby, which was decided in the first month of the football season. He also noted dramatic improvements in CBS’s male demos in prime time, which he attributed at least in part to the return of football. Fox was also even in households compared to last season, with a 10.9/25. On CBS, the key male demos, 18-49 and 18-54, were up a tenth of a rating point each, to an 8.5 and a 9.2, respectively. Fox was up a

David Adams, NBC executive, dead at 85

David C. Adams, 85, for 32 years a leading executive and strategist for NBC, died Dec. 27 at a nursing home in Ossining, N.Y. He joined the company as assistant general counsel in 1947 and later held almost every senior post, although he preferred to function behind the throne. He accepted the role of chairman of the board from 1972 to 1974. He was a member of the U.S. delegation to the 1946 Five Power Conference in Moscow that set the agenda for the international telecommunications conferences that followed, and his corporate life was closely allied with business issues in New York and policy matters in Washington. He was a graduate of the University of Buffalo’s undergraduate and law programs. He is survived by his wife, Ilyana, of Croton-on-Hudson. A memorial service is planned. Adams was the subject of a remarkable—and, for him, unlikely—interview in the June 9, 1986, issue of Broadcasting & Cable, on the occasion of NBC’s 60th anniversary.

—John Eggerton
Kevin O'Brien, general manager at Cox-owned KTVU, San Francisco, is talking to CBS about running its group-owned TV stations. Sources last week confirmed that O'Brien had been in discussions with CBS Inc. President Mel Karmazin about the vacancy at its Los Angeles station, KCBS-TV, and that O'Brien had suggested more responsibilities—up to and including running the station group. Talks are continuing.

John Culliton was let go in September as vice president and general manager at KCBS-TV.

Several sources close to the network and group said they were unaware either that current president Jonathan Klein was leaving or that CBS chairman Mel Karmazin was looking to replace him. Klein is well regarded, sources say, at least in part for his ability to work well under the demanding Karmazin. They also said that the chemistry with the strong-willed O'Brien might not work as well. A CBS spokesman declined comment on the matter, as did O'Brien and CBS executives.

—Steve McClellan and Dan Trigoboff

Cox's O'Brien talking to CBS

Tenth among men 18-49, to a 9.4 and up two-tenths among men 25-54 to a 10.2. ABC, which was down 15% after the first month of play this season, regained some of that lost ground, averaging a 13.9 rating for Monday Night Football for the season, a drop of 7% from a year ago. Viewing was down slightly for men 18-49, and 25 to 54, but MNF still offered the best male demos of any series on TV this fall with an 11.7 and 12.4, respectively. Moving the telecast back to 8 p.m. also helped boost ABC's Monday prime time number by 12%. ESPN, which was down 18% in the early going, turned out to be the big gainer by season's end, averaging a 6.1 rating for a 13% household gain. The difference this year is that ESPN owns the Sunday night package outright; last year it split the package with TNT. The cable network's male demos were up double digits.

Five union sympathizers (only one identified as a NABET member) were arrested last week for assaulting an ABC manager who was trying to get work in New York. The manager, who was not identified, was not hurt seriously, but was shoved and kicked by the five, who were arrested. Meanwhile, NABET has not officially responded to what ABC described as its "final package proposal" for a new master agreement submitted to the union last week. The union said it met Friday and would continue meeting early this week to consider the offer, although the union hotline in New York termed the changes made by ABC in the package "insignificant."

Showtime Networks is committing $5 million in promotion and marketing support for Showtime Event TV's highly awaited Tyson/Bouta bout on pay-per-view. This marks Mike Tyson's return to the ring after 18 months. He is to fight challenger Francois Botha on Jan. 16 from Las Vegas' MGM Grand Hotel and Casino.

The Television Bureau of Advertising is launching a new multimedia ad campaign touting the benefits of local television. The centerpiece of the campaign, TVB said, is a 30-second spot that urges media buyers and planners to think local—and not network. "When you want to talk to someone, why talk to everybody?" the spot asked.

TVB said more than 300 stations in more than 130 markets will contribute time and air the spots. The total value of the combined airtime stations have committed is estimated at between $40 million-$50 million, a TVB spokesman said. Print ads and direct mail pieces round out the campaign.

Zenith Electronics has begun shipping a commercial-grade HDTV receiver/decoder designed to be used with high-end projection systems. The company plans to market the $5,999 receiver/decoder to TV stations, sports bars and custom-installed home theater customers. The HDTV receiver/decoder, called the IQADTV1W, has an RGB output that can drive front-projection HD monitors or other high-resolution displays. Zenith plans to package the product along with its $12,600 Pro900X high-definition projector. Zenith's 64-inch rear-projection HDTV set for the consumer market won't hit shelves until mid-1999.

Twentieth Television's revival of Divorce Court has been cleared on 60 stations representing 70% of the country for fall 1998. New stations signed on for the court series include KBWB-TV San Francisco, KSTW-TV Seattle, WSVN-TV Miami, and WNPX-TV Pittsburgh. The new version of Divorce Court will feature actual litigants and binding resolutions. Dave Dillon will join Milwaukee-based TV and radio station owner Journal Broadcasting Group Inc. in the newly created position of VP, radio programming. Dillon will work with the company's general managers and program directors at more than 65 radio stations on strategic programming and marketing issues. He has been VP, programming, for Capstar Broadcasting Partners Inc. since May 1998.
The right stuff

If there were an Orville and Wilbur Wright award for DBS, the first recipient would be Stanley S. Hubbard. Without question, that stalwart, stubborn, visionary broadcaster from the Midwest was responsible for creating a new medium where others feared to tread. If one day the entire terrestrial broadcasting industry of the U.S. and the world reaches its audience from transmitters 23,000 miles in the sky, it will be in large part due to Stanley S. Hubbard.

We’re careful to use the initial because there are so many generations of Hubbards of which to keep track. There was Stanley E. Hubbard, the founder of the clan, who went from flying the mails in open-cockpit aircraft to creating first the radio and then the television operation that pioneered broadcasting in St. Paul. And now there is the third generation of media-oriented sons and daughter of Stanley S.—the second Stanley E., Robert W. and Virginia. They have partnered with their father to enlarge and enhance the Hubbard media dynasty.

The occasion for this comment is the Hubbards decision to sell their DBS interests to Hughes Electronics’ DirecTV for $1.3 billion, a transaction that is considered auspicious for everyone involved, but is nevertheless bittersweet for the family. It seemed inevitable from the day the first satellite lifted DirecTV and USSB—the Hubbard-controlled DBS entry—into the sky that USSB would one day be taken over by the larger entity. This journal has chronicled the Hubbard family exploits from the beginning, and this is not the end. It will hold the second largest block of stock in Hughes, after GM, and can be counted upon to expand its interests and influence in broadcasting. For them, this is only an interlude between acts.

Yet there is a certain melancholy in the moment, and in the coming of the new millennium. An industry that was built by generations of entrepreneurs are being brought to their ultimate realization by large corporations whose wingspans reach to the horizons. We must remember that broadcasting and cable and their coming partners in communications are not in the business of building widgets. Theirs is the people’s voice. The inheritors of that tradition must somehow remain imbued with the vision, the industry and the fierce independence of the Hubbards of St. Paul.

RIP

The cable industry won an important victory last week with a federal court’s ruling that adult programming cannot be summarily excluded from prime time. The day time ban on adult cable fare failed to pass the strict legal standards for such laws—it was not the most narrowly tailored way to achieve the governmental interest—and was rightly held unconstitutional.

The governmental aim, ostensibly, is to protect children from adult fare, but the means in this case and that of other content regs is too often an abridgment of First Amendment freedom. The adult cable programming is already available only to those who subscribe to cable. Additionally, it is scrambled, which adds yet another layer of protection. The scrambling is not perfect, but cable service providers must remedy the problem at the request of the subscriber. The court found that to be sufficient protection and we agree.

We have some advice for regulators in the future. A ban is, by definition, almost never the least restrictive means to an end and, if it involves content, is almost surely an unconstitutional violation of speech protections. The government may appeal, but it should lose again. One of Play-Boy’s lawyer said the decision “drove a stake into the heart” of the ban. Let’s keep it there.
"I've never been struck by anything in my life like I was by C-SPAN. It was the reason cable television existed."

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My parents were such unbelievable role models. They taught me to work hard, decipher right from wrong, and to treat people well. Today, my dad is 88 and my mom is 82, and they live with us on our farm in Tallahassee. I grew up in Staunton, Virginia. While playing football as the team quarterback, I learned some of the things that work and don't work when leading people.

"I enjoyed my time at Randolph-Macon College where I majored in political science. After graduation, I went into telecommunications because my dad had worked in the business and had liked it. I went to work at the phone company in Baltimore, C&P, for six years. Then I went to Centel when it was Central Telephone and Utilities in Lincoln, Nebraska."

"I met Bob Reuss (Centel's CEO) at his welcoming reception. He asked me what I thought of Central Telephone, and I said, 'Great company, but it's not nearly as good as it ought to be.' I told him what I thought we needed to do. The next day, I got a call indicating he wanted to see me in Chicago. I figured he was going to fire me; instead I became his assistant. He said, 'Jack, remember this: There's nothing that you can mess up that we can't fix.' It's the most powerful statement I've ever heard; it unlocks the power in people when they're not afraid to make mistakes."

"At PageNet, we hope to be the nation's leading information provider—a cable television screen 'on the hoof'. Customers can receive business and financial information, local traffic patterns, television schedules, and entertainment wherever they go."

"I've never been struck by anything in my life like I was by C-SPAN. It was everything I believed in and everything I thought America ought to believe in. It was the reason cable television existed. When I first heard of C-SPAN, it was a no-brainer to say that we were going to have 100 percent carriage on Centel."

"I am proud of having helped C-SPAN mature. C-SPAN's in the House and Senate, and is now on the radio. The C-SPAN buses are educating America about public affairs. It's the fulfillment of the dream of democracy. And I am proud to keep contributing to C-SPAN."

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John P. Frazee, Jr.
Chairman, President & CEO, PageNet, Inc.
Member, C-SFAN Board of Directors

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