

BROADCASTING & CABLE

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BROADCAST FEELS HEAT

Queer (As in Odd) Ideas Become Cable Winners

BY ALLISON ROMANO

From the Old West to new-and-improved straight guys, cable is delivering some summertime hits. Leading the pack: USA Network's latest original *Peacemakers*, a Western detective drama. And Bravo—not usually the channel people dish about at bars and gyms—is beaming over gay-themed reality makeover show *Queer Eye for the Straight Guy*.

programming

Both cable nets scored by taking tested broadcast genres—detective shows and reality makeovers—and adding some twists. “Anything that’s odd, interesting, different or unusual finds an audience,” says David Verklin, CEO of media buyer Carat North America.

FX also is hitting with its latest original *Nip/Tuck*, a drama about two handsome Miami

Continued on page 31



Cable Series Premieres '03

SHOW	DEBUT NETWORK	NM RATING
▲ <i>Peacemakers</i>	USA Network	4.0
<i>Nip/Tuck</i>	FX	3.2
<i>What Not To Wear</i>	TLC	3.0
<i>Punk'd</i>	MTV	2.7
<i>Lucky</i>	FX	2.2
<i>Reno 911!</i>	Comedy Central	1.9
<i>Queer Eye for the Straight Guy</i>	Bravo	1.6
<i>M1-5</i>	A&E	1.6
<i>American Chopper</i>	Discovery	1.4
<i>Boy Meets Boy</i>	Bravo	1.4

SOURCE: Nielsen Media Research

Flip Flop Flip

No, that’s not the sound of sandals on the pool deck; it’s NAB on the 35% TV ownership cap

BY BILL MCCONNELL

Critics and allies alike were roasting the National Association of Broadcasters after the trade group declared that its on-again/off-again support for legislation that would reinstate the cap on national TV ownership was on again.

“I’m not sure anyone is listening to the NAB right now,” said Ken Johnson, spokesman for House Energy and Commerce Chairman Billy Tauzin (R-La.). “They started this train down the track, but they’re not the engi-

neers anymore, and anything can happen when you lose control.”

Tauzin opposes the fast-growing effort to reinstate the 35% cap on TV-household reach, which the FCC lifted to 45% in June, but has long been on good terms with the industry’s largest trade group.

Senate Commerce Committee Chairman John McCain last week accused the NAB of “rank hypocrisy” for fighting against a



NAB's Eddie Fritts

higher ownership cap—the higher cap would primarily benefit the broadcast networks—while fighting for deregulation that helps most of NAB’s TV members. “I have never been a fan of

Continued on page 34



MEDIA OWNERSHIP

D.C. Heat Freezes Market

BY BILL MCCONNELL

If the *Federal Register* makes good on plans to publish the FCC’s controversial June 2 ownership changes tomorrow, industry trade groups, public advocates and company lawyers can pencil in Sept. 4 as the effective day of the rules, but that

pencil better have a big eraser.

The publication of the relaxed rules also triggers a countdown to a spate of lawsuits and petitions for commission reconsideration, not to mention various legislative efforts attacking the rules, that should keep broadcast dealmakers cooling their heels well into the fall.

Continued on page 34

MADISON AVE.



STAYING TUNED

1%

Only one in a hundred of *American Idol*'s most faithful channel-surf during ad breaks, says new research.

TV BUYER, PAGE 20

Bob Hope (1903-2003) | Appreciation Pg. 8

American Broadcaster



Bob Hope with CBS's Bill Paley in 1986.

'Newton Minow is a man of high ideals whose needling, prodding and constructive suggestions have led our great industry up the path to the *Beverly Hillbillies*. That's all we needed: outhouses in the vast wasteland.'

BOB HOPE, accepting an industry award at the 1963 NAB convention

NEWSPAPER

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Viacom Signs \$400M Pact With Nielsen

Series of contracts supports local people meters in top 10 markets

BY STEVE McCLELLAN

Call it a banner year for Nielsen Media Research. Not only has it lined up the two biggest ratings contracts in its history, but it has also essentially won the battle with broadcasters over the local people meter.

Last week, Viacom and Nielsen agreed in principle to a series of new contracts (varying in length from five to eight years) covering ratings services for the company's broadcast and cable networks, syndication services, and 35 O&O TV stations.

Sources familiar with the terms said the collective value of the pacts is close to \$400 million and a little less than the record seven-year \$400 million-\$500 million estimated value of the corporate ratings contract signed by NBC and Nielsen earlier this year.

At the start of the year, the audience-research firm was stalled in its two-year effort to get broadcasters to embrace local people meters (LPMs) in the top 10 markets. Stations were resisting because of the price and the fear of ratings falloff. Just a couple of broadcasters had signed on for the service, which Nielsen plans to roll out by 2006.

Now three of the Big Four broadcast-net station groups have signed up: ABC, CBS and NBC. Fox is still holding out, but talks with Nielsen are progressing, sources say.

NBC's Nielsen contract set a precedent by getting Nielsen to agree for

the first time to pay financial penalties if certain characteristics of the national sample fall below agreed-to levels for certain periods. Those characteristics include cooperation rates and percentage of household base actually providing usable data.

Viacom's contracts are still in the letter-of-intent stage, but David Poltrack, executive vice president, research and planning, for CBS, said the network would get terms "in one form or another" that motivate

Ninth-ranked Atlanta will be added in 2006, and that will complete the top-10 rollout.

Viacom's network contracts support expansion of Nielsen's national people-meter sample from 5,000 to 10,000 homes starting in 2004. Nielsen and its clients believe that the larger sample is necessary to accurately measure viewing in an increasingly fragmented TV-viewing universe.

Viacom has also committed to dig-



The Viacom agreements 'demonstrate our commitment to constantly improve our business to ensure that TV remains the best measured of all advertising media.'

SUSAN WHITING, Nielsen Media Research

Nielsen to meet quality standards.

Viacom's TV-station contract commits its 15 stations in the top 10 markets to LPM service as Nielsen rolls it out in those markets. Its WBZ-TV and WSBK-TV Boston have been without ratings since Nielsen introduced LPMs there 15 months ago. The new deal puts them back in the Nielsen data flow effective immediately.

Los Angeles will be the second market, with installation there set for March, followed by New York in April. LPM service will roll out to Chicago in June and San Francisco in October '04. Most of the other markets will be phased in in 2005.

itally encoding all programs so that they can be identified by Nielsen's new active/passive meter, also set to begin rollout next year.

NBC's deal also supports the sample expansion and digital ID program codes.

Commenting on the new agreements, Nielsen Media Research President Susan Whiting said they "build on a strong foundation between Nielsen and the Viacom television operations and demonstrate our commitment to constantly improve and innovate our business in order to ensure that TV remains the best measured of all advertising media." ■

BREAKING...

DeWitt Departs After All

LOS ANGELES—Gene DeWitt, president of the Syndicated Network Television Association, has abruptly left the group. A terse statement said Friday morning, "SNTA announced today that Gene DeWitt is no longer with the organization. The board stated that a search for his replacement will commence immediately." SNTA would not comment further, and Howard Levy, chairman of SNTA's board and executive vice president of advertising sales for Buena Vista Television, was unavailable at press time. DeWitt arrived at SNTA in April 2002. Rumors that he was going to leave swirled this past April, but he insisted he planned to stay. He had signed a three-year contract, which has a year and a half remaining. He was chairman of Optimedia International beginning in 2000, after selling his own media-management and -buying firm, DeWitt Media Inc., to Optimedia.

Paxson: Revenue Off, Cash Flow Up

WEST PALM BEACH, FLA.—Paxson reported a 4% drop in net revenue to \$66 million for the second quarter (ended June 30) while operating cash flow climbed to \$14.5 million from \$3.5 million in the same period a year ago. The cash-flow gain is attributable to the company's cost-cutting. In the quarter, Paxson reduced expenses by about \$23 million. President Dean Goodman says this year's programming budget will be reduced several-fold, from \$116 million last year to about \$40 million this year. Infomercials helped prop up the top line: They now account for about 40% of revenue, vs. 22% for network ads and 38% from owned TV stations.

Citadel Succeeds With IPO

LAS VEGAS—Citadel Broadcasting's initial public offering was a success, with shares rising slightly as the radio group began trading Friday. Citadel raised \$418 million, pricing 22 million shares at \$19 each. At midday Friday, the price was holding, at \$20.44 per share.

BROADCASTING & CABLE

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CONTENTS

Top of the Week

CABLE 2Q RESULTS High-speed sales slow	4
FALL Some broadcast nets schedule traditional start for new shows; some don't	6
UPSCALE VIEWERS Magna Global study ranks programs by audience income	7
HIGH-DEF ESPN-HD reaches 50 million homes, thanks to Comcast, Cox, DirecTV	7
APPRECIATING BOB HOPE Radio and TV's most enduring star is remembered	8
NEW LOBBYIST John Orlando is named NAB chief lobbyist and executive VP	34
FAST TRACK	4
IN THE LOOP	6

PG 24

Tech Focus



INTEGRATED

Georgia Public Broadcasting brings IT, engineering together

Sports Programming

TV DEALS Networks are tiring of stiff losses	10
BIG LEAGUES Which networks have which rights and how much they paid for them	10
NICHES There's a network for every sports fanatic	12
Programming	
MADE-FOR MOVIES The genre remains a regular part of CBS's schedule	16
ADDITIONS Latino star Carlos Ponce, style maven Steven Cojocarú join <i>Entertainment Tonight</i>	16
SYNDICATION WATCH	17
NIELSEN RATINGS	18
MARKET FOCUS: Green Bay, Wis.	19

TV Buyer

ATTENTIVE Initiative/MIT research says "fully engaged" viewers channel-surf less	20
EBB & FLOW	20

Washington

FEES FCC announces across-the-board increases for TV and radio stations	21
--	----

Technology

DIGITAL Stations ask the FCC to allow them to shut off their analog signal	22
THE END OF DAT? HBB's Portadrive is transition between digital tape and disk-based recording	22
NEW HARDWARE Omneon Networks plans three debuts at IBC	23
CUTTING EDGE	22

Tech Focus

AUTOMATION Court TV picks Avalon to manage Sun-based archive	24
---	----

People

FIFTH ESTATER	26
FATES & FORTUNES	26

Voices

EDITORIALS	32
AIRTIME	32
OPEN MIKE	32
JESSELL	33

Rainbow Ups Dore, Greenburg

BY ALLISON ROMANO

After the June housecleaning at Cablevision System's Rainbow Media Holdings, now comes the rearranging. Rainbow Media last week elevated two veteran executives to take over areas vacated when Rainbow axed 14 staffers, including AMC Networks President Kate McEnroe, for accounting irregularities.

The company is also consolidating its network structure.

As expected, IFC Companies President Kathleen Dore, named president of Entertainment Services, is adding AMC and WE: Women's Entertainment to her watch. The company also promoted Rainbow Sports President Andrea Greenberg to president of distribution. Both report to Rainbow CEO Joshua Sapan.

The executives would not comment on the alleged accounting improprieties at AMC Networks.

Dore says Rainbow's national nets—AMC, WE and IFC—all stand to benefit from closer ties. "The combination will facilitate more cross-promotion and media buying." And, on programming, the nets can team up "more effectively in terms of original production, film buying and licensing."

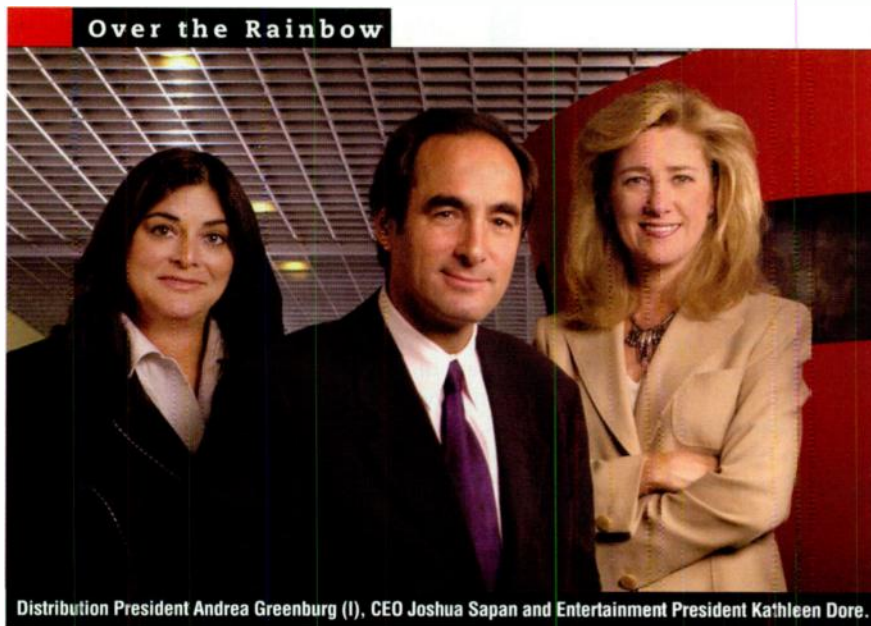
AMC and WE, though, are still without a general manager. Former AMC General Manager Noreen O'Loughlin and former WE General Manager Martin Von Ruden were part of the group fired last month. Dore says filling those slots "is a priority."

She has been running IFC Companies, which includes the IFC channel and IFC Entertainment, since 1996. She was also president of Bravo until NBC acquired the channel for \$1.25 billion last December.

Rainbow's willingness to part with Bravo begs the question whether other nets will go on the block. MGM, which used to

But Sapan says his nets are in fine shape. "This reorganization will put us in much stronger position to be better in programming, marketing and distribution."

On the distribution side, Greenberg now oversees affiliate sales and marketing for AMC, Fuse, IFC and WE: Women's Entertainment, as well as video-on-de-



own a 20% stake in the national networks but cashed out in early July, had long been interested in acquiring AMC. And Cablevision is part of former Seagram Co. Ltd. CEO Edgar Bronfman Jr.'s group bidding for Vivendi Universal Entertainment, which could muddy the networks' future.

mand services MagRack, Sportskool, Fuse On-Demand, IFC On-Demand and Uncensored On-Demand.

IFC General Manager Ed Carroll, who also worked on Bravo, is still running IFC, although there is speculation that he will take on a larger role with AMC and WE. ■

Disney Logs Improved 3Q Results

ABC is on right path to recovery, Iger says

BY STEVE MCCLELLAN

ABC showed some financial improvement during parent Disney's fiscal third quarter (ended June 30) in both operating cash flow and revenue, with most of it from cost-cutting at the network and revenue gains by the TV and radio stations.

On a call with analysts and investors last week, Disney executives acknowledged that the network isn't yet running smoothly. Disney President Bob Iger said it will take at least another year for ratings to rebound. But that shouldn't come as great surprise, he said, because network recoveries are always "more gradual in terms of a bounce-back."

Iger also thinks the network is on the right path to recovery with a plan for 10 new comedies (the most of any network) next season. Comedies seem to be working better at ABC than other genres.

And, while the broadcast unit is still in comeback mode, cable is and should remain a key revenue-growth driver for the company, Iger said, stressing that the

company intends to be very aggressive in pursuit of higher affiliate fees for ESPN in the future. ESPN offers "unparalleled value" to cable systems, he said, noting that operators rank ESPN No. 1 in both driving local ad sales and selling broadband products. ESPN Motion, the broadband service launched six months, is now up to 1.7 million subscribers, he added.

Companywide revenues for the quarter were up 7% to \$6.2 billion, with a 2% gain in operating income to \$846 million.

Disney reported a 2% gain in broadcast revenue for its fiscal third quarter, to \$1.23 billion, while operating profits more than doubled to \$183 million. Cable-network revenues were up 38% to \$1.27 billion, with a 5% decline in operating profits to \$201 million. The company cited a better advertising climate for ABC and its owned TV stations, fewer make-goods, and lower programming costs at the network. On the cable side,

the company cited higher programming costs at ESPN (particularly rights for the National Basketball Association) and continued investment in ABC Family.

Iger said the pace of sales remains very strong at both the TV- and radio-station groups, thanks to heavy demand from advertisers generally but also solid ratings at both divisions.

Companywide revenues for the quarter were up 7% to \$6.2 billion, with a 2% gain in operating income to \$846 million. Solid performances at the media networks and studio divisions offset a sluggish parks and resorts unit, which is still reeling from the effects of a downturn in consumer travel.

But Wall Street reacted favorably, driving Disney's stock up 3% to \$22.52 by midday Friday, the first trading period after Disney released results late Thursday. Analysts didn't change their long-term outlook but noted that the company seems to be making some progress. "While Disney has yet to turn the corner," said Merrill Lynch entertainment analyst Jessica Reif Cohen, "we believe the company has made meaningful improvement in the majority of its segments." ■

WEEK OF JULY 25-31

B&C INDICES

THE B&C 10

WEEK

3.2%

YTD

12.9%

BROADCAST TV GROUPS

WEEK

0.1%

YTD

7.9%

CABLE TV MSO'S

WEEK

3.0%

YTD

17.6%

RADIO

WEEK

1.1%

YTD

6.1%

CLOSE WEEK YTD

Dow Jones	9233.80	1.3%	10.7%
Nasdaq	1735.14	2.0%	29.9%

The B&C 10

CLOSE WEEK YTD

AOL Time Warner	\$15.43	0.8%	17.8%
Clear Channel	\$40.95	0.7%	9.8%
Comcast Corp.	\$29.37	3.4%	30.0%
Cox Comm.	\$31.79	2.6%	11.9%
Disney	\$21.92	5.1%	34.4%
EchoStar	\$36.27	-0.4%	62.9%
Fox Ent.	\$30.27	-0.1%	16.7%
Hearst-Argyle	\$22.60	-2.7%	-6.3%
Tribune	\$47.22	0.8%	3.9%
Viacom	\$43.61	-1.9%	-1.4%

GOOD WEEK

New Frontier	\$3.00	12.4%	200.0%
ValueVision	\$17.32	10.5%	15.6%
Granite	\$3.00	9.1%	46.3%
Sirius	\$1.78	7.9%	178.1%
Crown Media	\$4.35	7.7%	92.5%

BAD WEEK

Gemstar	\$4.71	-6.4%	44.9%
Acme	\$7.39	-5.6%	-7.3%
McGraw-Hill	\$60.78	-5.0%	0.6%
Paxson	\$4.97	-4.8%	141.3%
Young Bcstg.	\$21.50	-4.8%	63.2%

CAPITOL EFFECT

-5%

Broadcasting stocks get weak whenever Congress moves to block FCC loosening of ownership rules. This week's weakest are station groups seen as likely sellers; Young, Paxson and Acme are off about 5% each. Of course, most station stocks have run up this year because of FCC actions, so investors aren't suffering too badly.

Source: CNET Investor (investor.cnet.com). This information is based on sources believed to be reliable, and while extensive efforts are made to assure its accuracy, no guarantees can be made. CNET Investor assumes no liability for any inaccuracies. For information regarding CNET Investor's customized financial research services, please call 415-344-2836.

FAST TRACK

Programming Notes

NBC CABLE is exploring creating Hispanic-targeted digital services. The company is looking at both digital networks and video-on-demand offerings, possibly using some **TELEMUNDO** product. ...

SECTION EIGHT TELEVISION, headed by **GEORGE CLOONEY** and **STEVEN SODERBERGH**, has signed a two-year first-look deal with **WARNER BROS. TELEVISION**. **GRANT HESLOVE** has been appointed president of the television division, a bump up from his former job as VP of the production company's film division. Section Eight Television plans to develop a TV movie about **EDWARD R. MURROW**, which will be written by **JON ROBIN BAITZ** and directed by Clooney. Section Eight also is producing **K Street**, a show for HBO in which a fictitious political consulting firm works with actual Washington power brokers. The program predates the company's deal with Warner Bros. ...

UPN is beefing up its development departments, promoting **STEVE VEISEL** to VP of comedy development and adding **REBECCA STAY** as VP of drama development and **BETH MIYARES** as director of current programs. Veisel has been at UPN since 1999, when he joined as manager of current programs. Stay had been at The Shephard/Robin Co. since 1998. Miyares had been a development associate at First Move Entertainment since 2001. ...

FX has picked up the cable rights to co-owned Fox's **The Bernie Mac Show**, starting in 2008. **Bernie Mac** will appear on FX after a three-year run in off-net broadcast syndication. FX is paying \$235,000 per half-hour, according to reports.

McCain Unveils Election-Coverage Bill

As promised, **SEN. JOHN MCCAIN** last week introduced a bill that would place new election-season obligations on TV and radio stations. His plan, similar to one he introduced last year, would require broadcasters to air at least two hours a week of "candidate-centered" or

M*A*S*H Moves



Hallmark Slates Off-Nets

Hallmark Channel is bulking up its acquired-series lineup. Four will arrive in September: newly acquired off-nets of *Matlock*, *Little House on the Prairie* and *The Lone Ranger*, as well as *M*A*S*H*, which Hallmark picked up from FX. The cable channel will add *JAG* to its prime time lineup in January 2005. USA Network currently airs *JAG* in prime, where it earns consistently solid ratings, and will keep rights to non-prime airings.

"issue-centered" programming before a primary or general federal election, pay spectrum fees that would fund vouchers candidates and political parties could use to buy political ads, and provide non-preemptible ad time at stations' lowest unit rate.

On the News

VIACOM's WCBS-TV New York is partnering with **GANNETT's Journal News** to share news resources, cross-promote and explore other programming opportunities. WCBS-TV will locate its Westchester County bureau, including a studio, at the paper's White Plains, N.Y., offices. Heading the bureau will be **ADAM SHAPIRO**, who has been a news producer at the station. WCBS-TV reporters **TONY AIELLO** and **JENNIFER JORDAN** will collaborate with *Journal* staffers on news stories and investigative reports. ...

The minority workforce as a percentage of all TV and radio news staffers was down in 2003 for the second year in a row. That's according to the latest **RTNDA/BALL STATE** survey. In addition, concludes the survey, "over the last nine years, there has been no consistent, meaningful change in the percentage of minorities in TV news." We are very disappointed that the percentage of minorities fell this year in the nation's local broadcast newsrooms," said RTNDA President **BARBARA COCHRAN**. "We will redouble our efforts to increase diversity in the workforce." On the upside, the percentage of women in the TV news workforce increased in the most recent survey, as did the number of women news directors in TV.

Cable: High-Speed Sales Slow

Telcos report slower growth for Internet access service

By JOHN M. HIGGINS

Telephone companies' price-cutting on their high-speed Internet service hasn't inflicted a lot of damage on their cable rivals, but the rapid growth of cable-modem service is showing signs of abating. All four cable operators posting second-quarter results last week reported slower growth.

But, while telco SBC had a modest quarter in DSL sales, Verizon's pace of new customers was weak, leading analysts to question not so much the effects of the price attacks but whether high-speed data is simply starting to mature as a growth product.

Other highlights from the earnings reports include Comcast's continued success in reviving the ailing AT&T Broadband systems acquired last year. The AT&T systems added basic subscribers during the quarter after losing 122,000 units during the same period last year. That's a much faster rebound than expected. Comcast's older systems, however, lost subscribers.

Comcast also disclosed, however, that it has cut far more employees than expected, eliminating 7,000 positions in recent months vs. the 5,000 announced earlier. Some of those positions were contractors rather than full-time employees. The company now has 55,000 workers.

Insight Communications posted an anemic 6% increase in operating cash flow, despite a healthy 11% increase in revenues. The company attributed the abrupt slowdown to a pause in the growth of its telephone business.



'We don't see anything that changes our excitement for our business or necessitates a change in our strategy.'

STEVE BURKE, Comcast Cable

Investors have been anxious about telcos' newfound aggressiveness in high-speed data. SBC, Verizon and BellSouth have been particularly aggressive in slicing prices for DSL service, touting promotional rates of \$20-\$30 monthly and settling in around \$35 after the first few months. That's \$10-\$15 cheaper than a year ago.

Meanwhile, cable operators have been raising prices, from \$35-\$40 for customers also buying video service, to \$40-\$45.

High-speed Internet service has been critical to cable operators, representing half or more of their cash-flow growth in the past few years. MSOs have grabbed about 70% of the residential broadband market, so they don't want to engage in a price war.

Cable executives attribute the slowdown in part to seasonality. Basic-subscriber counts traditionally suffer when snowbirds leave their second homes in warm climates and college students go home for the summer.

"DSL is not the root cause of cable-modem weakness," said Fulcrum Capital analyst Richard Greenfield. "We believe that seasonality in an increasingly well-penetrated product is the key driver."

But cable executives also broadly defend their Internet business as healthy.

"In markets that overlap with Verizon, Cox high-speed Internet [connects] were up 32% versus second quarter last year," Cox COO Pat Esser said. "Connects in San Diego and Orange County, both SBC markets, were up 18%." Customer churn, however, increased just a tenth of

Changes From 2Q '02

	CHARTER	COMCAST	COX	INSIGHT
Revenue	13.3%	9.2%	14.9%	11.1%
Cash flow	16.7%	35.7%	20.4%	5.8%
Basic subs	-3.8%	0.1%	0.5%	0.4%
Digital subs	9.4%	19.4%	18.0%	22.0%
Cable modem	62.5%	50.6%	50.2%	73.0%

SOURCE: Company reports

a point of 3.2% monthly. "So you do the math."

Comcast Cable President Steve Burke echoed Esser's stance: "So far, we don't see anything on the horizon that changes our excitement for our business or that we feel necessitates a change in our strategy." He called Comcast's 351,000 data additions "a strong showing ... that is significantly ahead of the budget that we set for ourselves."

SBC posted a relatively strong 304,000 increase in DSL customers for the quarter. That's up from 203,000 during the first quarter ended March and far better than the 213,000 quarterly the telco was generating a year ago.

But Verizon was weak, adding just 100,000 units during the quarter. That's a big drop from 160,000 during the first quarter and the 150,000 in the year-ago quarter.

There are signs that things are slowing for cable.

Comcast added 351,000 data subs, down sharply from 417,000 during the first quarter but up from 263,000 a year ago. Charter Communications added just

77,000 subscribers in the second quarter, down from 134,000 in the first quarter and 158,000 a year ago.

In the first quarter, Cox signed up 118,000 high-speed Internet subscribers. That dipped to 112,000 in the second, below the 114,000 the MSO signed up in second quarter '02.

Insight was mixed. The MSO added 12,000 subscribers in the second quarter vs. 9,000 a year ago. But the company added 23,500 during the first quarter.

"We saw a little less uptake in the second quarter," acknowledged Charter CEO Carl Vogel, blaming it on disconnects by college students. But he said that Charter isn't planning on discounting, but rather focusing on "tiering," selling a relatively slow, DSL-speed connection and then moving subscribers up to higher speeds at a higher price. "We're playing for the revenue growth, not necessarily just the unit growth in this business." ■

CAGNEY & HUTCH?

LAVERNE & STIMPY?

DHARMA & MORK?

IN THIS BUSINESS,

THE **RIGHT** PARTNER

MAKES ALL THE DIFFERENCE.

It's all about chemistry. With our proven, round-the-clock promotion plus your array of digital services, we've got a hit on our hands.



The perfect partner.

Call Ray Hopkins at 323-817-4790.

MARKETING

Field Promotion

Promoters from the American Forces Television Service, part of the U.S. Armed Forces Radio and Television Network, paid a visit to Fox last Friday for some basic training in edgy promotion from the folks at that network's marketing department. The service wants to "improve the visual make-up of the Army's on-air promos," according to a letter to the network, and hopes to learn from Fox's example. Last fall, under new promo chief Roberta



Armed Forces TV sought Fox marketing advice.

Mell Fox launched a marketing and branding campaign that drew industry accolades. Eric Tassill, chief of the U.S. Armed Forces Radio and TV Network, says his organization tries to pay occasional visits to the broadcast nets to help educate the employees at the service's far-flung broadcast outposts.—P.A.

REMAKING HISTORY

Unless our ears deceived us last week during the Senate Commerce Committee hearing on

GOVERNMENT

broadcasters' public service obligations—

we were tapped into the Webcast—the rambling radio history from one senator put the Wanamaker building in Philadelphia and David Sarnoff listening attentively for news of the survivors of the Lusitania sinking in 1912. The ship was, of course, the Titanic, and Wanamaker's, at least the one that Sarnoff was atop, was in New York.—J.E.

BEHIND THE SCENES | BEFORE THE FACT

IN THE LOOP

PROGRAMMING

A Rainbow of Accolades for Bravo

While NBC execs toast the success of Bravo's makeover show, the folks over at the nets former parent, Cablevision's Rainbow Media Holdings, may be shaking their heads a bit. *Queer Eye* (right) was in the works when NBC acquired Bravo last fall. But would the show have been as big on the old Bravo, where the highest-rated program was the venerable *Inside the Actors Studio*?

At NBC, the company and new Bravo President Jeff Gaspin, who also heads NBC's alternative programming, provided it with more production and promotional muscle than Rainbow likely could have. Case in point: the *Queer Eye* guys, affectionately known as the "Fab Five," aired on NBC after *Will & Grace* two weeks ago and currently grace the cover of *Entertainment Weekly*.

Good sport Rainbow Media CEO Joshua Sapan congratulated NBC last week, saying: "We are delighted to see their success and happy to have been a part of creating it."—A.R.



RADIO

Fine Tuning

Veteran New York broadcaster and wordsmith Bill O'Shaughnessy issued an edict last week levying fines for on-air guests and show hosts on his WVOX(AM)/WRTN(FM) New Rochelle, N.Y., stations who used the exclamation "absolutely!" as well as business-speak phrases "make it happen," "gettin' it done," "doing what it takes," "win-win situation," and "24/7."

Enter former New York governor and present O'Shaughnessy friend Mario Cuomo, who applauded the intent, but not the "right-wing draconian punishment." His response in a letter: "[T]his is to state to you absolutely (\$5) that I will do nothing to help you make it happen (\$25) and will do what it takes (\$35) to create a win-win situation (\$85) by defying your mandate while on-air and am requesting that you contribute the fines I will pay to the Catholic education of poor children. I'm never sure when I will be on your air, so that you may take this to be a 24/7 (\$75) commitment. The letter was signed "absolutely (\$165) yours," and included a check for that amount.—J.E.

REGULATION

FCC Eyes 70/70

AOL Time Warner and other cable giants could face new battles over their ability to own both programming and cable systems or over other restrictions floated by opponents of media concentration.

The FCC raised the

prospect quietly in last week's inquiry into video programming competition. For its 2003 report, the commission wants to know if cable subscribership has passed the "70/70" trigger giving the FCC the right to impose "any additional rules neces-



AOL Time Warner owns HBO.

sary to promote diversity of information sources." The Communications Act gives the FCC that power when 70% of U.S. homes are passed by cable systems offering at least 36 channels and 70% of those homes subscribe. "There's plenty of room for mischief here," said Washington cable attorney Frank Lloyd. The trigger had not been met in 2000, the last time the FCC weighed in on the 70/70 test. Data culled from the 2002 competition report found nearly 98% of homes were passed by cable but only 67% of them had subscribed.—B.M.

Broadcast Nets To Stagger Fall Launches

BY PAIGE ALBINIAK

The Big Three broadcast networks will launch their fall schedules for the most part in line with Nielsen's official Sept. 22 start date. The WB and UPN will get most of their schedules under way before then to evade the shadows of their bigger brethren. Fox's launches will be all over the calendar as the network contends with scheduling around pennant races and post-season baseball.

NBC will stick with a traditional fall launch schedule, with most of its new

shows kicking off the week of Sept. 22. New drama *Las Vegas* will launch one week late, allowing *Fear Factor* a two-hour season premiere on Monday, Sept. 22 at 8 p.m.

Only one of ABC's seven new shows will launch before the start of the fall season, unlike last year when the network tried to give all its new comedies a head start. *Threat Matrix*, scheduled in the tough Thursday 8 p.m. time slot, will launch Sept. 18, followed by the season premiere of *Extreme Makeover*.

Only *Survivor: Pearl Islands* will get a jump on CBS's fall schedule. The rest of

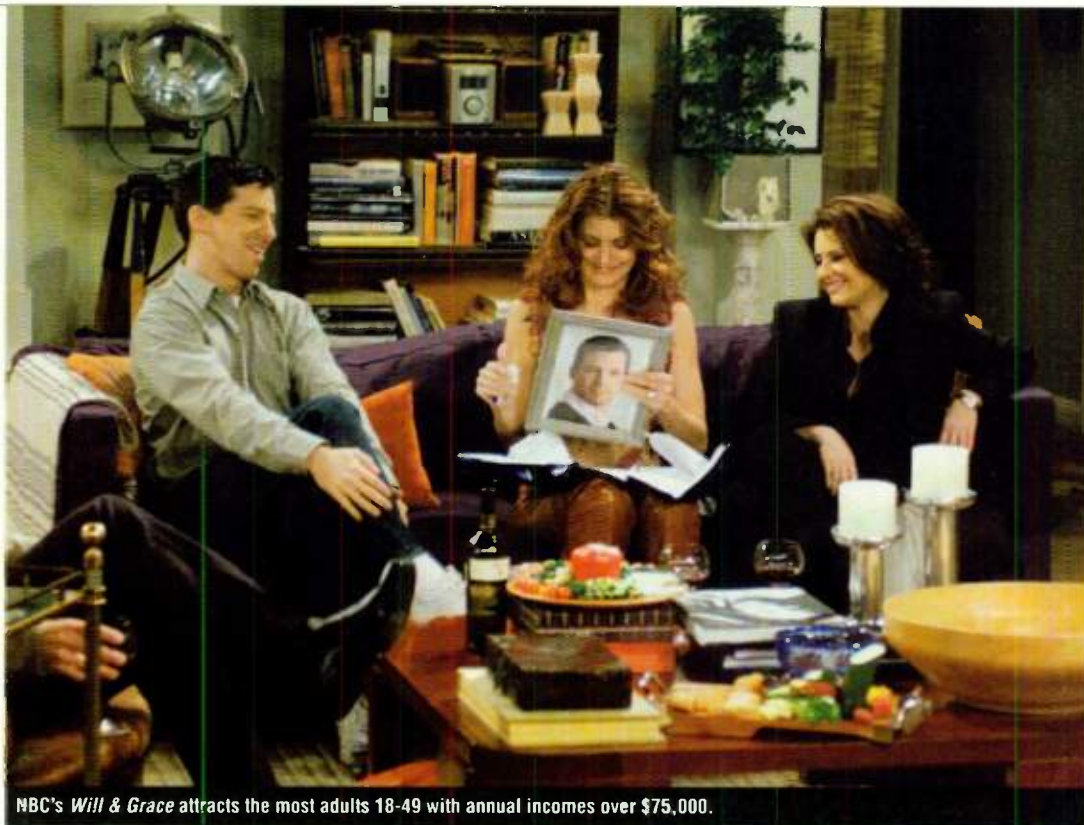
CBS's new shows will launch during the week of Sept. 22. The only returning CBS show to launch late is *Becker*, premiering Wednesday, Oct. 1, at 9:30 p.m.

All of UPN's fall schedule will launch before Sept. 22, except the fall movie night, which will kick off Friday, Sept. 26. The WB will launch four of its six new shows prior to the official start of the fall season.

The WB's two biggest new fall shows—*One Tree Hill* and *Tarzan*—premiere later. *One Tree Hill*, a show The WB hopes will replace *Dawson's Creek*, debuts during regular launch week on Tuesday, Sept.

23 at 9 p.m., following *Gilmore Girls*. The marketing machines at The WB will take a rest before launching *Tarzan*, the net's most talked-about new show due to the hunkiness of its lead, Travis Fimmel. *Tarzan* premieres Sunday, Oct. 5, at 9 p.m., following *Charmed*.

Fox will launch *The O.C.* on Tuesday, Aug. 5, well before the start of the fall season, to try to give that show a toehold before baseball takes over the schedule. The rest of Fox's launches are scattered throughout September and October until *The Simpsons* finally premieres on Sunday, Nov. 9 at 8 p.m. ■

NBC's *Will & Grace* attracts the most adults 18-49 with annual incomes over \$75,000.

Where the Upscale Viewers Are

Magna Global study ranks shows by audience income

BY PAIGE ALBINIAK

NBC's Thursday night, led by *Will & Grace*, is the most upscale in television, attracting the largest percentage of adults 18-49 who earn incomes of more than \$75,000 annually, according to a new report from Magna Global's Steve Sternberg.

"Programs that are upscale can command a premium from advertisers," he says. "If two shows do the same type of rating in adults 18-49 and adults 25-54 and one is upscale and the other is not, then the network can charge more money for its spots."

Will & Grace and its lead-out last year, *Good Morning, Miami*, are the two most upscale shows on TV in this demo, but *Scrubs*, *Friends* and *ER* are all in the top 10. Not coincidentally, NBC's Thursday night also is the most profitable on television, according to Morgan Stanley's Rich Bilotti.

NBC and Fox shut out the other networks with the most upscale shows in the key 18-49 demo. ABC doesn't enter the 18-49 list until *Extreme Makeover* shows up at No. 12, and CBS doesn't appear until No. 28 with *Amazing Race 3*. The WB and UPN both have entries sooner: The WB's *Dawson's Creek* and *The Surreal Life* were No. 19 and 22, respectively, while UPN's *America's Next Top Model* was No. 28.

CBS fares only a little better among the older demos. *CSI*,

CSI: Miami and *Still Standing* tie for No. 11 among adults 35-64, while *Everybody Loves Raymond* is No. 18 in that demo. *CSI* and *CSI: Miami*, CBS's two biggest drama hits, tie for No. 32 in adults 18-49.

It's more important to advertisers that shows are upscale in the older demographics, Sternberg says, because sellers of luxury goods tend to target older audiences. Also, there are fewer upscale viewers in the adult 18-34 demo.

Dawson's Creek, which completed its seven-year run in May, is last year's most upscale show in

'Programs that are upscale can command a premium from advertisers.'

STEVE STERNBERG,
Magna Global

adults 18-34, with 15% of its total audience having an annual household income of \$75,000 or more. By comparison, 27% of *Will & Grace's* and *Good Morning, Miami's* audiences were upscale.

Sternberg also points out that expensive urban markets and lower-cost rural markets are all evaluated using the same measure, but it's not necessarily fair to compare a \$75,000+ household in San Francisco with one with a similar household income in Des Moines, Iowa.

Among reality shows, Fox's *Joe*

Millionaire topped the list, coming in as the third most upscale show in adults 18-49 and in adults 18-34. *American Idol*, Fox's other reality powerhouse last year, is the No. 12 upscale show in adults 18-49 and No. 18 among adults 18-34. Fox's *Mr. Personality* and Fox's *Married by America*, both mediocre ratings performers overall, are more upscale than *American Idol*: *Mr. Personality* sixth in adults 18-49 and third in 18-34, *Married by America* ninth in adults 18-49 and seventh in adults 18-34.

Fox's *24*, *Will & Grace* and *Good Morning, Miami* were the top 15 in all the key adult demos: 18-34, 18-49, 25-54 and 35-64.

In adults 25-54, *Will & Grace*, *Good Morning, Miami* and *Frasier* on Thursday nights at 9:30 (as opposed to its regular Tuesday 9 p.m. time slot) and NBC's *The West Wing* prevail in adults 25-54. In its regular time slot, *Frasier* is 22nd with adults 18-49, 40th with adults 18-34 and 13th with adults 25-54. *The West Wing* also is tops among adults 35-64, followed by NBC's *Ed*, which ranks 28th among adults 18-49.

In general, daytime television is not upscale, and NBC's *Today* is "by far the most upscale of the Monday-Friday early-morning shows," Sternberg writes. *Today* wins adults 18-49, followed by ABC's *The View* and the syndicated *Oprah Winfrey Show* in that demo. NBC's *Days of Our Lives* is television's most upscale soap opera. ■

ESPN-HD Reaches 50 Million Subs

BY KEN KERSCHBAUMER

ESPN-HD has signed a carriage deal with Comcast, and subscribers in a number of markets are already receiving the service as part of the cable operator's free HD tier. Subscribers with HD sets need only an HD set-top box, which they rent for about \$5 a month.

ESPN-HD now reaches more than 50 million homes. Comcast, Cox, DirecTV and a number of smaller cable operators have made the service available in the past three months, according to Sean Bratches, ESPN-HD executive vice president, affiliate sales and marketing.

"The small cable operators are embracing this to the same degree as the large ones," says Bratches. "Certain

'The small cable operators are embracing this to the same degree as the large ones.'

SEAN BRATCHES,
ESPN-HD

products get deployed by larger rather than small, but this one seems to be something that the small cable operator sees as a valuable consumer proposition."

The Comcast markets that have the service available today are Chicago, Detroit, Baltimore, Atlanta and Northern Virginia. The rollout is a decision left up to the operators in the individual markets. "We really want to be able to bring our customers the most robust high-definition content, and ESPN-HD is another addition to what we already think is a strong lineup," says Comcast spokeswoman Jenni Moyer.

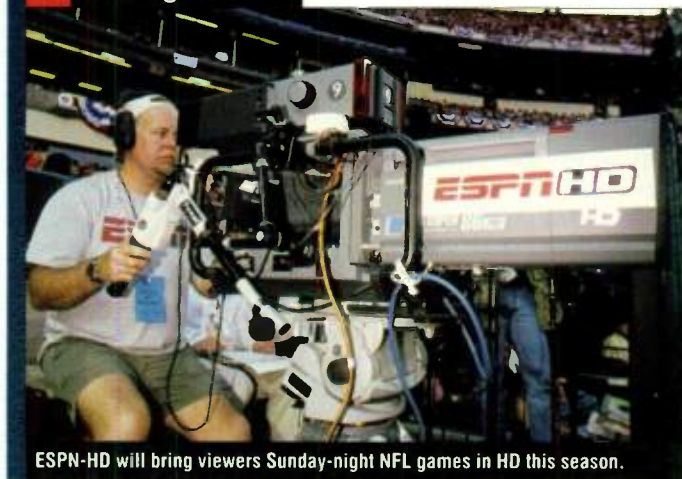
Terms of the deal were not disclosed, but ESPN has been seeking payment of roughly 80¢ per HD subscriber. The deals from one operator to the other are fairly similar, according to Bratches, but he could not disclose what cable operators are typically paying.

One aspect of the HD deployment that ESPN-HD has been pushing is that its service be offered as part of an HD tier. Whether there is a charge for that tier or not is left up to the cable operator. Some see a free tier as a way to upsell larger digital packages while others believe charging makes more sense.

To Bratches, the most important thing is the offering of a tier. "We see value in offering a package that is composed of multiple networks that provide value to a broad demographic group," he says. "Hence, the penetration will be higher than it would be on any individual service."

The Comcast deal comes on the heels of the launch of ESPN-HD's efforts to drive HD sales with Best Buy. More than 600 Best Buy stores are running a loop of ESPN-HD content on both analog and digital sets to allow consumers to get a better sense of the differences in quality. ■

coming this fall



ESPN-HD will bring viewers Sunday-night NFL games in HD this season.

Hope and Glory

Radio/TV star had it all, and gave it back in smiles and service

BY JOHN EGGERTON

Bob Hope, 100, was arguably the most recognizable entertainer of his era; Bing Crosby would have said it was the nose. When radio and TV's most enduring star died of pneumonia July 27 at his home in Toluca Lake, Calif., the outpouring of affection was immediate and inundating. Tributes blanketed the airwaves that Hope had once commanded. "America lost a great citizen," President Bush said upon learning of his death.

Hope was at least a sextuple threat—vaudeville, Broadway, radio, TV, films and concerts—but his overarching career arc was broadcasting. He was among a handful of stars who dominated radio, then set the style for TV's generation of stand-up comedians and hosts, and arguably become the unofficial emcee of the medium. Through it all, his broadcasts to and for American servicemen left a legacy that endeared him to millions of hearts and minds.

JUST PLAIN BOB

Born Leslie Townes Hope May 29, 1903, in Eltham, England, Hope grew up in Cleveland, where legend has it he won prizes for his imitations of Charlie Chaplin, another English import, and sang on the "streetcar" circuit for his fares. He changed his name to Lester, some say after one too many cracks about "Leslie." If so, he also learned to defend himself and his name, fighting briefly under the ring name Packy East. Somewhere along the way, he tired of the name Les Hope or nicknames like Hope-less, and became just plain Bob.

He also became a vaudeville hoofer, eventually forming his own troop, which included future radio stars Edgar Bergen and his wooden sidekick Charlie McCarthy. After adding Broadway and some radio guest appearances to his résumé, Hope made his first starring turn on the dial in *The Pepsodent Show Starring Bob Hope*, which debuted Sept. 27, 1938, on NBC. It was a hit and the start of a 60-plus-year association with NBC. Hope's radio shows were at or near the top of the then-Hooper ratings throughout the 1940s.

He made the transition to TV in
Continued on page 30



Bob Hope was honored by the Museum of Broadcasting in 1986. With him (from left): Texaco President/CEO John McKinley, Lucille Ball and the Museum of Broadcasting's Robert Batscha.



Hope began his broadcasting career with NBC radio; later, he hosted numerous golf tournaments.



Hope confers with his brother Jack, a producer of *The Bob Hope Show*.



Hope signs autograph for WBZY's Gene Harrison (nametag) at NAB 1963

A Stand-Up Guy

In 1963, Bob Hope used his receipt of the NAB's Distinguished Service Award during the convention's opening ceremony to serve up some material tailored to a crowd that included NBC Chairman Robert Sarnoff:

"I know that this is the highest award in broadcasting, and I realize the importance of it, but I feel, if you were really serious, you would have given it to me in prime time."

"Television is a great medium for performers, but there is one sobering thought. No matter how great you are, you can always be replaced by an old movie—probably one of your own. In Los Angeles, my old movies are on so many different channels at the same time you can just flip the dial and watch my hairline recede."

"This is really a wonderful medium. It is hard to believe that, just a hundred years ago, people were crossing the country in wagon trains and today we can shoot rockets into space at 25,000 miles an hour ... and nobody is watching. They're all home watching *Wagon Train*."

"Broadcasting is a potent business. Imagine Congress taking time to investigate TV ratings. No wonder Khrushchev is so confident. And it all started when *Huckleberry Hound* topped the President's State of the Union message."

"I have been very lucky in this business: I am not a doctor. I am not a cowboy. I am not a detective. And yet I have survived for 25 years on radio and TV. I have a beautiful home, have sent my kids through college. I have everything I want, all because I happened to see Bob Sarnoff coming out of that motel."



Hope entertains the audience at the 1981 NAB Convention in Chicago.



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- DALLAS MORNING NEWS

“If *The Shield*, the brutal drama about rogue cops, was FX's *The Sopranos*, *Nip/Tuck* has the potential to be the cable channel's *Six Feet Under*... complex addictive television.”

- SAN JOSE MERCURY NEWS

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SPORTS PROGRAMMING

RIGHTS & CONTRACTS

The Big Bucks Behind
The Big Leagues

BY MELANIE M. CLARKE AND HENRY SELTZER

TV networks will pay out about \$5.8 billion on sports rights next year. The Big Four broadcasters will spend almost as much on sports as they do on sitcoms and dramas for their prime time schedule. Here is a look at the finer points of who's got what and how much they're paying for it. It was compiled from the leagues, networks, Street & Smith's *Sports Business Journal* and Morgan Stanley's Sports Programming Update.



National Football League

Despite declining ratings and estimated losses that could exceed a total of \$2 billion on contracts now in their fourth years, ABC, CBS, FOX and ESPN continue coverage of the NFL until 2006. ABC brings *Monday Night Football* with its \$4.5 billion contract (\$550 million/year), while ESPN has *Sunday Night Football* in its package, worth nearly \$4.8 billion (\$600 million/year).

CBS has the American Football Conference for \$4.1 billion (\$500 million/year), and Fox has the National Football Conference

for \$4.4 billion (\$550 million/year).

ABC had the highest average ratings in the 2002-03 season with an 11.4, which had fallen from 15.0 since the new contracts began in 1998. ESPN had the lowest average ratings with a 7.4 but registered the highest percentage increase of the four networks

National Basketball Association

After seeing game ratings drop 37% over the life of its \$1.6 billion, four-year deal, NBC opted to let go in 2002. ESPN picked up the rights for \$2.4 billion for six years (\$400 million/year) and buys time to air the games on broadcast sibling ABC.

TNT increased its smaller package of regular and post-season games—four-year, \$840 million (\$210 million/year)—to a six-year contract worth \$2.2 billion (\$366 million/year). TNT uses sister network TBS when it needs to air two games simultaneously.

The league's startup channel, NBA TV, carries an additional 96 games per season.



Major League Baseball

Fox's contract escalated to a \$2.5 billion, six-year deal (\$417 million/year) through 2006. That's nearly quadruple its old \$575 million, five-year deal (\$115 million/year) that ended in 2000. The



Teams Face Low-Scoring TV Deals

Networks are finally tiring of stiff sports losses

BY JOHN M. HIGGINS

You've never seen bruising hockey guys as conciliatory as you're about to see as National Hockey League officials renegotiate their just expired ESPN/ABC deal. The booming economy during the previous round, in 2000, allowed the league to quadruple its take to \$600 million, or \$150 million for each of four years. But

this year's negotiations follow a 19% drop in the Nielsen ratings for the most recent Stanley Cup Final, arrive in the middle of a recession, and catch networks in a sea of red ink on their deals for

timing. "If you listen to [Commissioner] Gary Bettman, he's going to be thrilled to get a flat deal," said the president of one network sports division, who said he will not be bidding.

NHL officials are, well, conciliatory. COO Jon Litner said he's looking forward

to talks with ESPN, which has an exclusive negotiating period during which league officials can't talk with other networks. "We have not been in the marketplace. I cannot predict what

Special Report

more-popular sports.

Other broadcast and cable outlets don't seem very interested, so ginning up a bidding war will be tough. The NHL is looking like a victim of very, very bad

early fall will bring.”

ESPN/ABC Sports President George Bodenheimer won't say how he plans to approach the NHL negotiations but notes that, despite soft ratings, “it performs well from an ad-sales standpoint.”

More broadly, though, as the most financially powerful player in national sports, he noted that “part of the beauty of being a sports network” is that “there is no single sport ESPN has to have going forward.”

SAGGING MARKET

The once roaring sports-rights market has taken a pause. Network executives characterize the current \$4.6 billion National Basketball Association deal as “essentially flat” because ESPN and TNT got so many more games than in the previous deal and half of the average \$100 million increase will come from the NBA's own startup NBA Channel. U.S. Among smaller events, rights for the Wimbledon tennis tournament dropped from \$6 million to \$5 million a year, and the French Open fell from \$3.5 million to \$1 million.

Still, NBC, though tight-fisted when it comes to pro sports, just bid \$2.2 billion for the 2012 Olympics, about \$1 billion more

Revenue vs. Payments					
Spiraling rights prices and a recession mean that ad sales are falling well below cost. Cable networks, though, offset the shortfall with license fees from operators.					
(\$ million)*					
	1997-98	1998-99	1999-2000	2000-01	2001-02
Total ad revenues	\$3,255	\$3,511	\$3,949	\$4,094	\$4,048
Total cash payments	\$2,459	\$3,882	\$3,960	\$4,511	\$4,374
Profit (loss)	\$796	(\$371)	(\$11)	(\$417)	(\$326)

*Excludes license fees from cable operators
SOURCE: Morgan Stanley analyst Richard Bilotti

a message that fiscal responsibility is a mandate at all of the networks right now.”

Now, buyers always want to talk the price down. But Morgan Stanley media analyst Richard Bilotti believes they're tired of taking losses. In an ongoing project studying TV sports, he estimates that, despite generating \$4.2 billion in game-related ad sales this TV season, rights fees are so huge that national cable and broadcast networks will lose \$1.1 billion.

Sports was last profitable for the networks in 1997, he says.

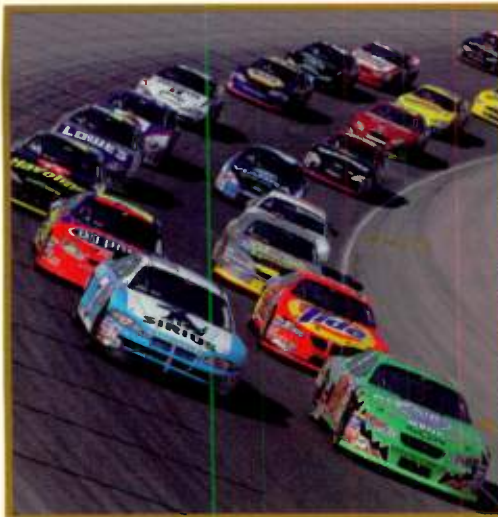
ESPN, TNT, FX and other cable networks more than make up for their losses with license fees paid by cable and DBS operators carrying their channels.

straight ad-vs.-rights equation. Weaker networks use sports to boost distribution. NHL's Litner points out that networks package advertising in young-male-skewing sports with less desirable programming.

BOOSTING DISTRIBUTION

Then there's distribution. Fox dramatically strengthened its station lineup after securing the NFL in 1994. NASCAR Vice President of Broadcasting Paul Brooks notes that FX's distribution improved after the cable net snagged half the circuit's TV package two years ago. “There are multiple factors that media companies take into account,” he said.

The NFL and NBA are starting their own channels. NBA TV had



Taking the Hit

Most sports generate big losses for TV networks
(\$million)*

	2001-02	2002-03	2003-04
NFL	(\$378)	(\$274)	(\$270)
NHL	(\$70)	(\$74)	(\$77)
MLB	(\$325)	(\$346)	(\$370)
NBA	(\$282)	(\$250)	(\$246)
NASCAR	(\$158)	(\$163)	(\$106)
Olympics	\$78	\$0	\$10
College basketball	\$7	(\$54)	(\$55)
College football	\$24	\$31	\$43
Total	(\$1,103)	(\$1,129)	(\$1,070)

*Excludes license fees from cable operators

SOURCE: Morgan Stanley analyst Richard Bilotti

than its nearest rival. CBS had even announced it wouldn't bid.

But that's considered an anomaly. Broadcasters can't cover rights costs on ad revenues alone, and cable networks face cable and DBS affiliates that are screaming—to Congress, no less—about surging license fees that cover ad shortfalls.

“The problem really is that, in sport, the model that has succeeded for many years is broken,” said Fox Sports President David Hill.

“I do think that the drastically escalating prices for the major sports are not going to be evident in the future,” said CBS Sports President Sean McManus. “We haven't seen the moderation evidence itself other than the NBA deal, but that does send

But, for broadcast networks, sports eats up 40%-50% of the gross profits they generate from prime time programming.

“Even if you include the allocated revenue that the companies make from their TV-station groups, sports is still a massively unprofitable business,” Bilotti said. “You could own stations covering 100% of the country, and the local profits still wouldn't be enough.”

For years, networks have countered that high ratings make sports a great platform for promoting other shows. But, even after balking at escalating prices for big-time sports, NBC is still top-rated and—more important—is by far the most profitable broadcast network.

But sports is more than just a

its first season this year, carrying 96 games, but is distributed only on DirecTV. AOL Time Warner valued it at \$450 million when buying an 11% stake two years ago, but NBA Commissioner David Stern said he wants the channel for more than any eventual financial payoff. “It's not just for its economic value but for the value of interaction with our fans. It's a game we wanted to play.”

But a lot of TV executives scratch their heads over the league-controlled channels, trying to imagine what the NFL Channel's schedule is going to be, say, from April through July.

“I think they will be difficult standalone businesses,” said ESPN's Bodenheimer, adding, “I think they can serve as promotional vehicles for the leagues.” ■

new contract guarantees six World Series, as well as the All-Star Game, and the championship series, which will air on Fox Sports Net. Fox has taken a \$225 million writeoff on the deal.

ESPN and ESPN2 renewed for an \$851 million, six-year deal (\$141 million/year) that includes an additional 18 games each season and 300 hours of programming that also airs on ESPN Classic and ESPN Radio. In buying Fox Family Channel, ABC inherited a six-year deal for \$675 million to air regular and post-season games through 2006.



National Hockey League

ABC Sports and ESPN picked up where Fox left off in 1999, quadrupling that \$155 million deal (\$31 million/year) deal to a combined \$600 million (\$120 million/year) for five years through 2004. It breaks down to a \$250 million/\$350 million ABC/ESPN split with coverage of regular-season, playoff games and the Stanley Cup Finals. The league has its negotiating work cut out for it, with the contract up at the end of this season and the ratings down.



NCAA Sports

NCAA basketball and football packages are fragmented, with the league controlling rights to some post-season play but various athletic conferences selling regular-season games.

In 2002, CBS renewed its NCAA basketball contract for \$6.2 billion total (\$565 million/year) for 11 years through the 2013-14 academic year. It covers the Final Four, regular- and post-season games, and 83 Championships and includes all marketing, spon-



ponsorship, licensing, publishing and Internet rights for the sports under the agreement.

ESPN entered into an 11-year, \$200 million contract through the 2012-13 academic year that includes 21 championship games. Among them: women's basketball championship, men's and women's College World Series, World Cup, and indoor track and field.

CBS re-signed with the Pac-10 until 2006. Along with ESPN, ABC also extended ACC and Big Ten Conference football coverage.

ABC Sports, ESPN, ESPN2, ESPN Regional Television and NBC Sports will air games for the Big Ten. Big East, Pac-10 basketball, and SEC basketball and football are on CBS.



Notre Dame

NBC is in the fifth year of a seven-year, \$45 million (\$6.43 million/year) contract to air six Notre Dame home games annually. Begun in 1991, the contract extends through 2005.

College Bowl Series

ABC renewed its Bowl Championship Series contract with a

combined deal for the Rose, Sugar, Fiesta and Orange Bowls that totals \$500 million for seven years (\$71.4 million/year). The addition of Miami and Virginia Tech to the ACC this year caused membership changes that allows ABC/ESPN to renegotiate its contract before 2005.

PGA Tour

The PGA is collecting a total of \$850 million (\$212.5 million/year), dividing match coverage among two cable and two broadcast networks.

Cable gets the early rounds on Thursdays and Fridays. USA covers 33 PGA events, including The Players Championship. In separate deals, The President's Cup and The Senior PGA Championship get early-round coverage as well on USA.

ESPN will offer early-round coverage of 36 events, including The Players Championship and The Tour Championship plus full, four-round coverage of 21 additional events.

ABC covers 18 events including three of the four World Golf Championship events and expanded coverage of The Tour Championship. CBS covers 17, including The Ford Senior Players Championship and The PGA Championship. NBC covers five events, including 18-hole coverage of The Players Championship and the 2004 and 2006 President's Cup.

Ryder Cup

USA covers early rounds and NBC late rounds of the PGA event for \$52 million (\$13 million/year) for six years through 2006.

Masters

Under a year-to-year agreement, USA covers early rounds for an undisclosed amount, and CBS pays an estimated worth \$2 million to \$3 million per year for final-round coverage. Because of protests over Augusta National's refusal to admit women to its club, the Masters aired commercial-free this year.



USGA

NBC continues full coverage of the U.S. Open, U.S. Women's Open, U.S. Senior Open, the U.S. Amateur Championships and other programming this year in a six-year deal worth \$120 million (\$20 million/year), an increase of \$28 million to \$48 million total over its previous four-year deal.

U.S. Open

USA covers the tennis event under a six-year, \$125 million (\$21 million/year) deal. CBS carries more than 60 hours of this tournament, including the semifinals and finals in a four-year deal worth \$152 million (\$38 million/year) through 2004.



Wimbledon

NBC has a \$52 million (\$13 million/year) four-year deal through 2006 and continues to air the event with live coverage of the finals. The event airs at a premium price despite revenue losses because of business benefits to NBC's parent company GE. ESPN has a \$24 million deal (\$8 million a year) for three years through 2006.

French Open

ESPN carries the tennis event under a \$1 million, one-year deal for. CBS carries the tournament's men's and women's singles and doubles as well as mixed doubles.

Australian Open

ESPN carries the tournament, which currently has no rights fees. CBS carries the tournament's men's and women's singles and doubles as well as mixed doubles.



NASCAR

NASCAR's eight-year deal splits the season in two. The first half goes to the News Corp. family, with Fox paying \$1.6 billion (\$200 million/year) through 2008. Of that, \$444 million is



Lance Armstrong's Tour de France victory helped boost ratings for niche sports service Outdoor Life Network.

Dedicated to the Hungry Fanatic

There's hardly a sport that doesn't have its niche net

BY ALLISON ROMANO

Outdoor Life Network President Roger Williams is glowing over what he calls "the Lance effect" on his cable channel. That's Lance Armstrong, the superstar cyclist who raced to his dramatic fifth Tour de France victory last month. As Armstrong surged, so did Outdoor Life, which covered the whole race. Of course, a broadcast network or big cable players wouldn't crow about a 0.5 rating in prime, but for a niche sports net like OLN, it was a huge win.

"You have to give people a reason to come to your network," Williams said.

From football to fishing, there's hardly a sport that doesn't have at least one dedicated cable channel. With 53 million subscribers, Outdoor Life is one of the more established. Some—like fledgling services Tennis Channel, NBA TV and CSTV: College Sports Television—are clawing to reach 5 million homes. Another batch—like the figure skating Ice Channel, the Sportsman Channel and The Football Network—are waiting in the wings.

"Most will fail, but a few will strike enough of a chord to break through," said sports business analyst David Carter, principal of Los Angeles-based Sports Business Group. One that didn't: Turner Broadcasting's CNN, which

even though it had reached 20 million subscribers.

Of course, it helps to have an established parent company, particularly an MSO, to lean on. OLN and Golf Channel are Comcast-owned; Fox has Speed Channel and extreme-sports startup Fuel. But other new nets, from Tennis to The Football Network, go it alone, without leverage like retransmission consent or established cable channels to help them squeeze on to cable systems. "At least this way, we know we're the only priority," quipped TFN chief Jerry Solomon.

'Most will fail, but a few will strike enough of a chord to break through.'

DAVID CARTER, Sports Business Group

"Certainly, we benefit from the affiliation," said Fuel General Manager David Sternberg, "but it isn't enough to guarantee financial success."

Whoever the owners, these nets are fighting for increasingly scarce channel space. Only more established nets like the Golf Channel, the Speed Channel and OLN have a shot at coveted analog carriage, reaching virtually all of a system's basic subscribers. Most will have to get by on digital carriage or on digital sports tiers, reaching only 20%-30%.

"Some of these nets have such a narrow potential audience it would be difficult for them to stand on their own," said Time Warner Cable Executive Vice President of Programming Fred Dressler.

Time Warner offers a digital sports tier on 24 of its 31 systems. That's where its newest sports additions, like Tennis Channel and Fuel, will most likely live. Dressler hopes that, someday, other sports nets, like Golf Channel, will want migrate to the tier.

Of course, the niche nets need to peddle the right deal. Where ESPN runs upwards of \$2.50 and

regional sports nets \$1-\$2 per subscriber, Speed Channel and Golf Channel are bargains at under 20 cents. New services, like Tennis and CSTV, could be free for the first few years. In-

stead of paying launch fees, some networks will give operators a period of free carriage in exchange for future license fees. Even then, the bill isn't likely more than a dime a subscriber. With \$100 million needed to start up most nets, return on investment can be years out.

"They have tough business models," said ABC Sports/ESPN President George Bodenheimer. He acknowledges that ESPN has considered launching single-sports networks. "We have. Too

Continued on page 14

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Do the math.

allocated to FX, which carries the Daytona 500 and other races, and to Fox Sports and Speed.

The second half goes to NBC and TNT, which worked a six-year deal for \$1.2 billion (\$200 million/year) through 2006. NBC's share of the deal is a total \$600 million. Both deals represent about four times what TNT was previously paying.

IRL

ABC renewed its deal in 1999 to air races and the celebrated Indianapolis 500 for five years through 2004 and a total of \$65 million (\$13 million/year).

CART

CBS recently renewed a time-buy agreement with CART (Championship Auto Racing Teams) to air seven races per year for two years through 2004. The races are priced separately, ranging from \$235,000 to \$550,000 for a total deal worth \$1.6 billion to \$3.8 billion. Fox produces the races for CBS, sells advertising for itself and CBS, and gives 70% of the broadcast net revenue to CART.



Olympics

NBC's current contract for the Olympics, which totals \$3.6 billion for the next three Games through 2008 (2004/\$793 million, 2006/\$613 million, 2008/\$894 million) is bringing in a profit, and ratings continue to increase.

The contract for 2010 and 2012 is estimated at \$2 billion in rights fees plus \$200 million to parent company GE for wireless, hand-held and other emerging technologies. The games will also air on CNBC, MSNBC, Bravo and Telemundo.

Figure Skating

ABC renewed its contract to air the U.S. Championships, an event it has aired since 1964. The deal continues through 2007 and is worth a total \$96 million (\$12 million/year).



Triple Crown

NBC began broadcasting the Kentucky Derby, Preakness and Belmont horse races in 2001 for a total of \$51.5 million for five years (\$10.3 million/year) through 2005. This is a 20% increase over ABC's annual payment and, with back-to-back Triple Crown possibilities, ratings jumped 40% in 2002 and 13% in 2003.



NTRA

NBC airs the Breeder's Cup World Thoroughbred Championships in a five-hour telecast of eight races as a revenue-sharing deal. CBS airs National Thoroughbred Racing Association races without a rights fee.

WNBA

This year, ABC and ESPN2 entered into a revenue-sharing arrangement with the WNBA for regular-season and playoff games through 2008. ESPN2 will show the All-Star Game and Draft as well as games purchased from Lifetime. Oxygen also carries one game per week.

Arena Football

NBC airs the regular season, playoffs and Arena Bowl for two years with the option to renew in perpetuity through a revenue-sharing agreement with the league.



Continued from page 12
narrow can be a difficult business proposition."

But what makes a viable sports niche? Between ESPN, Fox Sports Nets, and broadcast and general-entertainment networks, there's no shortage of sports on TV. What's missing, niche executives say, is dedicated services for hungry, underserved fans.

Sure, there's plenty of college basketball and football on television. But CSTV is betting that viewers will want volleyball, gymnastics and hockey. "This is an enormous category," said network chief Brian Bedol.

One debate raging among industry executives is how to program niche nets. Some say they need marquee events. Others take a "more-is-more" approach, eschewing pricier events for a vast lineup of second-string events.

Denver-based sports consultant Dean Bonham believes these nets need to carry known events "at least often enough to create that affinity" with viewers.

There's certainly known product on NBA TV. Under the league's new six-year deal, the net gets 96 regular-season games per year and a handful of playoff contests. Sure, TNT, ESPN and ABC also have games, but it's still star programming for an emerging net. Said Executive Vice President Greg Winik, "You need something to create some spark and some buzz around."

So far, NBA TV counts about 3 million subscribers on DirecTV and EchoStar Communications' Dish Network but has yet to sign



Tennis Channel (l) and CSTV are seeking events that appeal to enthusiasts.

up any cable operators (NBA Commissioner David Stern has said deals will be signed before the next season tips off in October.)

Not everyone agrees that major events are the key driver—or, rather, that they are worth the money.

Tennis Channel Chairman David Meister said spending millions for, say, early rounds of Wimbledon or the U.S. Open wouldn't necessarily grow his channel: Casual viewers stop in for the big event and then leave. He would rather have more events year round, like the Fed Cup and the Mercedes Benz Cup. The idea is that tennis buffs—not casual fans—know those events.

The NFL Network, which launches Nov. 4, won't have live

regular- or post-season games but will air some preseason contests. The Football Network plans to air 250 games next year, anything from women's football to high school games.

Of course, elder statesmen the Golf Channel and Speed, both nearing 60 million homes, are themselves just beginning to chase big events. Golf has the men's Senior Tour; Speed Channel, NASCAR Winston Cup qualifiers and happy hours. As future rights deals come up, both say they plan to contend.

"What sells is the live coverage," said DirecTV's head of acquisition Michael Thornton. "People tune in for events." DirecTV's distribution deals require a sports net to carry a certain level of games. ■

Contracts at a Glance

A sampling of TV sports

NETWORK	YEARS	AVG. ANNUAL COST (\$MILLION)	TOTAL COST (\$MILLION)	NETWORK	YEARS	AVG. ANNUAL COST (\$MILLION)	TOTAL COST (\$MILLION)
NFL				Triple Crown			
ABC (Monday night)	'98-'05	\$550	\$4,400	NBC	'01-'05	\$10	\$51
Fox (NFC)	'98-'05	\$550	\$4,400	NCAA College Bowl Series			
CBS (AFC)	'98-'05	\$550	\$4,400	NBC (Notre Dame)	'98-'04	\$6	\$45
ESPN (Sunday night)	'98-'05	\$600	\$4,800	ABC (Rose, Sugar, Fiesta, Orange)	'99-'05	\$71	\$500
NBA				NCAA Collegiate Championship Games			
ABC/ESPN	'02-'08	\$400	\$2,400	(men's and women's)			
TNT	'02-'08	\$366	\$2,200	ESPN	'02-'13	\$18	\$200
MLB				NASCAR			
Fox	'01-'06	\$417	\$2,500	Fox/FX/Fox Sports Net	'01-'08	\$200	\$1,600
ESPN	'00-'05	\$142	\$851	MBC/TBS	'01-'06	\$200	\$1,200
NHL				IRL			
ESPN/ESPN2	'99-'03	\$350	NA	ABC	'99-'04	\$13	\$65
ABC	'99-'03	\$250	NA	U.S. Figure Skating Championships			
NCAA Men's Basketball				ABC	'99-'06	\$12	\$96
CBS	'02-'14	\$565	\$6,200	Olympics (Summer)			
PGA Senior Tour				NBC*	2004	\$793	
CNBC	'01-'04	\$3	\$12	NBC*	2008	\$894	
Ryder Cup				NBC*	2012	\$1,180	
NBC	'99-'05	\$13	\$52	Olympics (Winter)			
U.S. Open (Tennis)				NBC*	2006	\$613	
CBS	'01-'04	\$38	\$152	NBC*	2010	\$820	
USA	'03-'08	\$21	\$125				
Wimbledon							
NBC	'03-'06	\$13	\$52				
ESPN	'03-'06	\$8	\$24				

*NBC/CNBC/MSNBC/Bravo/Telemundo

NA: Not available

SOURCES: Sports Business Journal, Morgan Stanley Research and networks



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World Radio History

PROGRAMMING

CBS Sticks By Made-For Movies



CBS's *A Painted House*, starring Robert Sean Leonard (l) and Logan Lerman and based on the John Grisham novel, was last season's most-watched made-for-TV movie.

For the other broadcast nets, movies are sweeps events or not on the schedule at all

BY PAIGE ALBINIAK

More than the other broadcast networks, CBS still likes a good made-for-TV movie. In fact, it's the only network where movies remain a regular part of the schedule. "Movies give us a really nice platform to do the bigger miniseries, books and a lot of other things," says Bela Bajaria, senior vice president of movies and miniseries for CBS.

CBS's broadcast of John Grisham's *A Painted House* was last season's No. 1 movie in viewers, seen by 18.6 million people. Other CBS offerings, such as *Hell on Heels: The Battle for Mary Kay*, didn't meet expectations, "but, overall, it's still a good business for us or we wouldn't be doing it," says one CBS executive.

This season, CBS is leading into its *Sunday Night Movie* with the

new Jerry Bruckheimer-produced *Cold Case*, a procedural crime show with a female lead that the network expects will make a more compatible lead to other movies—theatrical and made-for-televi-

'Movies give us a really nice platform to do the bigger miniseries, books and a lot of other things.'

BELA BAJARIA, CBS

sion—than the two comedies that filled the Sunday 8-9 p.m. slot last year.

Last week, CBS announced four new movies that it plans to air in September and October, with such stars as Tom Selleck, Mary Tyler Moore, Candice Bergen and Robin Givens. The four—*Twelve Mile Road*, *Blessings*, *Footsteps* and *Jackie Collins' Hollywood Wives: The*

New Generation—are just part of the 20 or so original movies CBS has planned for the 2003-04 season.

Last year, CBS had six of the top 10 movies in viewers, four of the top 10 in adults 18-49 and five in adults 25-54. Besides *Painted House*, *The Christmas Shoes* with Rob Lowe brought in 16.7 million viewers, and part one of the controversial *Hitler* miniseries scored 13.6 million.

NBC had the other made-for-TV movies in the top five. *James Patterson's First To Die* was third, with 15.5 million viewers, and *Martha, Inc.*, a biopic about embattled domestic diva Martha Stewart, was fourth, with 14 million viewers.

All three of CBS's most-viewed movies didn't do as well in the demographics as they did in viewers. Still, CBS was happy with their demo performance, says one CBS executive.

NBC's *Martha, Inc.* topped both the 18-49 and 25-54 lists, making it arguably last year's most successful made-for-TV movie, followed by ABC's *The Pennsylvania Miners' Story*, which was second in both 18-49 and 25-54.

The subject matter of NBC's and ABC's most successful movies last season illustrates both networks' made-for-TV-movie strategy: Keep them current and pop-culture-oriented and air fewer of them so that each can be a highly promotable event.

"We make what we'd call movies of the sweeps, instead of movies of the week. We wanted each movie to stand on its own," says Jeff Gaspin, executive vice president of alternative series, longform and program strategy for NBC Entertainment. "We didn't want it to be a commodity like movies of the week tend to be. It's also very important that we picked movies that were presold to the audience."

In that vein, this November, NBC will air *Saving Jessica Lynch*, focusing on the rescue of Pvt. Lynch in Iraq last spring. It's also doing two Christmas movies, a behind-the-scenes look at '70s TV hit *Charlie's Angels* and *10.5*, about a killer earthquake that hits California.

The other broadcast networks—Fox, The WB and UPN—shy away from the genre. The networks target young adults, who like movies but not the made-for-TV variety. ■

ET Seeks To Broaden Its Base

Adds Latino star Ponce, style maven Cojocarú

BY PAIGE ALBINIAK

Paramount's *Entertainment Tonight* last week added Latin singing and acting sensation Carlos Ponce to its roster as part of the show's continuing effort to expand its brand and its audience base after 22 years on television.

"Carlos Ponce is quite a huge star," says executive producer Linda Bell Blue. "He walked into *Entertainment Tonight*, and everybody stopped breathing. I flew down to Miami to woo him and said I am not leaving until you work at *ET*."

Ponce is the newest addition to the show, which also named style maven Steven Cojocarú a correspondent in June.

Bell Blue says both talents will take *ET* in new directions. "Steven Cojocarú is a very edgy tal-

ent. Television is growing in that direction. It has more edge, and that is something we are seeking with him."

As part of his deal, Cojocarú also has an agreement with Paramount to develop his own first-run strip.

Part of Ponce's appeal, besides his personality and talent, is also his fame within the Latino community, which should help

bring new viewers to *ET*. "The Hispanic portion of our audience is growing," says Bell Blue. "It's a very important part of our audience."

Ponce will appear on *ET* as the show's first-ever "personality." Although he won't appear every night, he will be a frequent contributor. His first appearance was last week, when he interviewed Kate Hudson about her new movie, *Late Divorce*. Ponce will also appear on spinoff shows *ET on MTV* and *ET on VH1* with anchor Maria Menounos.

"He brings a unique quality to interviews with stars because he is a star himself," Bell Blue says.

Ponce already has a following in the Latin world, where he has starred in prime time *telenovela Sentimientos Ajenos* on Univision. After singing one of the songs on the show's soundtrack, he won a multi-year record deal, has had several No. 1 hits and double-platinum albums, and has won awards from *Billboard* magazine for "best pop album, new artist" and "best new artist."

He also has appeared on Fox's *Beverly Hills 90210*, ABC's *Once and Again* and The WB's *7th Heaven*. He will guest-star this fall on the season premiere of ABC's new drama *Karen Sisco*. ■



Singing and acting star Carlos Ponce will be a contributor to *Entertainment Tonight*.

SYNDICATION WATCH

RATINGS | July 14-20

Nielsen Media Research

Top 25 Shows

Adults 18-34

RANK	PROGRAM	AA	GAA
1	Friends	4.9	5.7
2	Seinfeld	4.0	4.6
3	Seinfeld (wknd)	3.6	4.7
4	Everybody Loves Raymond	3.0	3.3
5	That '70s Show	2.5	3.1
6	King of the Hill	2.4	2.7
6	Will & Grace	2.4	2.7
8	Maury	2.3	2.5
8	Friends (wknd)	2.3	2.4
10	Home Improvement	2.1	2.6
11	Buffy the Vampire Slayer	2.0	2.0
12	Oprah Winfrey Show	1.8	1.8
13	Entertainment Tonight	1.6	1.6
13	The X-Files	1.6	1.6
15	Dharma & Greg	1.5	1.7
15	Frasier	1.5	1.7
15	Jerry Springer	1.5	1.6
18	Everybody Loves Raymond (wknd)	1.4	NA
18	Wheel of Fortune	1.4	NA
18	Divorce Court	1.4	1.7
18	Just Shoot Me (wknd)	1.4	1.6
18	Drew Carey	1.4	1.5
23	Cops	1.3	1.7
23	Judge Judy	1.3	1.7
23	Maximum Exposure	1.3	1.4
23	Ricki Lake	1.3	1.4
23	Montel Williams Show	1.3	1.3
23	WW Police Videos	1.3	1.3

Top Talk Shows

Adults 18-34

RANK	PROGRAM	AA	GAA
1	Maury	2.3	2.5
2	Oprah Winfrey Show	1.8	1.8
3	Jerry Springer	1.5	1.6
4	Ricki Lake	1.3	1.4
4	Montel Williams Show	1.3	1.3

According to Nielsen Media Research Syndication Service Ranking Report July 14-20, 2003

AA = Average Audience Rating

GAA = Gross Aggregate Average

ONE NIELSEN RATING = 1,067,000 households, which represents 1% of the 106.7 million TV Households in the United States

NA = not available

| weekly half-hour |

Missing Won't Be

By PAIGE ALBINIAK

Syndication's fall season was supposed to start with four new weekly half-hours, a dying breed in this age of consolidation and 500 channels. As September nears, though, only Telco Productions' *Missing* remains in the mix.

Hearst Entertainment had planned to launch FCC-friendly *Cosmo-Girl!* but never got the show off the ground. WorldLink, Mansfield Television Distribution and WENA Productions got *America's Moving To...* cleared in 30-some markets but ultimately couldn't get enough traction for the show. Zoom Culture, which had planned to launch *Playground Earth*, went out of business.

Missing, however, has been cleared on nearly 200 TV stations from major network affiliates to small independents covering 85% of the country and will launch on Sept. 1, according to Alex Paen, president of Telco Productions. The show focuses on 10 to 12 missing-persons cases per half-hour episode with the help of the FBI and the National Center for Missing and Exploited Children.

Big cases getting a lot of publicity—such as Laci Peterson, Elizabeth Smart or Chandra Levy—won't be *Missing*'s priority, Paen says. "We see this show as a public service and a way to help families. I always thought that television as a visual medium could do much more than milk cartons and flyers to help find people."

The company also produces *Animal Rescue*, which enters its seventh season this fall.

Missing will offer stations as many as five inserts a week for newscasts or interstitials. Stations can use their own news personality or general manager in the inserts to localize the shows further, according to Paen.

Celebrities will appear on the show each week, offering public-service announcements. The first show features Paul Reiser, who knows Bill Grundfest, Paen's producing partner on *Missing*, from their days together on Reiser's *Mad About You*, which Grundfest wrote and produced.

Telco doesn't charge stations license fees for its shows and gives them 3½ minutes of barter time. Tribune sells Telco's barter time and gets a cut of Telco's remaining 3½ minutes.

Missing also will have national sponsors, including an insurance company and a security company, although Telco wasn't ready to announce the companies' names. ■



Telco Productions' *Missing* has cleared in 85% of the country.

Syndie

Insider

Twentieth Elevates Two on Court Shows

Twentieth Television has promoted Laura Gelles to executive producer of *Divorce Court*, beginning its fifth season, and promoted Karen Melamed to co-executive producer on *Texas Justice*, according to Twentieth President and COO Bob Cook. Melamed will continue to work with *Texas Justice*'s executive producer Kathryn Seigel-Levin. Gelles previously was co-executive producer of *Divorce Court* and had been co-executive producer on the studio's *Power of Attorney*. Melamed has been with *Texas Justice* since January 2001. Previously, she was senior producer on three of Twentieth's pilots and was co-executive producer on Fox Family Channel's *Your Moment of Truth*.

New Development VP at Buena Vista

Rob Morhaim has been named vice president of development for Buena Vista Productions, said BVP executive vice president Holly Jacobs. In his new job, Morhaim will oversee development for first-run syndication and reality for prime time and cable. He'll also manage development for current programming, including *The Wayne Brady Show*. Morhaim was previously vice president of first-run and alternative programming at Big Ticket Television.

Season Highs for *Justice*, *Jones*

Two shows hit new season highs in the middle of the slow summer syndie season during the week ended July 20. Covering breaking news about pro basketball star Kobe Bryant's sexual assault charges, Warner Bros.' *Celebrity Justice* was up 15% to a best-ever 1.5 rating in mostly late-night time periods. The other show with a surprising uptick was Warner Bros.' *Jenny Jones*, which is not expected to return next season after a 12-year run. It gained 11% to a 2.1 rating, putting it in seventh place among the 15 talk shows. Only three other talk shows managed an increase for the week. Universal's *Maury* was up 9% to 3.6, beating Buena Vista's *Live With Regis and Kelly*. That show was down 9% to 3.2, for the third time in five weeks. The two shows tied once during that period. Universal's *The Jerry Springer Show* rose 4% to 2.8, while Universal's *Crossing Over With John Edward* was up 20% to 1.2. The top talk show remains King World's *Oprah*, unchanged at 5.5, followed by King World's rookie *Dr. Phil*, also flat at 4.1.

yes, dear

Winner Takes All!

BEATING This Summer's
ABC Sitcom Marathons:

My Wife & Kids, According To Jim, 8 Simple Rules
George Lopez, Life With Bonnie, Less Than Perfect

8:00 PM
MONDAY

#1

HH

#1

W18-49

#1

W25-54

#1

M18-49

#1

M25-54

Source: NTL, Galaxy Explorer, 6/16-7/21/03, Mon 8-8:30pm T.P., AA Ratings

NIELSEN | July 21-27 | RATINGS

THE PRIME TIME RACE

Top 10 Basic Cable Shows

July 21-27

Total Households (in millions)

PROGRAM	DATE	NET	HHS
1. Pennsylvania 500	7/27	TNT	4.0
2. WWE 10p	7/21	TNN	3.8
3. WWE 9p	7/21	TNN	3.5
4. Homicide: Life/Street	7/22	TNT	2.7
5. SpongeBob Sq 8:30a	7/26	NICK	2.6
5. Law & Order 9p	7/21	TNT	2.6
5. MLB: Yankees/Red Sox	7/27	ESPN	2.6
5. Monk	7/25	USA	2.6
9. Nip/Tuck	7/25	FX	2.5
9. Mv: G.I. Jane	7/27	TNT	2.5
9. Law & Order 8p	7/21	NICK	2.5
9. SpongeBob Sq 3p	7/21	NICK	2.5

Adults 18-49 (in millions)

PROGRAM	DATE	NET	AA
1. Pennsylvania 500	7/27	TNT	3.1
2. WWE 10p	7/21	TNN	3.0
3. WWE 9p	7/21	TNN	2.9
4. Mv: G.I. Jane	7/27	TNT	2.2
5. Real World XXIII	7/22	MTV	2.1
6. Nip/Tuck	7/22	FX	2.0
6. The Osbournes	7/22	MTV	2.0
8. The Dead Zone	7/14	USA	1.7
9. MLB: Yankees/Red Sox	7/27	ESPN	1.6
9. Road Rules XII	7/21	MTV	1.6

SOURCE: Turner Entertainment Research, Nielsen Media Research

Broadcast Networks

July 21-27

Total households (in millions)

	WEEK	STD
1. NBC	5.7	7.7
2. CBS	5.4	8.2
3. ABC	4.1	6.2
4. FOX	3.8	6.0
5. UPN	2.0	2.4
6. WB	1.6	2.6
7. PAX	0.6	0.8

Adults 18-49 (in millions)

	WEEK	STD
1. NBC	3.6	5.3
2. FOX	3.1	5.0
3. CBS	2.9	4.5
4. ABC	2.7	4.4
5. UPN	1.4	1.9
6. WB	1.3	2.1
7. PAX	0.3	0.4

Top 10 Broadcast Shows

Total Households (in millions)

	WEEK	WEEK
1. Law & Order Wed 10p	NBC	9.6
1. CSI	CBS	9.6
3. Law & Order Wed 9p	NBC	8.4
4. Law & Order: CI	NBC	8.3
5. Without a Trace	CBS	8.1
6. CSI: Miami	CBS	7.6
7. Everybody Loves Raymond	CBS	7.4
8. Law & Order: SVU	NBC	7.2
9. King of Queens	CBS	7.1
9. 60 Minutes	CBS	7.1

Adults 18-49 (in millions)

	WEEK	WEEK
1. CSI	CBS	5.4
2. Big Brother 4 Wed	CBS	5.2
2. Law & Order Wed 10p	NBC	5.2
4. Fear Factor	NBC	5.1
4. The Simpsons 8p	FOX	5.1
6. For Love or Money 2	NBC	5.0
7. Law & Order: CI	NBC	4.9
7. Who Wants To Marry/Dad?	NBC	4.9
9. Will & Grace	NBC	4.7
9. Without a Trace	CBS	4.7

SOURCE: Nielsen Media Research

	abc	UPN	NBC	FOX	PAX	UPN	WB
Week 44	3.7/6	6.3/11	5.6/10	4.0/7	0.5/1	2.4/4	1.6/3
MONDAY							
0:00	73. Less Than Perfect 3.3/6	32. Yes, Dear 4.9/9	16. Fear Factor 5.7/10	78. Anything for Love 3.1/6	133. PAX Monday Night at the Movies—Saving Grace 0.4/1	93. The Parkers 2.4/4	94. 7th Heaven 2.3/4
0:30	83. Less Than Perfect 3.0/5	27. Still Standing 5.1/9		77. Stupid Behavior 3.2/6		91. One on One 2.5/4	
0:00	85. Less Than Perfect 2.9/5	7. Ev Lvs Raymnd 6.9/12	24. For Love or Money 2 5.3/9	35. Funniest Wedding Outtakes 4.8/8		91. Girlfriends 2.5/4	118. Pepsi Smash 1.0/2
0:30	18. Less Than Perfect 3.1/5	9. King of Queens 6.7/11				94. Half & Half 2.3/4	
10:00	29. Primetime 5.0/9	6. CSI: Miami 7.1/12	13. Who Wants to Marry My Dad? 5.8/10			127. Diagnosis Murder 0.6/1	
10:30							
TUESDAY							
	5.3/9	4.0/7	5.1/9	4.7/8	0.8/2	1.1/2	1.9/3
0:00	29. 8 Simple Rules 5.0/9	25. Big Brother 4 5.2/9	35. Dog Eat Dog 4.8/9	38. American Juniors 4.7/9	127. Mysterious Ways 0.6/1	111. One on One 1.3/2	105. Gilmore Girls 1.7/3
0:30	50. Life With Bonnie 4.3/7					111. Abby 1.3/2	
0:00	22. According/Jim 5.5/9	78. Cupid 3.1/5	35. Last Comic Standing 4.8/8	40. Paradise Hotel 4.6/8	127. Promised Land 0.6/1	120. Buffy the Vampire Slayer 0.9/1	100. Smallville 2.0/3
0:30	27. Less Than Perfect 5.1/9						
10:00	12. Primetime 5.9/11	62. Judging Amy 3.8/7	16. Dateline NBC 5.7/10			118. Diagnosis Murder 1.0/2	
10:30							
WEDNESDAY							
	4.2/7	5.4/10	7.1/13	4.0/7	0.7/1	1.4/2	1.3/2
0:00	47. My Wife & Kids 4.4/9	13. 60 Minutes II 5.8/11	47. Fame 4.4/8	58. That '70s Show 3.9/8	123. Candid Camera 0.8/1	111. Enterprise 1.3/3	111. Boarding House 1.3/3
0:30	47. George Lopez 4.4/8			54. American Juniors 4.1/7			
0:00	62. Drew Carey 3.8/7	13. Big Brother 4 5.8/10	3. Law & Order 7.9/14	56. Paradise Hotel 4.0/7	130. Doc 0.5/1	109. The Twilight Zone 1.4/2	111. Pepsi Smash 1.3/2
0:30	50. Drew Carey 4.3/7						
10:00	56. Favorite Stars: Then & Now 4.0/7	40. Cupid 4.6/8	1. Law & Order 9.0/16			120. Diagnosis Murder 0.9/2	
10:30							
THURSDAY							
	4.0/7	7.4/14	4.9/9	2.1/4	0.7/2	3.4/6	1.9/3
0:00	71. ABC Thursday Night Movie—Road Trip 3.4/6	19. Amazing Race 4 5.6/11	11. Friends 6.2/12	94. Keen Eddie 2.3/4	130. It's a Miracle 0.5/1	71. WWE Smackdown! 3.4/6	102. WB Thursday Movie—Fear 1.9/3
0:30		1. CSI 9.0/16	32. Scrubs 4.9/9				
0:00			19. Will & Grace 5.6/10	100. The Pulse 2.0/4	123. Diagnosis Murder 0.8/2		
0:30			29. Queer Eye:St Guy 5.0/9				
10:00	25. Primetime Thursday 5.2/10	5. Without a Trace 7.6/14	58. ER 3.9/7				
10:30							
FRIDAY							
	4.3/9	3.5/7	5.9/12	2.4/5	0.4/1	1.3/3	1.9/4
0:00	32. America's Funniest Home Videos 4.9/11	50. Big Brother 4 4.3/9	22. Dateline NBC 5.5/11	89. Bernie Mac 2.7/6	133. Friday Night Fix—Wildfire 7: The Inferno 0.4/1	111. UPN's Movie Friday—The Accidental Spy 1.3/3	104. Reba 1.8/4
0:30				86. Bernie Mac 2.8/6			105. What I Like About 1.7/4
0:00	64. Whose Line Is It 3.6/7	78. JAG 3.1/6		99. Boston Public 2.1/4			94. Reba 2.3/5
0:30	64. Whose Line Is It 3.6/7						102. Grounded for Life 1.9/4
10:00	43. 20/20 4.5/9	73. 48 Hours Investigates 3.3/6	8. Law & Order: Special Victims Unit 6.8/13				
10:30							
SATURDAY							
	3.0/6	4.0/8	2.5/5	4.1/9	0.4/1		
0:00	89. ABC Saturday Night at the Movies—Mighty Joe Young 2.7/6	43. 48 Hours Investigates 4.5/10	105. Restaurant 1.7/4	73. Cops 3.3/8	133. Candid Camera 0.4/1		
0:30		64. Hack 3.6/7	86. Dog Eat Dog 2.8/6	54. Cops 4.1/9			
0:00				43. AMW: America Fights Back 4.5/9			
0:30		58. The District 3.9/8	78. Dog Eat Dog 3.1/6				
10:00	68. Dragnet 3.5/7						
10:30							
SUNDAY							
	2.9/5	5.1/9	6.2/11	3.6/7	0.7/1		1.4/3
7:00	83. ABC Sunday Night Movie—The Pennsylvania Miners' Story 3.0/6	9. 60 Minutes 6.6/14	16. Dateline NBC 5.7/11	86. Futurama 2.8/6	130. Candid Camera 0.5/1		109. Gilmore Girls 1.4/3
7:30		43. Becker 4.5/9		68. King of the Hill 3.5/7			
8:00		53. King of Queens 4.2/7		38. The Simpsons 4.7/9	126. Doc 0.7/1		108. Charmed 1.6/3
8:30				73. Banzai 3.3/6			
9:00	94. Alias 2.3/4	40. CBS Sunday Movie—Picnic 4.6/8	4. Law & Order: Criminal Intent 7.8/13	64. Malcolm/Middle 3.6/6	120. Sue Thomas, F.B. Eye 0.9/1		117. Boarding House 1.1/2
9:30				58. The Simpsons 3.9/6			
10:00	68. The Practice 3.5/6		19. Restaurant 5.6/10				
10:30							
Averages							
Week	3.9/7	5.1/9	5.4/10	3.6/7	0.6/1	1.9/4	1.6/3
S-T-D	5.8/10	7.7/13	7.2/12	5.6/9	0.8/1	2.2/4	2.4/4

KEY: Each box in grid shows rank, program, total-household rating/share | Blue bar shows total-household rating/share for the day | Top 10 shows of the week are numbered in red | TV universe estimated at 106.7 million households; one ratings point is equal to 1,067,000 TV homes | Tan tint is winner of time slot | (NR)=Not Ranked; rating/share estimated | *Premiere | Programs less than 15 minutes in length not shown | S-T-D = Season to date | SOURCES: Nielsen Media Research, CBS Research | Compiled By Kenneth Ray

TNT Goes West With Spielberg

BY ALLISON ROMANO

TNT is partnering with director Steven Spielberg and DreamWorks Television for a 12-hour series about the opening of the American West.

It will trace the paths of two families, one American and one Native American, living in the West. Production is set to begin next summer for a summer 2005 premiere. Spielberg will executive-produce with Darryl Frank and Justin Falvey, the co-heads of DreamWorks Television.

The previous Spielberg/DreamWorks cable project was Sci Fi Channel's *Taken*, a \$40 million, 20-hour maxi-mini last December. The team also created HBO's \$100 million WWII epic *Band of Brothers*. Price tag for TNT's series is expected to fall in between those two projects.

TNT is careful to call this a "limited series": It will air weekly like FX's *The Shield* or USA Network's *Monk* but will be over after its 12-hour run.

But don't call TNT's new series a Western. Rather, TNT COO Steve Koonin explains, "it is set in the West. We're in business with someone who is going to tell a story about the growth of our country, not cowboys and Indians."

The Western has been a star for TNT. Original movie *Crossfire Trail*, starring Tom Selleck, nabbed a 9.6 rating in January 2001, one of cable's highest-rated programs in recent years. And this year's *Monte Walsh* logged a 5.7 for its Jan. 17 debut. ■



'We're in business with someone who is going to tell a story about the growth of our country, not cowboys and Indians.'

STEVE KOONIN,
TNT

MARKET | Green Bay | FOCUS

AT A GLANCE

The Market

DMA rank	69
Population	1,072,000
TV homes	419,000
Income per capita	\$16,564
TV revenue rank	70
TV revenue	\$58,300,000

Commercial TV Stations

RANK*	CH.	AFFIL.	OWNER
1	WFRV-TV	5	CBS CBS
2	WBAY-TV	2	ABC Young
3	WLUK-TV	11	Fox Emmis
4	WCBA(TV)	26	NBC Aries Telecom
5	WVWB(TV)	14	WB Acme TV
6	WACY(TV)	32	UPN Ace TV

*May '03, total households, 6 a.m.-2 a.m., Sun.-Sat.

Cable/DBS

Cable subscribers (HH)	247,210
Cable penetration	59%
ADS subscribers (HH)**	74,582
ADS penetration	17.8%
DBS carriage of local TV?	Yes

**Alternative Delivery Systems, includes DBS and other non-cable services, according to Nielsen Media Research

What's No. 1

Syndicated Show	RATING/SHARE***
Wheel of Fortune (WFRV-TV)	10.9/25
Network Show	
CSI (WFRV-TV)	21.5/35
Evening Newscast	
WFRV-TV	8.9/22
Late Newscast	
WBAY-TV	9.6/24

***May 2003, total households

SOURCES: Nielsen Media Research, BIA Research

Packers Pervasive

The Green Bay-Appleton, Wis., DMA ranks first in watching sports on TV, according to Lifestyle Market Analyst. Not surprisingly, the local stations package a ton of programs around the storied Green Bay Packers football franchise.

"I think it is safe to say that Packer broadcasts get the highest shares of any NFL team in the country," says Perry Kidder, VP/GM of CBS's WFRV-TV, which offers more than three hours a week of Packers-related programming as well as prime time specials and high school football. "The Packers are a good part of our identity. We have a contract with the Packers that is way above and beyond preseason football. They are our partners in [the programming]."

Emmis's Fox affil WLUK-TV has the majority of regular-season Packers' games. "It is truly a phenomenon. Businesses even close down when the Packers play," says GM Jay Zollar, noting a 54 average household rating last year and shares probably around 80.

The Packers produce "huge ratings" for Young Broadcasting's WBAY-TV, too, according to GM Don Carmichael. The ABC affiliate produces an hour program prior to *Monday Night Football* hosted by a Packers fullback. "I believe it's the No. 1-rated show in the time period," he says.

As for TV life in general, he says, "We are having a good year. The sluggish market is getting better slowly but surely." WBAY-TV's top ad categories are auto, telecom and medical.

WFRV-TV's sales strategy revolves around "non-agency billing." With six commercial stations, Kidder says, "it has paid back handsomely because we are in a business with a limited supply. You have to create your own demand."

Geographically, the market ranges from northeast Wisconsin to upper Michigan. It is "a collection of medium-sized cities," such as Appleton and Oshkosh, says Carmichael. "Green Bay is only about 100,000 people." —Henry Seltzer



WHAT THEY DO

5,300 students are enrolled at the University of Wisconsin in Green Bay.

3,500 ducks and geese live in the Bay Beach Wildlife Sanctuary, which includes over 6 miles of hiking and cross-country ski paths.

72,515 seats fill Lambeau Field, home of the Packers.

SOURCES: University of Wisconsin; Green Bay Area Chamber of Commerce; Green Bay Packers

THE JUDGE AMERICA'S WATCHING!



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IN WOMEN 25-54
VS YEAR AGO!

SONY PICTURES TELEVISION

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Source: NSS, Nielsen Galaxy Explorer, GAA%, July '03 = 7/1/03 - 7/11/03, histories = calendar July '01 and '02

TV BUYER

Target: 'Fully Engaged' Viewers

Initiative Media/MIT research suggests they channel-surf less, recall more

BY STEVE McCLELLAN

In a perfect world for TV advertisers, their target audiences would be glued to the set every time their commercials air. But, as any viewer with a working remote knows, it doesn't quite work that way. Not in a world where there are just too many distractions, from household chores to the dozens, if not hundreds of other programs that can be glimpsed during a commercial break.

And making the ad world even less perfect in the future, potentially anyway, are technological advances like the commercial-zapping personal video recorder.

But is it possible that some shows are just so good and so compelling that viewers hang around for the commercials—or at least for more of them, while surfing less—so as

also found that, among fully engaged viewers, recall of advertised brands almost doubles, to 30% from 17%. Brand recall also doubles among viewers who watch without surfing and among those who watch in groups (with friends or family) as opposed to alone.

So the trick for the advertiser, it would seem, is to find and buy groups of shows with high levels of attentive viewers who match the target audience of the product being marketed.

Lots of questions remain unanswered, and Initiative and MIT are still in the early phases of research designed to provide greater insight into the relationship between viewers and the shows they watch.

Ultimately, what Initiative hopes to do is incorporate a new metric into its media-planning and buying to better quantify that audience/viewing-pattern relationship. Initiative calls the new metric "expression" (as opposed to impression, or exposure), the aim of which is to pinpoint audiences that are more receptive to ad messages, be they traditional spots or product placement. The hope is that planning and buying become more efficient and "go beyond a blanket exposure measure of gross rating points," says Koerner.

The company has already introduced an "expression index" into the planning for some client brands. As the research progresses, says Koerner, the index will be refined and enhanced. "The first phase was to validate that there was a reason to investigate engaged viewers. Knowing that the question then becomes how do we qualify and quantify that engagement in order to best reach them" and find ways to help advertisers get their messages across more effectively.

Some of the stuff that Initiative and MIT are finding out is down right scary. Who knew that fully engaged viewers of the science-fiction genre also tend to be seriously into buddy-cop dramas? Not just any cop dramas, mind you, but buddy-cop dramas.

And how exactly was that determined? "A little intuition and a lot of hard work," responds Koerner, some

what vaguely. While Initiative hopes to get its expression metric down to a science (hence MIT's involvement), there's a limit on how much detail it will share with the outside world. Many of the detailed findings are proprietary.

But that sci-fi/buddy-cop link is just the kind of drilling down that future research by the two organizations will focus on to better understand viewing patterns.

"It goes beyond genres," says Koerner, to program viewing trends that she describes as "clusters of taste cultures. Just as people don't watch networks, they don't watch genres either. There are normative patterns of groups of programming that people watch based on everything that makes them as a person." So those sci-fi/buddy-cop-drama junkies probably watch other shows as well. And Initiative and MIT are going to find out which ones. ■



Watch This Ad—or Don't

	CHANNEL SURFERS	BRAND-RECALL LEVEL
"Fully engaged" viewers	45%	20%
"Casual" viewers	59%	10%

SOURCE: Initiative Media: Favorite vs. Occasional Program Study, April 2003

▲ FULLY ENGAGED

80%

of *American Idol* viewers said they "try never to miss an episode." And of those viewers, only 1% channel-surf during the show.

not to miss a single second of the program?

It's a question the researchers at Initiative asked themselves and, in collaboration with media scholars at MIT, tried to answer in a series of recent online surveys about how viewers interact with the tube. And the answer appears to be yes.

Stacey Lynn Koerner, executive vice president, director of global research integration, Initiative Media, says that about 6% of the audience for the average prime time program claims to be "fully engaged" (they "try never to miss an episode"). But, for some shows, such as *American Idol*, the percentage of fully engaged viewers is much higher—about 80%, according to the Initiative/MIT research. And among those viewers, the number that channel-surf during the show is just 1%—which is extraordinary in today's viewing universe.

Here's why that's important: The Initiative/MIT research

EBB & FLOW

Cable Scatter Is Strong in 3Q

Cable networks are commanding double-digit rate hikes in third-quarter scatter ad sales, and executives expect even bigger hikes later in the quarter.

Bruce Lefkowitz, EVP, ad sales, FX, says third-quarter scatter increases are 10%-15% so far but "September inventory will be even higher."

Meanwhile, three cable sales

Ad Rates
+15%

operations are moving to counter anti-cable campaigns.

"The Television Bureau of Advertising has been saying for years that DBS growth has eroded wired-cable delivery. That's simply not true," says Jonathan Sims, VP, research, Comcast Ad Sales. "What the TVB conveniently omitted is that the growth of ad-supported cable viewing has been so dramatic it has more than offset any loss in viewing due to the defection of wired-cable homes to ADS," or alternative services, mainly satellite-delivered programming.

Sims provided B&C with Nielsen national People Meter data showing wired cable 1Q total-day household delivery has risen to 15.6 million in 2003 from 14 million in 2002, with prime time delivery at 25.1 million households, up from 24.1 million.

"The TVB raises valid points about ADS delivery," says Jeff Boehme, senior VP, research, National Cable Communications, "but they don't have the access to [NCC] data or methodology. NCC takes into account the penetration of wired cable in each DMA and subtracts out any and all ADS-generated viewing." The crux of TVB's point is that locally inserted cable ads don't air in ADS homes.

The Cabletelevision Advertising Bureau's new online Competitive Media Center counterattacks with "presentation-ready data that debunks broadcasters' negative assertions about cable."

—Jean Bergantini-Grillo

NEXT WEEK:

Spot TV

WASHINGTON



CAPITAL WATCH

On Your Mark...

The FCC's new broadcast-ownership rules will take effect Sept. 4 if the *Federal Register* sticks with its plan to publish the text of changes in its Aug. 5 edition. The *Register* provides official public notice of agencies' rule changes. The rules become effective 30 days after appearing in the publication.

Powell Takes Times To Make Case

FCC Chairman Michael Powell defended his agency's relaxation of broadcast-ownership limits in an opinion piece in *The New York Times* last week. He took specific aim at congressional efforts to reinstate the 35% cap on one company's national TV-household reach, which his agency upped to 45%. "It is difficult to see exactly how setting a lower cap will improve television," he wrote. "Already, most top sports programming has fled to cable and satellite. Quality prime-time viewing, long the strong suit of free television, has begun to erode, as demonstrated by HBO's 109 Emmy nominations this year.

"Indeed, for the first time ever, cable surpassed free TV in prime-time viewing share last year. If [broadcasters] can reach more of the market, they will be able to better compete with cable and satellite."

Powell dismissed worries that five big media companies have 80% of the TV viewing audience. "Popularity is not synonymous with monopoly. A competitive media marketplace must be our fundamental goal, but do we really want government to regulate what is popular?"

Sen. Byron Dorgan (D-N.D.), sponsor of a bill to reverse the FCC's new rules, called Powell's argument an "absurd" proposition: "I wonder what he had for breakfast?"

Minority Wins Texas Stick

Minority Media TV 38's final bid of \$6.8 million was enough to win rights to build a new TV station on ch. 38 in Corpus Christi, Texas. The bid was part of an auction conducted by the FCC that ended Monday. Minority Media is led by John Warren, who owns no other broadcast properties. Warren, who is Hispanic, used a 35% bidding credit that brought his actual bill down to \$4.42 million.

Martin Aide Joins White House

Daniel Gonzalez will take on media legal advisory and press duties for FCC Chair-

man Kevin Martin after special adviser Emily Willeford was tapped to be special assistant to senior White House advisor Karl Rove. Gonzalez, who is also Martin's common-carrier aide, is tackling multiple duties because of Willeford's departure and the maternity leave of media aide Catherine Bohigian. If not for Washington's traditional August siesta, things might be getting hectic in Martin's office, which is also seeking a replacement for former confidential assistant Ginger Clark.

Roberts Wins OK For Two TVs

The FCC Wednesday announced it is ready to grant construction permits for two TV stations auctioned in February 2002. Roberts Broadcasting, which bid \$2.5 million for ch. 47 Columbia, S.C., and \$1.9 million for ch. 34 Jackson, Miss., has until Aug. 13 to make final payments. Shortly after the auction, Knoxville Channel 25 charged that Roberts owner Michael Roberts failed to disclose that he is a director of Acme Communications, which holds an interest in nine TV stations. Roberts countered that he had resigned the seat before the auction. The FCC found no wrongdoing.

FCC Raises Fees Across the Board

BY BILL MCCONNELL

Broadcasters will pay a lot more in regulatory fees this year to help the FCC meet its congressionally set obligation to increase revenues from those fees by 23%.

Large-market TV stations will see a hike of 18%-24% over 2002, the FCC said July 25. VHF stations in markets 1-10 will pay \$57,650, up 23%; in markets 11-25, \$43,225, up 18%. UHF stations in those markets will pay, respectively, \$15,850, up 24%, and \$12,875, up 20%.

Cable systems are expected to generate total revenue of \$44.6 million on fees of 66¢ per subscriber. The 2002 fee was 53¢ per sub.

In radio, the biggest change was the revamp of station categories. The FCC added a "3 million and greater" category and expanded the market sizes of the other categories, it said, because of the trend to more-powerful stations and increases in general population.

Payments are due Sept. 24.

Commissioners Jonathan Adelstein and Michael Copps voiced reservations about across-the-board increases and encouraged their colleagues to explore ways to make the fees better reflect the costs of regulating each sector. ■

TV Station Fees

CATEGORY	FY '02	FY '03
VHF TV		
Markets 1-10	\$47,050	57,650
Markets 11-25	34,700	43,225
Markets 26-50	23,625	30,125
Markets 51-100	15,150	18,075
Remaining markets	3,525	4,450
Construction permits	2,750	4,625
UHF TV		
Markets 1-10	\$12,800	15,850
Markets 11-25	10,300	12,875
Markets 26-50	6,600	8,075
Markets 51-100	3,875	4,975
Remaining markets	1,075	1,425
Construction permits	5,175	8,300
Other		
Satellite TV stations (all markets)	\$805	1,000
Satellite TV construction permits	420	515
LPTV, TV/FM translators	320	365
Cable antenna relay service	65	90
Cable TV systems (per subscriber)	0.53	0.66
Earth stations	140	210
Space stations	99,700	115,625

SOURCE: FCC

Radio Station Regulatory Fees

By market size*

FEE CATEGORY	FY'02	FY'03**	FEE CATEGORY	FY'02	FY'03**
More than 3 million			50,001-125,000		
AM Class A	NA	\$7,200	AM Class A	1,500	1,800
AM Class B	NA	5,400	AM Class B	975	1,125
AM Class C	NA	3,100	AM Class C	525	650
AM Class D	NA	4,000	AM Class D	775	1,000
FM Classes A, B1, C3	NA	6,650	FM Classes A, B1, C3	975	1,300
FM Classes B, C, C1, C2	NA	8,125	FM Classes B, C, C1, C2	1,500	2,025
1,200,001-3 million			20,001-50,00*		
AM Class A	\$4,975	6,000	AM Class A	925	1,200
AM Class B	4,100	4,500	AM Class B	725	900
AM Class C	2,075	2,450	AM Class C	375	475
AM Class D	2,625	3,200	AM Class D	525	600
FM Classes A, B1, C3	4,100	5,225	FM Classes A, B1, C3	725	950
FM Classes B, C, C1, C2	4,975	6,250	FM Classes B, C, C1, C2	925	1,100
400,001-1 million			Fewer than 20,000		
AM Class A	3,125	3,900	AM Class A	500	600
AM Class B	2,525	2,925	AM Class B	375	450
AM Class C	1,425	1,625	AM Class C	275	325
AM Class D	1,700	2,000	AM Class D	325	400
FM Classes A, B1, C3	2,525	3,200	FM Classes A, B1, C3	375	475
FM Classes B, C, C1, C2	3,125	3,900	FM Classes B, C, C1, C2	500	625
125,001-400,000			AM construction permit	370	455
AM Class A	2,250	2,700	FM construction permit	1,500	1,850
AM Class B	1,575	1,925			
AM Class C	800	975			
AM Class D	950	1,200			
FM Classes A, B1, C3	1,575	2,025			
FM Classes B, C, C1, C2	2,250	2,650			

*Total market population

**Note: Year-to-year comparison is approximate because of new population categories effective 2003. Previous categories: 1 million and greater, 401,000-1 million, 125,001-400,000, 50,000-125,000, 20,001-50,000, 20,000 and fewer. NA = Not applicable because of the change in categories

SOURCE: FCC

TECHNOLOGY

Cable Helps
Stations Leave
Analog Behind

Stations begin asking
FCC for right to turn off
analog transmission

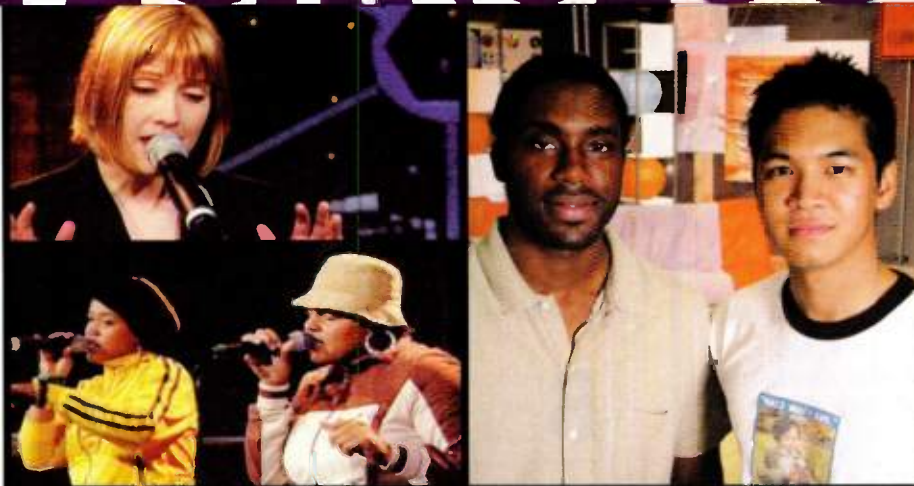
BY KEN KERSCHBAUMER

An northern-Virginia public-TV station that serves the Washington, D.C., market is hoping the FCC will give it permission to cease analog operations in September as it transitions to over-the-air digital. According to WNVN(TV) General Manager Fred Thomas, with three other public stations serving the market, the move to digital transmission can be completed without fear of disenfranchising PBS viewers.

WNVN(TV) Goldvein, Va., is one of only five public-TV stations in the country not affiliated with PBS (another, WNVN(TV) Fairfax, Va., is also owned by Central Virginia Educational Telecommunications).

The two CVET stations are non-commercial alternative stations, with WNVN programming multicultural news, foreign films and soccer while WNVN offers educational programming and original African-American content and world-music programming.

Thomas believes that the station can turn off analog because the areas where the station has most of its viewers—the



Alternative station WNVN(TV) offers multicultural programming, including *MHZ Presents with Sixpence None the Richer* (left, top) and with *Floetry* (left, bottom) and *OpenTV*, hosted by Mario Marzette (l) and Mike Leyva.

District of Columbia and southern Maryland—have a cable penetration north of 75%. Also, the programming is geared for younger viewers, who “don’t know broadcast from anything,” he says. “They grew up with cable, and that is at least a piece of our argument.”

The station has already turned the analog signal off because its tower could not accommodate both the analog and digital transmission gear. Thomas says the station has basically been a cablecaster for the past two months while it waits out the FCC’s decision. He says the station hopes to be on-air with the digital signal by mid September.

If the station’s request is turned down, it will build out an analog facility, something Thomas doesn’t want to do: “We don’t have the money to do both analog and digital broadcasts.” It would cost \$500,000 to be re-outfit for analog broadcasts. The station’s annual budget is only \$2 million, and the costs would be too high, he says, especially when the analog signal may be turned off in five or six years.

Dick Bodorff, a partner with Washington law firm Wiley, Rein & Fielding, who made the FCC filing for the station, expects that the FCC will allow the

move to digital only. The commission previously granted WWAC(TV) Atlantic City, N.J., the right to turn off its analog signal, and a station in California also has made the move.

“The FCC is concerned that turning off analog means people would lose access to the signal,” says Bodorff. “For WNVN, the Nielsen numbers show that the off-air viewership is quite small and the company would save a lot of money by not needing dual transmission plants.”

The KTVT decision comes only a few months after the FCC gave permission to KVMD(TV) Twentynine Palms, Calif., to stop analog broadcasts. The commercial station (which isn’t in the 700 MHz band) had slightly different arguments, but the central reason is the same: The small number of off-air viewers doesn’t justify the costs.

Very few stations, particularly commercial, are likely to find the shutoff of analog signals attractive. Barry Friedman, a partner with Washington law firm Thomson Hine who represented KVMD, points out, “Abandoning analog often doesn’t work because there is a PR issue about signal availability. And there are only a few stations that would feel no material impact if they ceased analog broadcasts.” ■

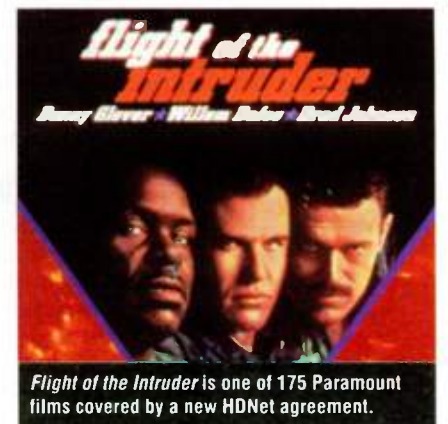
Cutting
Edge

Mercury Rising

The Hearst-Argyle TV-station group has selected Trilogy Broadcast’s Mercury VoIP communications system. It will enable intercom-style WAN communications across the group, the first phase being the supply of user interfaces at the assignment desks of 24 TV stations and the Washington, D.C., news bureau. Later this year, the system will be improved to allow all sites to feed their local production IFBs into the Mercury system. Trilogy says that will allow field reporters to call into the system on mobile phones or land lines.

A Discreet Launch

Discreet introduced the latest version of 3ds Max graphics package at the SIGGRAPH convention last week. Dubbed 3ds Max 6, it offers such new features as advanced schematic view for viewing and managing complex scenes, integrated Mental Ray rendering software, and Vertex color painting. It also supports computer-aided-design visualization tools and interchange and includes integrated Reactor 2 with stuntman and vehicle dynamics. The software is expected to be available this fall priced at \$3,495. Upgrade pricing is \$795 from 3ds Max 5 and \$1,295 from the 3ds Max 4 release.



Flight of the Intruder is one of 175 Paramount films covered by a new HDNet agreement.

Is That the End of DAT?

BY KEN KERSCHBAUMER

In recent years, HHB’s Portadat audio recording system based on Digital Audio Tape (DAT) has made believers of both TV and film audio professionals. But now HHB is looking to transition those believers to its next-generation product: the HHB PDR2000 Portadrive location sound recorder.

“This is for customers who are interested in something between our two-channel 16-bit recorders like our Portadat and something that allows for disk-based storage,” says Ian Jones, managing director for HHB. “The unit has a 30GB 2.5-inch hard disk in a caddy with a docking station that can plug directly into a

computer via SCSI-2 connectors.”

HHB demonstrated a prototype at the IBC convention in Europe last year. The unit combines eight tracks of 24-bit/96-kHz recording to a removable hard-disk drive with on-board mixing and synchronization.

Features include three flexible 6-into-2 mixers to provide a stereo mix to disk, a simultaneous alternative mix, and a headphone monitoring mix. It also has six instantly recallable headphone presets that can be configured to monitor almost any point in the signal path. To help with quick backup, Jones notes, it can connect to an external DVD-RAM/DVD-R or DVD/RW-drive. The docking station allows it to be connected to either Mac or PC-based workstations. ■



HHB’s Portadrive is a transition between digital tape and disk-based recording.

HD Godfather

HDNet signed a nine-year rights agreement last week with Paramount Domestic Television whereby HDNet will have access to more than 175 Paramount feature films, including *The Godfather* trilogy. Other titles include *Beverly Hills Cop*, *48 Hrs.*, *The Hunt for Red October*, *Top Gun* and *Patriot Games*.

Kasenna Gets Patent

Kasenna was awarded a patent for a technique the company says ensures the optimal delivery quality of video content over different types of networks (such as ADSL, VDSL, cable) and client devices of varying capabilities. The technology is incorporated into Kasenna’s flagship MediaBase XMP video-delivery platform and allows broadband service providers to support a broader set of markets over a variety of networks with a single video-on-demand (VOD) platform. Kasenna has eight other patents pending.

Omneon Aims To Lower Per-Channel Cost

Server manufacturer will intro three hardware products at IBC

BY KEN KERSCHBAUMER

Omneon Networks went to NAB 2003 with new software and media tools but no new hardware. That will change at the International Broadcasting Convention in Amsterdam next month, when the company introduces three products.

"We're trying to offer customers increased flexibility, particularly those who want to do multichannel playout," says Vice President of Marketing Geoff Stedman. Topping the list is the MultiPort MIP 3000 Series, media interface adapters that integrate into the Omneon Media

'We're trying to offer customers increased flexibility, particularly those who want to do multichannel playout.'

GEOFF STEDMAN,
Omneon Networks

Server System to provide playout for up to six channels of MPEG-2 video (each with up to 16 audio channels) within a single 1RU device. Modular design enables the MultiPort Series to support a range of configurations, including three- or six-channel playout, with support for additional formats planned.

"It's available at much lower cost per channel than our past products," adds Stedman. "In the past, a single RU would have had two Media Ports with one in or out. Now, in that same space, the user can have six channels. So it's roughly a three-times gain in performance."

Also new will be the Media-Server MCP 2100, replacing the MCP 2001 server, integrating Gigabit Ethernet and providing 2-Gb/s Fibre Channel throughput into entry-level configurations. It has four 1394a busses on eight connectors, one Gigabit Ethernet port and two 2-Gb/s Fibre Channel loops. It can be integrated with any Omneon Media-Port, MultiPort, MediaStore or MediaServer MCP 2101.

The new MSC 4400 server can hold four disk drives (either 73-GB or 146-GB) in 2+1+1 (the last drive being a hot spare) or 3+1 array configurations.

"The 2+1+1 capacity has a little less capacity but more resiliency while the 3+1 has more storage capacity as there are more active disks," he says. "It works well for

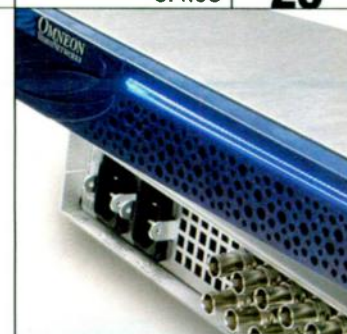
stations that need to receive content and play it back out quickly. It's perfect for those looking to hold 24 to 36 hours of content."

Taken together, he says, the three products improve cost per

channel. A six-channel MultiPort MIP 3000, a MediaServer MCP 2100 and a MediaStore MSC 4400 with four 146-GB drives in a 3+1 RAID configuration is capable of six-channel playout

with 72 hours of 12-Mb/s video in only 3RUs.

"Stations looking to embrace a video-server environment but unable to afford a full-blown server system can effectively have a full-blown playback server in a 4RU configuration." ■



MultiPort MIP 3000 Series interface adapter offers six channels of playout.

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Weather Anchor, KINT-TV



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TECH FOCUS

SERVERS, STORAGE AND NETWORKING



Georgia Public Broadcasting makes use of SGI's CXFS file-exchange system to move content throughout its facility.

IT Helps Integrate GPB Facility

BY KEN KERSCHBAUMER

The relationship between traditional broadcast engineering and IT departments can sometimes run aground on personality clashes and concerns over job security. That can pose a challenge for management—and also lead to hesitation when considering projects that could lead to potential conflict.

Concerns of that potential conflict troubled Mark Fehlig, director of engineering for Georgia Public Broadcasting (GPB), when he began planning a \$4 million IT-based facility three years ago for the network. The facility would handle digital-video playback and data management, storage and archiving. But he learned that defining the facility's needs and finding an integrator that could meet those needs helped make the merging of IT and broadcast engineering operations easier.

GPB chose MCSi, an integrator based in suburban Atlanta that has done projects for Turner Broadcasting, to handle the project. Fehlig says the company put together a system that does things that weren't done before and has gotten IT and engineering on the same song sheet.

The facility at GPB is an example of how disparate server technologies can come together in one facility. SGI's Clustered XFS (CXFS) shared-file system for storage area networks is the backbone of a system that connects two SGI Origin 300 gateway servers to SGI Media Servers, a Hitachi 9980V storage system, and an ADIC

Scalar 10K robotic tape library for near-line data archiving.

"The SGI CXFS system serves as the backbone underneath the SGI Fiber switch that gives us the speed required to move content around," says Fehlig. "We really went after a product that would solve our business requirements rather than pick our favorite technology or brand name."

Those business requirements are very broad. Standard-definition television operations for nine stations across the state, multichannel DTV operations,



SGI Origin 300 server is one of two connected to the system backbone.

and multichannel educational operations for the PeachStar Education Service are at the top of the list. GPB also handles the Internet distribution of educational content that has been broken into digestible pieces that can be streamed to teachers, as well as streaming of the Georgia high school football and basketball finals. The organization now has OC3 connectivity throughout the state and also works closely with Georgia Tech on developing Internet 2 technologies.

When Fehlig and his team sat down to figure out how to convert the facility to tapeless operations, they quickly found that some of

the more progressive computer companies were able to accommodate their needs while the lesser ones were very video-centric, leaving issues like metadata to others. "The IT shop is where the high-performance machines and workflow savings are, so we converted all of craft trade to a software workflow," says Fehlig.

Getting the content creation side set up was one thing, but getting traffic and content distribution running is the real challenge. Masstech and Harris/Louth are creating a central repository for all GPB's archived metadata information using Louth's automation system and Masstech's MassStore and Mass Proxy systems. The systems tie into a Hitachi storage system on which resides low-resolution proxy video available for browsing. The files are platform-agnostic, which means that, once a file is selected, it can be transmitted over the air or streamed to the Internet.

For TV demands, the content is pushed out to SGI Media Servers for MPEG-2 standard-definition payout. HD demands will be met with SGI Media Server systems that have DVB-ASI record and payout.

"This stuff is radically different from that used in days gone by," says Fehlig. "But we're getting rid of videotape machines and going onto servers, making our facility more automated."

The facility, which became operational in June, is only about halfway to being fully tapeless, he says. He expects to add more SGI servers by the end of the year to complete the move to a more IT-centric plant. ■

Verdict Is In on Avalon

Court TV uses its automation system to manage Sun-based archive

BY KEN KERSCHBAUMER

Having a cable network dedicated to covering trial proceedings requires an archive system that can easily and quickly draw from a library of material that, more often than not, consists of a person on a witness stand with a microphone.

It also leads to a vast library of content that could leave much un-used testimony footage taking up valuable server space. With the help of A.F. Associates and Concadia Solutions, Court TV installed an archive and automation system that more easily moved content from the front office to the back office. The archive is based on an Avalonidm (intelligent data management) system running on a Sun V880 server.

Archive requests are made to the Avalon system from a Sundance automation system. "Both the archive and high-resolution digital video contained in the servers are managed by the Avalon system," says Michael Wilke, director of marketing and channels, Avalon Product Division.



Court TV's Network Operations Center control room has been running since June.

According to Wilke, Avalon's policy engine automatically deletes from the disk cache content files that are not accessed for a user-specified time period. All the files are eventually stored long-term on data tape.

Whenever files are sent to the archive, the Court TV system also copies the files to a Dell Power Edge running Telestream's Flip Factory, which creates a 1.5-MB MPEG-1 file with embedded frame-accurate time-code that is sent back to the array. "These proxies can be accessed across Court TV's wide-area network from a standard Windows PC or Macintosh computer," Wilke says.

Concadia also tied the asset-management system into the editorial department to expedite the flow of station promos to air. Flip Factory allows editors working on the Avid Unity system to take files and post them in a hot folder.

"Flip Factory grabs those files, converts them and puts them onto the Grass Valley Profile play-to-air servers," explains Wilke. "This allows promos to be cut and sent straight to air without having to go to the intermediate stage of recording to tape and sending that tape to payout." ■

Technology Focus: *Underscores Broadcasting & Cable's commitment to routinely cover 6 pressing technological issues, at both the station and operator level. Weekly, Broadcasting & Cable will devote coverage to these issues.*

■ **Station Operations/Transmission & Towers**

Stations today face a myriad of choices when determining how to operate their facility. Each station operation focus will profile a station which recently updated its operations, examining the hardware and the reality of bringing in new technology.

ISSUE DATE: August 11, 2003

SPACE CLOSE: August 1, 2003

MATERIALS CLOSE: August 5, 2003

■ **DTV: Migration to Digital/**

The migration to digital continues to move forward, as stations and cable operators search for proper balance of services and solutions. This focus will update readers on the latest trends, from the aisles of consumer electronics stores to the halls of Washington. Also, in this issue, a wrap-up of all the technology news and events out of this year's NAB show.

ISSUE DATE: August 18, 2003

SPACE CLOSE: August 8, 2003

MATERIALS CLOSE: August 12, 2003

■ **Interactive Media**

It's all about critical mass, and with broadband and digital cable showing gains so too will interactive media. Cable operators and content providers will discuss how they're deploying interactive services, VOD and SVOD and why this once-again growing industry segment will be important.

ISSUE DATE: August 25, 2003

SPACE CLOSE: August 15, 2003

MATERIALS CLOSE: August 19, 2003

■ **News Technology: Newsroom Automation**

Most local news operations continue to provide an important revenue stream, along with valuable and distinct content. The tools of the TV news trade are constantly evolving. This focus will look at the latest trends and how news operations are improving their on-air look with behind-the-scenes tools.

ISSUE DATE: Sept. 1, 2003

SPACE CLOSE: August 22, 2003

MATERIALS CLOSE: August 26, 2003

■ **Traffic & Sales Automation**

Today's broadcast facilities are a complex mix of cables, servers and computer files. As such, the automation system which plays traffic cop, gets the burden of keeping things running smoothly. This focus is all about tips and trends, providing direction for stations to help maximize the potential of their facilities.

ISSUE DATE: Sept. 8, 2003

SPACE CLOSE: August 29, 2003

MATERIALS CLOSE: Sept. 2, 2003

PEOPLE

THE FIFTH ESTATER

A Street Fighter for Local Cable Ad Sales

Farina aims to steal business away from stations

Some sales calls are tougher than others. Long before Billy Farina was responsible for all local ad sales at Cox Communications cable systems, he was working the streets of Cranston, R.I. As with any local-cable ad-sales guy in the mid-1980s, his job was pestering local businesses to buy ads on Cox's tiny 15,000-subscriber cable system for the old "dollar a holler."

But metro Providence can be rough, with the Mafia and public corruption woven tightly into the community.

Farina was startled when a local Italian restaurateur he was pitching put a new twist on category exclusivity. The owner gave him a tour ending out back, next to the Dumpster. Farina recalls that the owner agreed to buy commercial spots but said, "I want to know I'm going to be the only restaurant on the air." Gesturing toward the trash container, he added, "If not, that's where they're going to find you."

Fortunately, no one else was selling ads, so Farina simply stopped courting other restaurants. "That's a hypothesis I didn't want to test. The risk-reward wasn't worth it."

That kind of street fighting was good preparation for Farina's current task of stealing as much business away from broadcast stations as possible. Cable networks' growing Nielsen dominance and Cox's high concentration in markets like San Diego and New Orleans mean that local ad sales have become an increasingly important to Cox, expected to total around \$460 million this year, or 7% of total revenues.

Farina is frustrated that cable's share of local ad dollars doesn't match its increasingly large share of the Nielsens. "We have to get that revenue side to catch up to the viewership."

He started aiming for the TV business when he was a teenager. His Union, N.J., high school had an unusual, elaborate track in television production, with three teachers spending up to four hours daily on how to shoot, light, edit and write television pieces. The setup included a news set that had been donated by WABC-TV New York.

A political science/communications double major at the University of Arizona kept Farina working in TV production a bit and sent him to Los Angeles seeking a gig in commercials production. After four frustrating months of job hunting, he was lured back east to Boston and, eventually, an ad-sales job for Cox in nearby Rhode Island, a stepping stone, he assumed, to producing commercials, "the part I truly love, the creative end of it."

But there are plenty of sales bones in Farina's body (with a completely straight face, he refers to used-car peddlers as "the secondary market of automobile dealers"). After five years, he moved into sales management at Cox's Connecticut systems. Then he got the adventurous gig: starting up a sales operation at Cox's startup cable operation in Preston, England.

The bad news was that his wife, Susan, had just delivered their second child and Farina's three-month gig stretched into nine and he got home only every three or four weeks.

Farina was surprised at how difficult it was to sell local British businesses on cable. "There weren't a lot of options for them. There was an awful lot of waste on broadcast, especially for regional advertisers."

He returned to the States and a more senior job in Cox's Atlanta headquarters as a regional vice president. That was when Cox doubled its size by acquiring Times Mirror Cable and then expanded again by taking over TCA Cable TV's mostly rural systems.

Farina calls his current job "somewhat of a balancing act." He finds it a challenge selling against increasingly annoyed local broadcast stations. Cox's salespeople need to meet advertisers on the stations' terms, he believes, which means that systems should ease away from reliance on "24-hour ro-

tators" and sell more by dayparts. "In four or five of our markets, we're selling more local dollars than any local TV station," excluding national spot, Farina said. His goal is that all Cox systems beat that mark.—John M. Higgins

Billy Farina

Vice President, Ad Sales,
Cox Communications

B. Feb. 19, 1960, Newark, N.J.

EDUCATION

BA, political science, BA, radio/television, University of Arizona, 1983; MBA, University of Connecticut, 1992

EMPLOYMENT

Director, Rising Star Productions, Tucson, Ariz., 1980-83; account executive, CableRep Advertising, Inc./Cox Cable, Cranston, R.I., 1984-85; sales manager, CableRep, 1985-87; general manager, advertising sales, CableRep, Connecticut/Rhode Island, 1987-94; regional vice president, advertising sales, CableRep, Atlanta, 1994-99; current position since 1999

PERSONAL

M. Susan, Dec 6, 1987; children: Maxwell (11), Harrison (9), Bennett (6)



FATES & FORTUNES

Broadcast TV

At WETA-TV Washington: **LISA LINDSTROM DELANY**, general counsel, named VP/general counsel; **DANA FITZGERALD**, director, national program marketing, named VP; **ADAM GRONSKI**, director, corporate marketing, named VP.

PATRICIA BODET, director, production and outreach, WOAI(TV) and Clear Channel Television, San Antonio, named director, diversity and outreach, Clear Channel Communications, San Antonio.

DAVID HERSHEY, director, creative services, Newschannel 8, Washington, joins KTVT(TV)/KTXA(TV) Dallas, in the same capacity.

At KMIZ(TV)/KQFX(TV) Columbia, Mo.: **RANDY WRIGHT**, station manager/chief weathercaster, promoted to VP/GM; **MARK HOTCHKISS**, general sales manager, KSPR(TV) Springfield, Mo., joins as director, sales; **MICHELLE LINN**, morning news anchor, named director, promotions and public relations/morning news anchor; **SANTOS MELCHOR**, chief engineer, KYMA-TV Yuma, Ariz., joins in the same capacity.

Cable TV

At Comcast Cable: **ED MOUNT**, VP/GM, Comcast Central Kentucky systems, has retired after 26 years with the company; **SANDIE ZEIGLER**, consultant, Comcast Southern Division, Jacksonville, Fla., joins the company as director, learning and development.

SERGIO GAMBRO, consultant, Imagine Broadband, Reston, Va., joins Advance/Newhouse Communications, Syracuse, N.Y., director, operational support systems.

Programming

At Showtime Networks, New York: **PATRICK BURKS**, senior VP, field operations, promoted to executive VP, cable distribution; **TOM HAYDEN**, senior VP, direct-to-home, promoted to executive VP.

MATTHEW BUNTING, director, entertainment promotion, TNT On-Air Creative, Atlanta, promoted to VP/executive producer.

At VH1, New York: **TRACY MCGRAW**, director, VH1 Communications, promoted to VP; **BRENT HENNE**, communications consultant, VH1, joins as director, corporate communications.

ANNE GORFINKEL, VP, project development and management, Sesame Workshop, New York, promoted to VP/executive director, educational outreach.

At World Wrestling Entertainment

PATRICK BURKS
ShowtimeTRACY MCGRAW
VH1

Inc., Stamford, Conn.: **NEIL LAWI**, VP, media, Columbia Records, New York, joins as VP, publicity; **DAN LEVI**, VP, college media division, Youthstream Media Networks, Cranbury, N.J., joins as VP, brand marketing.

WALTER RODRIGUEZ, executive VP/managing partner, MindShare Mexico, Mexico City, joins Sony Pictures Television International, Mexico City, as regional director, advertising sales.

TIM ALEXANDER, manager, marketing and affiliate services, NBC Cable Networks, Burbank, Calif., promoted to director, affiliate marketing.

LYNNE ELANDER, VP, video product development, Cox Communications, Atlanta, joins Microsoft TV, Redmond, Wash., as GM, marketing.

DONNA M. SWAJESKI, former breakdown writer, *Guiding Light*, New York, rejoins as co-headwriter.

RICK RIFLE, production designer, Los Angeles, joins TLC's *Trading Spaces*, Los Angeles/Bethesda, Md., as designer.

Journalism

JON BOWMAN, reporter, *Denver Daily News*, joins KDVR(TV) Denver, as general assignment reporter.

WHAT'S YOUR FATE?

Send it to Llanor Alleyne, editor/assistant, BROADCASTING & CABLE (e-mail: palleyne@reedbusiness; fax: 646-746-7028; mail: 360 Park Avenue South, New York, NY 10010).

SYNDICATION'S FALL SEASON

Issue Date:

AUGUST 18, 2003

Space Close:

AUGUST 8

Materials Close:

AUGUST 12

The syndication season is in full swing and *Broadcasting & Cable* is there with the newest shows airing in syndication this fall. What's new? What's most likely to succeed? Don't miss this important special report and don't miss the opportunity to get your message seen by key television executives. Call your *Broadcasting & Cable* representative today.

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Marcia Orcutt: 323-549-4114
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EXPERIENCED AE

WACH-TV, a Raycom station in Columbia, S.C., is seeking a senior level AE. The ideal candidate will have between 2-3 years of broadcast or cable sales experience. Experience with agencies and new business development a must. Development of corporate accounts and non-traditional revenue projects will be a priority. E-mail resume to jobs@wach.com; fax to HR, 803-212-7270; or mail to HR, WACH-TV, Pickens Street, Columbia, S.C. 29201. EOE. Pre-employment drug screening.

NATIONAL SALES MANAGER

WBTV, the CBS affiliate in the vibrant Charlotte market, seeks a highly motivated and aggressive National Sales Manager. The ideal candidate will lead the national sales effort, be a skilled negotiator, organized, a team player, able to build and grow outstanding relationships at the rep, agency and client level, and be relentless in the pursuit of budget. The ability to sell the entire station, sell sports and specials, develop client contacts, create local dollars, and get the rate and the share is essential. A minimum of 5 years experience in National Sales management at the station or rep is preferred. Submit resume to: WBTV, Attn: Sharon Griffin, 1 Julian Price Place, Charlotte, NC 20208. Jefferson Pilot Communications is an Equal Opportunity Employer. M/F/D

LOCAL SALES MANAGER

WGNT-TV, a Viacom O&O and the #1 UPN station in the country, is seeking a Local Sales Manager. Ideal candidate will have 5+ years television sales experience. Sales management experience a plus. Must possess solid leadership skills and have outstanding negotiating and presentation skills. New business development background required. If you are a sales star looking for your next great opportunity, submit cover letter and resume to: UPN 27, Dept. 174, 1318 Spratley Street, Portsmouth, VA 23704; Fax (757) 399-3303; or e-mail eayoung@wgntv.com. EOE. No phone calls.

GENERAL SALES MANAGER

The #1 UPN affiliate in the country is looking for a seasoned sales pro to lead our talented team. WGNT-TV, a Viacom O&O in Norfolk, VA, needs a proven sales leader! Extensive experience in sales management with a UPN, WB, or Fox affiliate is a must! You must be savvy in team building, inventory management, new business development, and building client relationships. If you've got what it takes to make a great station even better, submit a cover letter and resume to: UPN 27, Dept. 167, 1318 Spratley Street, Portsmouth, VA 23704; Fax (757) 399-3303; or e-mail eayoung@wgntv.com. EOE. No phone calls.

TELEVISION

Technical Careers

ASSISTANT DIRECTOR OF ENGINEERING
WHAS-TV, an ABC affiliate and subsidiary of the Belo Company, is currently seeking an Assistant Director of Engineering. This position is responsible for the supervision of the technical engineering and operations staff, overseeing and coordinating projects and initiatives assigned by the Director of Engineering, the resolution of equipment problems and ensuring compliance with all FCC technical requirements. Assist in the development of departmental budgets and strategic plans. Must have an associates degree or equivalent in electronics or related field. Four years of supervisory/management experience in a news centric broadcasting environment. Proven ability to manage and lead a diverse work force. Good oral/written communication and presentation skills. General class license and SBE certification preferred. To apply forward a letter of interest (including salary requirements) and resume to: WHAS-TV, Attn: Human Resources Department, 520 W. Chestnut Street, Louisville, KY 40202. Fax# (502) 582-7543 EOE

BROADCAST TECHNICIANS

ENG Personnel for a major broadcast facility in NYC. *ENG field operations with camera (and microwave truck) experience. *Videotape Editors *ENG Maintenance **Broadcast studio personnel.** *Studio Technical Directors *Audio Operators *CG (Pinnacle Deko) Operators *Broadcast Equipment Maintenance Technicians. Candidates must have experience operating in a live news and/or entertainment show environment. Employment would commence Spring/Summer 2003. Out-of-town applicants accepted for these positions will be reimbursed for airfare, hotel, and per diem expenses. Send resume to: BMC, Box 322, 998C Old Country Road, Plainview, NY 11803. Fax: 212-308-6996 Phone: 212-751-2393. This employment would occur in the event of a work stoppage and would be of a temporary nature to replace striking personnel. This is not an ad for permanent employment. An equal opportunity employer.

BROADCAST ENGINEER PROFESSIONAL

Large manufacturer of broadcast products and solutions is launching a product demonstration vehicle immediately and is seeking, on a contract basis, a broadcast engineer professional to staff and manage the truck at all stops. Responsibilities will include product demonstrations; especially live switcher and non-linear editing systems, acquisition and camera products and all formats of VTR's. 100% travel required. Interested candidates should send resume to broadcast_truck@eventpro.com

Caption Services



TELEVISION

News Careers

GENERAL MANAGER DAYTON-WWKEF & WRGT

Sinclair Broadcast Group seeks to hire a highly proficient General Manager that will implement & drive sales programs to optimize profits for the stations and provide effective leadership to achieve overall P&L and operating objectives. The ideal candidate should bring proven industry sales successes, general management & television ops experience. Successful candidate must have 5 to 10 yrs of exp. in a similar role at a TV station. Send resume to aerickso@wkef.sbgnet.com. EOE Drug Free. Check us out at www.sbgnet.com

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We have an opening for a person who does great lives, loves to break stories, and is a superb storyteller. Anchoring experience a plus. A minimum of two years experience. If you are this person, please send your resume and tape to Personnel Administrator 182, WTOL-TV, P.O. Box 1111, Toledo, Ohio 43699-1111. No phone calls. WTOL is an EOE.

BROADCAST SPECIALIST

The University of Florida is recruiting for a Broadcast Specialist for Public Television Station WUFT-TV (Channel 5). Functioning as the Assignment/Convergence Editor, this position is responsible for the assignment desk and planning local daily news stories, supervising student reporters and photographers, and maintaining daily coordination with other UF College of Journalism and Communications news entities. Minimum Qualifications: high school diploma and 5 years experience. College degree in journalism or related field plus two years' experience in a radio or TV newsroom including on-line experience is preferred. Computer skills, and familiarity with news websites are essential. The ability to work well in a training environment is preferred. Expected starting salary is \$28,000. Please apply at the Central Employment Center, 4th Floor Stadium, Gainesville, FL 32611, referencing LP#958960, or visit our website at www.hr.ufl.edu for application instructions. Deadline date is August 29, 2003. If an accommodation is needed because of a disability to apply for this position, please call (352) 392-4621 or The Florida Relay System at 1-800-955-8771 (TDD). AAE/AEEO.

Promotion Careers

PROMOTION DIRECTOR

WCYB-TV, the dominant NBC affiliate in the 90th market, is seeking an experienced producer for station campaigns and promotions, to create image and topical spots, and special projects as needed. Applicants should have strong organizational, writing and presentation skills, as well as creative idea and production abilities. Only team players should apply. Resumes and tapes must be postmarked by August 10 to Promotion Search, WCYB-TV, 101 Lee Street, Bristol, VA 24201. No phone calls. EOE/M/F/H/V WCYB maintains a drug free workplace.

TELEVISION

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Hope Had a Gift for Laughs and for Charity

Continued from page 8

1950, signing for a series of six, 90-minute NBC specials for a reported \$40,000 per show. In June of that year, Hope also signed a five-year radio and TV deal with NBC at a time when CBS was hoping to snatch him and both

networks were systematically raiding each other for talent. The TV side of the deal stipulated that whenever Hope decided to concentrate on TV, he would have a budget of \$40,000 per show, of which he would get \$15,000. The radio side involved

Lever Bros.' selling its sponsorship of Hope's Tuesday-night NBC radio show to Chesterfield at a reported talent fee of \$30,000 per week.

One of Hollywood's wealthiest stars, Hope was an astute businessman and the NBC contract

reflected that acumen. It included what was described by BROADCASTING & CABLE at the time as "a complicated formula" for deferred salary payments to minimize taxes and an asset purchase that would allow Hope to pay capital-gains taxes that would be

much lower than income taxes.

Hope also became 50% owner of KOA-AM-FM Denver in 1952 when Metropolitan Broadcasting bought the stations from NBC for \$2.25 million. NBC had five TV stations at the time, the FCC limit, and would not have been able to buy the TV license then being allocated and which KOA management wanted to combine with its radio operations.

Under his NBC contract, Hope became a busy and popular eecy of numerous shows, including *Colgate Comedy Hour*, *All Star Revue*, *Chesterfield Sound Off Time* and his own *Bob Hope Show*. He also hosted an hour-long dramatic anthology series for the network in 1963-67.

But Hope was probably best-known on TV for his frequent specials, guest appearances on other shows and longtime hosting of the Academy Awards. Many baby boomers fondly recall his salutes to the year's top college football players, in which a procession of suited-up players played often engagingly inept straight men to the comedian.

TIME FOR OTHERS

Somehow, Hope also found time to make movies—after the umpteenth *Road* picture, he quipped that next they were starting on "the alleys"—as well as to conduct a parallel career as a traveling salesman of millions in War Bonds and of hope and humor to countless American fighting men and women from the Pacific to the Persian Gulf (see editorial, page 32).

But his aid was not limited to the troops. There were gifts to numerous charities and telethons for worthy causes. In 1972, for instance, following Hurricane Agnes, Hope hosted and produced a telethon, teaming with TV stations to create an ad hoc Red Cross Network that raised more than \$2 million for relief in only six hours.

He was in the inaugural class when NAB created its Radio Hall of Fame in 1977. He was also among the first to be named to the BROADCASTING & CABLE Hall of Fame in 1981.

Hope had some fun with broadcasters when he was honored by the industry at its 1963 convention in Chicago, but, at the close of his remarks, he turned serious, telling his audience, "You are responsible for the most amazing instrument of mass communication known to man, a 21-inch looking glass that shows the world in full length. Just spin the dial: instant history." ■

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No Summer Doldrums for the Cable Nets

Continued from page 1
plastic surgeons.

Peacemakers boasted the best cable-show premiere this year, with a stunning 4.0 rating with 5.2 million viewers July 30.

USA Network President Doug Herzog has billed the show, which stars Tom Berenger as an old-fashioned detective who grudgingly teams up with a younger forensics expert, as "CSI meets the Old West." No surprise then, given the genre, that *Peacemakers* played older, with 2.1 million viewers 25-54 years old.

MAINSTREAM HIT

"This one felt like a mainstream hit," said USA Network programming chief Jeff Wachtel. He noted that the show rated well on both coasts and in middle America.

USA stands out among its cable competitors this summer with three strong original shows. Quirky detective drama *Monk*, in its second season, is one of cable's top draws this summer, and

USA stands out among its cable competitors this summer with three strong original shows: *Monk*, *The Dead Zone* and *Peacemakers*.

thriller *The Dead Zone* has been a decent performer. After an initial 10-hour order for *Peacemakers*, USA is now working on several more scripts, Wachtel said. Another new series *Touching Evil* is slated for March. Then, says Herzog, "we'll get into the business of establishing nights."

On NBC-owned Bravo, *Queer Eye* grabs a smaller but more youthful audience. The reality show, on which five gay style gurus make over a hapless straight guy, nabbed a stellar 2.5 rating in its third week July 29, five days after NBC stunted a half-hour version of *Queer Eye* after *Will & Grace*. It was a 63% jump over the previous week's ratings. Suddenly, Bravo is drawing hordes of young female viewers on Tuesday nights, a far cry from its usual creaky demos.

REVERSE-REPURPOSING

Horizon Media's research chief Brad Adgate calls the reverse-repurposing a "brilliant" move. The show, he said, "fulfills a niche and attracts a very upscale audience." NBC is considering re-airing the show again.

FX is beaming about *Nip/Tuck*, which is averaging a ro-

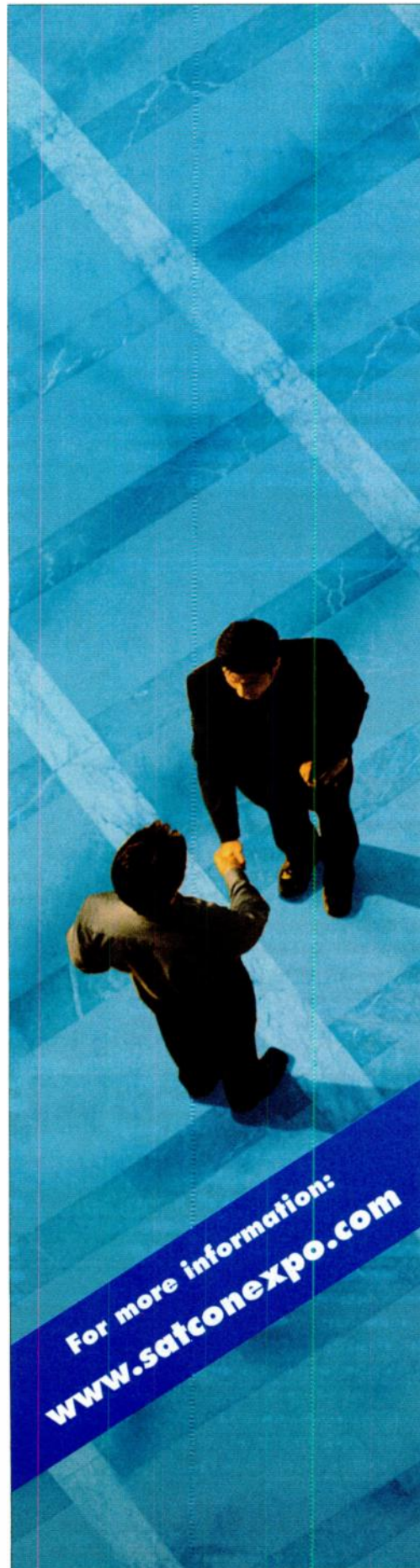
bust 3.1 rating and 3.5 million viewers. The drama was the last series developed by former FX programming chief Kevin Reilly, now NBC's president of programming.

But FX's previous original series, *Lucky*, was not as fortunate.

The network will not renew the dark comedy, which averaged a disappointing 1.1 million viewers last spring. FX's prized original, gritty cop drama *The Shield*, will go back into production in September and should return for season three in January.

Bravo used *Queer Eye* last week to launch its second gay-themed show, a *Bachelor*-type mating show where a gay bachelor picks among suitors who—unknown to him—are both straight and gay. *Boy Meets Boy* kicked off to a solid 1.4 rating with 1.6 million

viewers July 29. Pairing the two shows resulted in a 1.5 prime time average that night—a tally unheard for highbrow Bravo. After *Queer Eye*'s handsome debut July 15, the net signed on for seven more episodes, bringing the first run to 20. ■



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EDITORIALS

BROADCASTING & CABLE COMMITTED TO THE FIRST AMENDMENT

We Thank You So Much

I was standing beside the bed of a kid who was just coming out of the ether after an operation," Bob Hope once told BROADCASTING & CABLE. "He had seen our show in the Pacific a few months before. Just as he opened his eyes, he looked up and smiled. He grabbed my hand and said 'Hello, Bob.' I asked him how he felt, and he said, 'A lot better—now.'" It was, said Hope, in Washington for a bond drive in the 1940s, "the greatest thrill I ever had. When somebody says that to you, there is nothing you can say. There are no words." Then there was the nurse who said after a Hope show: "It's a shame we can't bottle this and give it to them in small doses."

In a way, it was bottled and given to everyone in small doses, in large thanks to radio and, later, TV. Arguably no broadcast entertainer had a bigger impact on the 20th century than Hope. Partly it was longevity, but mostly it was quality, not quantity. Hope was funny, the Seinfeld-and-then-some of his day. Armed with a joke file ultimately in the millions, top writers and great timing, Hope was the best. And, as befitting the consummate emcee, his was humor of inclusion (stereotypes of the era excepted), topical but clean, political but primarily without an agenda.

It was clear he liked people and loved making them laugh. And rare among entertainers, his heart was as big as his ego. As a canny businessman and a multimillionaire many times over, he didn't have to travel to entertain the troops well into his sixties, and seventies, and eighties. He was the single biggest supporter of the American soldier

since they shouldered muskets at Lexington and Concord.

Upon hearing the news of his death at 100 last week, one caller on Sam Donaldson's radio show suggested that Hope should be flown to the rotunda, an honor befitting a president—or Bob Hope.

A Good Soldier

The criticism of FCC Chairman Michael Powell over his media-ownership rule revamp is perfectly understandable given the passion of anti-deregulation forces, and so long as it is confined to the issues in dispute. The ad hominem attacks are out of line, however, and do not reflect well on those who make them, regardless of how high their dudgeon. One congressional opponent went so far as to suggest Powell was "ruining" the agency.

What Powell has been doing is holding to his long-held principles about the marketplace while he tries to hit the constantly moving target of a biennial review at the direction of Congress and under the deregulatory eye of the conservative D.C. circuit. He has said quite clearly that, if his boss—Congress—wants him to do something other than what he is doing, it needs to say so in language that is also clear to the courts. He is acting like a serious regulator rather than a politician. Like it or not, he is doing exactly the job he was hired to do and doing it well.



AIRTIME

GUEST COMMENTARY

An Open Letter to John McCain

Dear Sen. McCain: Seventy billion dollars is a big round number. It rolls easily off the tongue, especially when coupled with phrases like "digital spectrum" and "broadcast giveaway." And, because it comes from some eggheads on the FCC's own staff, it has had a certain aura of legitimacy (even long after those same eggheads disavowed it).

We now know, however, that \$70 billion has no more legitimacy than a Clinton golf scorecard, or any other discredited numbers: like 300,000 looted Iraqi antiquities, an Enron earnings release, or this year's projected federal budget deficit.

We know this because the FCC has sold off some actual, not hypothetical, spectrum. In two recent auctions, it sold the nationwide rights to spectrum now occupied by three broadcast channels (ch. 54, 55 and 59). The price: about \$50 million each.

As you know, the digital conversion has enabled the FCC to "repack" TV broadcasting into "core" channels 2-51. That's 50 channels nationwide for broadcasting, or \$2.5 billion at current prices. In fact, interference protection limits usage to no more than half of these channels. That works out to ... less than \$1.25 billion.

Whoa! From \$70 billion to \$1 billion-2 billion?

A big part of that drop is, of course, the bursting of the spectrum/telecom bubble. Seventy billion implied that each digital broadcast channel was worth almost \$3 billion. Three years ago, PCS speculators were paying the equivalent of \$6 billion per nationwide TV channel.

About that time, another full channel's worth of TV spectrum, cobbled together from ch. 62 and above, was sold for about 10



We know now that the digital spectrum is not worth anything close to \$70 billion.

GREG SCHMIDT
LIN Television

times the price of the most recent auctions. Even that was only half a billion per channel—and it was far more than anyone would pay today.

There is certainly room to quibble over whether the amount paid for ch. 54, 55 and 59 is a full reflection of the value of the digital broadcast spectrum. It, too, was a snapshot in time; investors will someday return to the telecom sector. And preserving a universal broadcast industry surely was worth more than \$1 billion and change.

Broadcasters should get credit for the fact that their move to the more spectrum-efficient digital technology allowed the FCC to free up ch. 52-69. Unlike other spectrum purchasers, they must use their channels for digital broadcasting, which will generate only costs for years to come.

In fact, there was no "giveaway" at all. Temporary use of a second channel was needed only to prevent the consumer outrage that would have been caused if Congress had mandated that hundreds of millions of analog sets become obsolete overnight. This problem was created by Congress:

Alone among all communications providers, broadcasters have a statutory mandate to transmit signals that are open, unencrypted and available to every TV receiver.

But, giveaway or not, at least we know now that the digital spectrum is not worth anything close to \$70 billion. Can we throw this number on the scrap heap where it belongs?

Your humble servant, Greg Schmidt

Schmidt is general counsel of LIN Television, the No. 25 TV-station group.



OPEN MIKE

Editor: It stuns me that your magazine—the clarion voice of reason over the past 80 years—would be such a quiet pussycat on this astonishing stoppage of the radio/TV station license application transfer process since June 2, 2003. I don't think that this type of arrogant stoppage of normal, plain vanilla license transfer applications has ever had a similar block since the 1934 Communications Act became law.

Not only has BROADCASTING & CABLE been shy to speak up on this vital issue, but ditto all other major trade publications. Doesn't this display of haughty bureaucratic unilateral power make you mad? What happened to this industry's gut passions for yelling to the world: "This is flat-ass wrong. This high-handed stoppage of normal radio/TV transactions doesn't pass the test of Jesuit-Yeshivah logic."

Yes, as a station broker, I have an obvious axe to grind. When I was privileged to talk with Ken Ferree of the FCC at the recent New York State Broadcasters Conference, I expressed my concern about the predictable six-month length of this license transfer application freeze versus his dewy-eyed 2½-month estimate. I also asked why the FCC didn't at least permit the vanilla-type applications to go through, those that had no remote base for a FCC past, current or revised regulatory concern?

Said Ferree: "Because that's what we [the FCC] decided, period, end of comment. We can't be concerned about making exceptions along the way."

National Association of Broadcasters President Eddie Fritts, standing next to Ferree, suggested this was something that the NAB should look into. To date, the NAB has been curiously quiet on this issue. Maybe it's just too small.

Although the revised Application Transfer Forms have been published in the Federal Register, the best-case scenario is that the FCC will begin processing all applications around mid September. That's if various headline-grabbing Senators don't bollix the works up and cause further delays.

Watching what has been going on—or not going on—at the FCC and on Capitol Hill clearly indicates that the normal station transaction process could be shut down until Halloween or beyond. Doesn't anybody care? Or are we all just going to roll over and play dead because this is what the bureaucrats have unilaterally decided?

I feel just like the late Peter Finch in the movie *Network*—shouting out my window—"I'm mad as hell and I'm not going to take it anymore!"

I bet, if the broadcast trade publications couldn't take ads until the government approved and issued your revised ad-insertion forms, you'd be mad as hell, too.

FRANK BOYLE
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WE LIKE LETTERS

If you have comments on anything that appears on these pages and would like to share them with other readers, send them to Harry A. Jessell, editor in chief (e-mail: hjessell@reedbusiness.com, fax: 646-746-7028 or mail: BROADCASTING & CABLE, 360 Park Avenue South, New York, NY 10010).

**HARRY A. JESSELL**
EDITOR IN CHIEF

TV's Big Assist

Kobe Bryant media circus could prove dangerous distraction

A conspiracy at the highest levels of government is afoot. Lean in and I'll tell you all about it. Here's the deal: Donald Rumsfeld and his pal Paul Wolfowitz set Kobe up. You heard me right. They hired that 19-year-old woman to seduce Kobe and yell rape.

It's a reverse "Wag the Dog" ploy. Rumsfeld and Wolfowitz know that the best way to distract television from their debacle in Iraq is to come up with a big-time TV circus, one in which you can smell the elephant dung from miles away. And what better show than a beloved and wealthy celebrity athlete accused of a violent crime.

So far, it seems to be working. TV and radio are ramping up for the story just as they did for O.J. and Tyson and that minor Kennedy guy in West Palm Beach. And every correspondent, every camera crew and every minute of airtime used for this story is that much less available for figuring out what's going on in Iraq, Afghanistan and other places the Defense Department likes to play.

OK, OK, so maybe Rumsfeld and Wolfowitz didn't have anything to do with Kobe's troubles. But the fact remains that TV and radio will spend too much time and effort on the story because viewers and listeners will line up for it like hayseeds at a freak show. And other stories—like the sluggish economy, merciless African wars, Middle East peace efforts, the whereabouts and doings of hundreds of thousands of U.S. service men and women overseas—will just have to wait until NBC gets around to interviewing everybody at that woman's Sweet 16 slumber party. (ABC News broke the news last week that the woman had some sexual activity with Kobe before the alleged rape. The tabloids were quick to pick up the scoop. Way to go, ABC News.)

The cable networks will lead the charge in this gross misallocation of time and resources. Every prime time pundit will take turns putting his or her spin on that day's revelation. Greta is already on this like leeches on a *Fear Factor* contestant. O.J. made her a cable news staple. Maybe Kobe can make her a star.

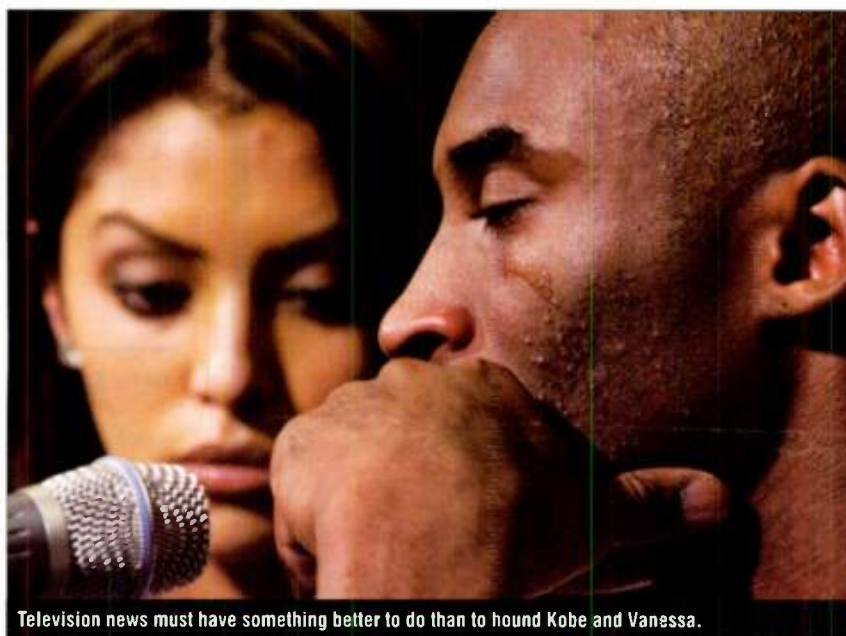
Our issue two weeks prior to 9/11 featured Connie Chung's "big get" for

ABC News: Gary Condit. Remember that non-story that consumed the electronic media during the summer of 2001. Twenty-four million people tuned in to hear Condit's canned responses. All that attention by the way destroyed Condit's career, even though no evidence ever emerged that he was involved in Chandra Levy's death.

After 9/11, we ran stories in which TV newsmen admitted that they had missed the story about the mounting antipathy toward the U.S. because they

But the story is resistible. Dan Rather famously refused to be drawn into the Condit story, in part because the story had been sensationalized and in part because he thought Condit was being railroaded. Rather took heat for his refusal, but time proved him right.

The Kobe story has no broader meaning. The outcome of this tragedy matters only to those directly involved. Like the local officials and citizens, the media has a role in this as it



Television news must have something better to do than to hound Kobe and Vanessa.

PHOTO: REUTERS / LUCY NICHOLSON

were obsessed by Condit, shark attacks and scores of other meaningless stories. They promised to pay closer attention to world affairs. Yeah, right.

If TV news didn't screw around so much, if before the Iraqi war it actually investigated the government as it's supposed to, the American public might have found out that the Iraqi army was not armed to the teeth with weapons of mass destruction and that Iraqi officials were not running around Africa shopping for nuclear material. Let's guess how those facts might have affected responses to surveys on whether to go to war.

The Kobe story seems irresistible. Kobe is a bona fide star with a Boy Scout image and a beautiful wife. His accuser is the girl next door. The mystery of who did what to whom will unfold in tantalizing bits and pieces.

does all trials: to bear witness and make sure that justice is done. That's it. Anything else is pandering and sensationalism.

The media doesn't have to ignore the story. It just has to keep it in perspective and remember what really matters. It will be tough for TV, which leans more toward the *New York Post* than the *New York Times*. But come on, we did learn something from 9/11, didn't we?

Rumsfeld and Wolfowitz didn't set Kobe up, but I'm sure they and other wielders of great power won't mind if TV focuses on the trial of Kobe rather than on the tribulations of the rest of the world. ■

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NAB Changes Its Stance on Cap Once Again

Continued from page 1

the NAB," said McCain, who remains angered by broadcasters' fight against mandated free airtime for federal candidates, an issue near and dear to him.

Despite not winning any friends for its fair-weather support of the bill, association chief Eddie Fritts last week wouldn't rule out another course change before the legislative fight is over.

One change already was a vote by the NAB joint board last week. With momentum in Congress seemingly going their way, members agreed to resume support for a House appropriations bill that would reinstate the 35% cap.

The vote came only 17 days after NAB President Eddie Fritts announced that the group would fight the legislation it had originally backed for fear that other provisions the group opposes would be tacked on. That fear diminished when the House approved a clean 35% bill and soundly defeated efforts to revive restrictions on newspaper crossownership and TV duopolies.

Given both House and Senate sentiment for additional restrictions, Fritts says leaders of the cap-rollback effort generated impressive obedience in defeating the extra measures. "I was

surprised lawmakers showed as much discipline as they did."

But the NAB is in a quandary. Legislation to reverse the FCC's June 2 decision to lift the cap is moving through Congress on at least three different tracks. If the group is lucky, it will get exactly what it wants: a "clean" piece of legislation that retains the 35% cap and prevents the networks

'I think we helped the process along and in the final analysis got the best result.'

EDDIE FRITTS, NAB

from growing and putting NAB's network affiliates at a competitive disadvantage. But the fear, though lessened, is not gone. Lawmakers could still add measures that broadcasters oppose, including a ban on local broadcast/newspaper crossownership and tighter restrictions on TV duopolies. Even new public-interest obligations are in play.

Fritts needs more lawmakers like Conrad Burns, the former broadcaster-turned Montana senator. Burns held NAB blameless for its back-and-forth on the

bill. "We're changing our minds up here all the time," he said, waving off concern. "I've supported legislation before and then later had my legs cut out from under me."

The decision to resume fighting for the 35% cap came the same day Fritts named acting chief lobbyist John Orlando to the post permanently (see below).

Fritts also won unanimously the board's vote of confidence, despite dissension over the 35% battle. One segment of NAB members, led by members who are also leaders of the National Affiliated Stations Alliance, is determined to keep the cap low. Other members, such as Tribune Co., are worried that the battle will jeopardize their most cherished gain: permission to own more TV/newspaper combos.

McCain's willingness to push forward with legislation that goes well beyond the 35% "bears out Eddie's foreboding" of three weeks ago, said Tribune lobbyist Shaun Sheehan.

Despite still having reservations about what will happen when the Senate takes up its appropriations bill in September, Fritts thinks the previous opposition did the trick. "I think we helped the process along and in the final analysis got the best result." ■

Orlando Fills the Hill Bill

By BILL MCCONNELL

John Orlando last week won the nod to be the National Association Broadcasters permanent chief lobbyist and executive vice president.

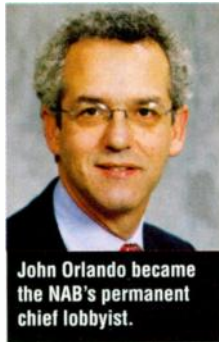
Orlando has been the acting top lobbyist since Jim May left in February to become chief executive of the Air Transport Association of America. He has taken over with Capitol Hill in the midst of the most intensive legislative battle affecting the industry since the 1996 Telecommunication Act. Orlando will have to deftly work the halls of Congress to reverse deregulation the NAB opposes—the FCC decision to raise the national TV ownership cap—while preserving deregulation it likes, including greater opportunities for broadcasters to own duopolies, triopolies and local newspapers. Critical fights are also likely over digital television and possible efforts to expand low-power radio.

Orlando, 47, joined the NAB from CBS in January 2001 as senior vice president and led the organization's lobbying on digital TV issues.

"John Orlando has repeatedly demonstrated a deft understanding of Capitol Hill and the legislative process," said NAB President Eddie Fritts. "His extensive contacts in the industry and in Washington, along with his ability to effectively communi-

cate the benefits of free, over-the-air broadcasting, make John the ideal choice for this position."

Fritts escaped a potentially politically touchy dilemma when Orlando's main rival dropped out of the race in March. Otherwise, Fritts would have faced a choice between the favored candidate of one of the most important committee chairmen overseeing the industry and a current employee backed by many in the industry and the committee's senior Democrat.



John Orlando became the NAB's permanent chief lobbyist.

David Marventano, previously staff director for House Energy and Commerce Committee Chairman Billy Tauzin, instead became senior vice president of government affairs for California-based Flour Co. Tauzin had been endorsing Marventano as part of the GOP's broad push to get Republicans hired to top lobbying jobs. (For their most recent success, see the RIAA item in Washington Watch, page 21.)

Orlando, a Democrat, had been the favored candidate of his old boss, Rep. John Dingell, the Commerce Committee's ranking Democrat.

Before working for CBS, Orlando was a vice president and principal at Timmons & Co., a Washington lobbying firm.

From 1989 to 1993, Orlando served as chief of staff for the Commerce Committee. Orlando also has directed the panel's Oversight and Investigations Subcommittee and Dingell's personal staff. ■

Challenges to Rules Stall Station Sales

Continued from page 1

For anyone looking for guidance on what they can and cannot own going forward, the watchwords are: Buyer beware. "Any station owner contemplating buying something else should keep that [uncertainty] in mind until Congress disposes of this," advised one congressional aide last week.

Last week, the National Association of Broadcasters was the first to announce its plans. The industry group's joint board voted to take the FCC to court to loosen duopoly limits even more than the agency already has. The FCC let more owners in smaller markets operate paired TV stations, but many broadcasters say it didn't go far enough.

NAB also will take the lead in a challenge to a change in radio-market measurement that could reduce the size of radio clusters permitted in some smaller markets.

The Network Affiliated Stations Alliance, which wants to keep the broadcast nets from buying more stations, agreed to take the lead in a suit attacking the FCC decision to lift the national TV-ownership cap to 45% of TV households.

The networks weren't ready to reveal their plans last week. Fox and CBS, however, are the only station groups now exceeding the 35% cap.

Public-advocacy groups are still mulling their options but are likely to divide the duties, with some going to court and others asking for technical clarifications of the FCC's changes. All are expected to lobby hard for legislative rollbacks. "There are likely to be requests for recon-

'I expect these issues are going to ricochet around the Senate for some while.'

SEN. BYRON DORGAN (D-N.D.)

sideration and appeals by different groups," said Media Access Project President Andrew Schwartzman.

Generally, parties don't file both petitions for reconsideration and court appeals because judges won't go forward with a case when the complainant has a related proceeding pending at the commission.

While the FCC and court reviews are being teed up, Congress is going forward with several legislative options to rewrite the commission's rules.

The most likely to pass is a House appropriations bill containing an amendment that would reinstate the 35% cap. The measure has wide support in the House, despite the opposition of GOP leaders. The Senate is expected to pass similar legislation in October.

The White House has threatened to veto the measure and is trying to line up enough lawmakers sustain a veto; one-third of either the House or Senate would be sufficient. With those commitments, House Republican chiefs would have more power to strike the broadcast-cap provision from the bill when House and Senate negotiators meet to resolve differences between their two versions.

The Senate Commerce Committee has approved broader legislation that also would reinstate the ban on local broadcast/newspaper crossownership and force roughly 200 radio-station divestitures across the country. Even if that legislation passes the Senate, there is little chance House leaders would let a companion bill get a floor vote.

Sen. Byron Dorgan (D-N.D.) said that he will bring his "legislative veto," which would nullify the FCC's rule changes, to the Senate floor in September. Thirty-five senators have signed on so far, he said last week.

There's little chance that the House would follow suit because, unlike the Senate veto, there's no option for bringing the measure to a full vote if the leadership is opposed. The veto is still valuable because it will give the full Senate a chance to express its displeasure with media deregulation.

"I expect these issues are going to ricochet around the Senate for some while," Dorgan said. ■

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