



Box-Office Bling

TV loves movies like *Batman Begins*, especially their ad budgets. Last year, film studios spent \$2.7 billion on TV touting new releases.

Page 18



\$3.3 Billion

NBC Universal's estimated profit for 2005

ADELPHIA
DEAL
UNDER ATTACK
PAGE 8

MAY 2, 2005

BROADCASTING & CABLE

⚡ \$4.95

Reed Business Information

INSIDE

FCC Chief To Industry: Heal Thyself 10

Local TV News On-Demand 10

New Book Blasts AT&T's Bad Connections 6

UPFRONT PREVIEW

Handicapping Prime Time

In two weeks, the broadcast networks unveil 2005 fall schedules. Can ABC build on this season? Can Fox grow beyond



Idol? What's CBS without *Raymond*? Is prime time ready for NBC's Martha? B&C checks out prime time hot spots night-by-night. Page 4

Martha Stewart

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**Does NBC Universal
Pass the Vision Test?**

Page 12



THE WORD NETWORK NOW SEEN IN 130 COUNTRIES

Afghanistan
Albania
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Angola
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Bhutan
BiH
Bosnia-Herzegovina
Botswana
Brunei
Bulgaria
Burkina Faso
Burundi
Cambodia
Cameroon
Central African
Chad
China
Congo
Cote D'Ivoire
Croatia
Cyprus
Czech Republic
Denmark
Djibouti
Egypt
Equatorial
Estonia
Ethiopia
Finland
France
Gabon
Georgia
Germany
Ghana
Greece
Guinea
Hong Kong

Hungary
India
Indonesia
Iran
Iraq
Ireland
Israel
Italy
Ivory Coast
Japan
Jordan
Kashmir
Kazakhstan
Kenya
Korea North
Korea South
Kuwait
Kyrgyzstan
Laos
Latvia
Lebanon
Lesotho
Libya
Lithuania
Luxembourg
Macedonia
Madagascar
Malawi
Malaysia
Mali
Moldova
Monaco
Mongolia
Morocco
Mozambique
Myanmar
Namibia
Nepal
Niger
Nigeria
Norway
Oman
Pakistan
Palestine
Papua New Guinea
Philippines

Poland
Portugal
Qatar
Republic of South Africa
Romania
Russia Federation
Rwanda
Saudi Arabia
Serbia
Singapore
Slovakia
Slovenia
Somalia Republic
Spain
Sri Lanka
Sudan
Swaziland
Sweden
Switzerland
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B&C WEEK

Where to be and what to watch...

Monday, May 2

It was double-take time when we clapped eyes on the description of tonight's *Extreme Makeover: Home Edition: How'd They Do That?* (ABC, 8 ET). The guy getting the new-house treatment is **James Dolan**, the victim of a workplace shooting incident. *Yikes! Have things gotten this bad at Cablevision?* Turns out it's another, non-Voom-related Mr. Dolan. *Three R alert, readin', ritin' and Republican edition:*

Sen. **John McCain** shows up at his alma mater, the U.S. Naval Academy, as the guest lecturer for a U.S. Government & Constitutional Development class in another edition



James Dolan

of *Stand In* on the 24-hour college network *mtvU* (12 midnight ET). Thus



Sen. John McCain

McCain joins the august ranks of fellow academics-for-a-day, which include Professors **Marilyn Manson** and **Snoop Dogg**.

Tuesday, May 3

The **Festival Rose d'Or** getting under way today in **Lucerne, Switzerland**, is an enticing affair that presents plenty of opportunities for backslapping and networking amid all the awards presentations for international entertainment television. But former **Monty Python** member **Terry Gilliam** is skipping the opportunity to bask in the multinational glow as the troupe is inducted into the festival's hall of fame. Possibly Gilliam suspected that the organizers were overenthusiastic fans plotting some sort of ghastly attempt at Python-style humor. The festival Web site proclaims, "The Rose d'Or Hall of Fame is high in the beautiful Swiss Alps housed in an ice cave carved in the living glacier. The Hall of Fame inductions and celebrations will take place in this magnificent natural setting..." Gilliam's comment: "I can think of no more delightful way of being honored than by being frozen in a glacier. I'm even more delighted that **Terry Jones** will be accepting the honour for the group... alone."



Terry Jones

T A B L E O F C O N T E N T S

MAY 2, 2005 VOLUME 135 NUMBER 18



Friends is gone, the NFL is coming back, and NBC is into movies. **Page 12**

COVER STORY: Does NBC Universal Pass the Vision Test?

Universal Helps NBC Keep Its Balance **Page 12**

Wright Likes the View From His Studio **Page 14**

NEWS & COMMENT

Handicapping Big Four Development **Page 4**

Fast Track **Page 4**

Money Talks **Page 6**

The B&C 10 **Page 6**

Flash **Page 7**

Activists Aim at Adelphia Deal **Page 8**

Washington Watch **Page 8**

Martin Pushes Self-Control **Page 10**

Station to Station **Page 10**

MARKET EYE

At a Glance: Mobile-Pensacola **Page 11**

Shoring Up the Market **Page 11**

Networks Switch, Not Viewers **Page 11**

TECHNOLOGY

Live TV on Your Cellphone **Page 20**

Q&A: Marc Valentin and Jeff Rosica, Grass Valley **Page 20**

NIELSEN RATINGS **Page 17**

DEALS **Page 22**

PEOPLE

Datebook **Page 23**

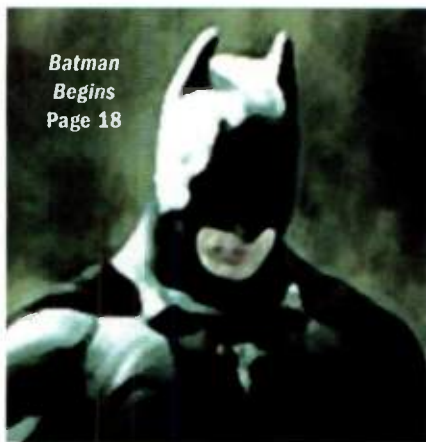
Fifth Estater: Lauren Zalaznick, Bravo/Trio **Page 24**

Fates & Fortunes **Page 24**

OPINION

Editorial **Page 30**

Airtime **Page 30**



Batman Begins **Page 18**

SPECIAL REPORT: TV Advertising

Movie Studios **Page 18**

SYNDICATION

Ratings **Page 9**

L.A. Berth Pains **Page 9**

In Focus **Page 9**

The Robins Report will return next week

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Wednesday, May 4

Let's see, first **ABC** lobbs a bomb at a competing network with tonight's hour-long *Primetime Live* investigation of "explosive claims" about **Fox's American Idol** (10 ET—they insist on calling it 10:02, but we're not playing along). Then, later this sweeps month, it's **ABC's Trump Unauthorized** TV movie about the host of **NBC's The Apprentice**. Why not mess with **CBS**? *Coming up next: Diane Sawyer goes undercover, loitering near CSI location shoots, making faces in the background and "accidentally" knocking over garbage cans at inopportune times!*



Diane Sawyer

Thursday, May 5

The **Society of Cable Telecommunications Engineers** holds a VoIP-centric symposium today at the **Grand Hyatt** hotel in **Denver**: "Delivering Voice Today—Leveraging Multimedia Tomorrow." Even if you don't fall in the "Who Should Attend" category (voice operations managers, voice/data business managers, engineering professionals, new-business development managers), you might want to pony up the \$525 admission fee for non-SCTE members so you can terrify everyone back at the office with your mastery of brain-frying technical matters, planting the seed in their minds that, five years from now, *they might be working for you.*

Friday, May 6



Matt Lauer

In a bit of **NBC Uni** synergissimo, *Today* co-host "and avid golfer" **Matt Lauer** hosts **USA Network's The Good Life** (7 p.m. ET), which will "gaze into the lives of PGA

TOUR pros," the press release promises. You might want to start soft-pedaling the avid-golfer angle for a while, Mr. Lauer. **NBC** already freed up *Today* exec producer **Tom Touchet** to hit the links whenever he likes, and somehow we doubt that, if the housecleaning continues over there, **Katie Couric** will be regularly swinging a five-iron anytime soon. Not on a fairway, at least. *Fore!*

—Mark Lasswell

Email info for **B&C Week** to b&cweek@reedbusiness.com

FAST TRACK

Busy Week For 'Idol'

First, ABC's *Primetime Live*, looking for a sweeps-ratings spark on the eve of the fall schedule announcements, hyped a May 4 special criticizing the Fox phenomenon.



American Idol

The special will reportedly involve charges that *Idol* judge Paula Abdul had an affair with second-season contestant Corey Clark—which could violate FCC rules involving televised contests if the relationship affected the outcome—but ABC won't comment further, except to say the charges are "explosive."

Fox remains tightlipped and reportedly is looking into the allegations. Abdul's lawyer Marty Singer came out swinging. He denies the claims, threatened to sue ABC and lashed out at Clark's character.

Meanwhile, audience members booed the departure this week of fan favorite Constantine Maroulis. On April 28, thesmokinggun.com reported on a drug bust of another contestant, Bo Bice.—J.B.

VNR Bill Introduced

Democratic Sens. John Kerry of Massachusetts and Frank Lautenberg of New Jersey have introduced their bill requiring visible disclaimers on all government-produced pre-packaged video news releases (VNRs).

The bill, christened the Truth in Broadcasting Act, will get a hearing in the Senate Commerce Committee in early May.

The bill requires all pre-packaged news stories produced by Executive Branch agencies to contain a "continuously visible disclaimer" stating "Produced by the U.S. government" when they air on domestic media outlets.

Currently, FCC rules require broadcasters to identify outside material if it is of a political or controversial nature, but there is no explicit requirement to carry

What Networks Need This Fall

A night-by-night look at strengths and gaps **By Jim Benson**

In two weeks, the broadcast networks will begin parading their new schedules in front of advertisers. But between now and May 16, when NBC starts the process by unveiling its prime time, frazzled network executives will look at dozens of pilots and decide the fate of lots of iffy series they already have on-air.

Looking at what worked and what didn't over this past season can provide some indication of what's likely to come. But there are always last-minute surprises.

It's likely that two battlefield nights will be Monday and Thursday. On Monday, without *Everybody Loves Raymond*, CBS is vulnerable. On Thursday, where NBC's comedy lineup is limping, ABC sees an opportunity.

As always, several critically recognized series are "on the bubble" going into the upfronts, including *Arrested Development*, *Judging Amy*, *Alias*, *Joan of Arcadia* and *The Office*.

Fox, meanwhile, will try to create a more stable schedule prior to baseball in October.

The WB will have to deal with problems on Sunday and Thursday nights, as well as addressing what goes into the 8:30 p.m. slot on Friday. Otherwise, it looks to be in good shape.

Urban-focused UPN, which has already picked up *America's Next Top Model*, *Veronica Mars* and *WWF Smackdown*, will have to decide whether to pick up *Kevin Hill* Wednesdays at 9. Depending on the strength of its comedy development, all of its Monday-night comedies could come under scrutiny.

Here's a look at the how each night of prime time shapes up:

SUNDAY

ABC: Mess with success? Not likely. *Desperate Housewives* has turned the night into a romp, and midseason medical drama *Grey's Anatomy*, which was to stick around for only four weeks, has been a monster hit at 10 p.m. ABC has decided to keep it in the slot formerly occupied by David E. Kelley's *Boston Legal* for the rest of the season.



Desperate Housewives

ABC could decide to move *Boston* or *Grey's* to a new night—launching a new series after *Housewives*—but the betting money is on *Boston Legal's* moving. Kelley's series could really flourish in a different time period. The network has already given it a full-season pickup for 2005-06, and, with this season's unused episodes, it will have the unusually large number, 27, ready for fall.

ABC will also have to look at the demo performance of the two time-period contestants. *Grey's Anatomy* has proved much more compatible demographically with *Housewives*. It's a hit with viewers of all ages (up 180% versus the year-ago time period in adults 25-54)—the perfect lead-in for the affiliates' late local newscasts.



Grey's Anatomy

CBS: CBS is unlikely to make any major changes on the night this fall. Although the *CBS Sunday Movie* franchise is struggling, so are most shows airing in the 9 p.m. time period.

Fox: What happens Sunday nights next season will depend in large part on what the ratings look like for the May 1 premieres of *The Family Guy* (returning to the schedule after enjoying DVD success) and *American Dad*.

A decision on the fate of the critically acclaimed *Arrested Development* won't be easy. *Arrested* at 8:30 inherited the highest-rated lead-in on the Sunday-night schedule, *The Simpsons*, yet it has lost roughly a third of those viewers throughout the season. If the show does come back, it would likely turn up elsewhere on the schedule.

NBC: In 2006, NBC will become the new home of Sunday-night football; in the meantime, it has its hands full devising a short-term plan to get back into the game this fall on TV's most highly viewed night. *American Dreams* and *The Contender* have languished in the 8 p.m. slot this season, while 10 p.m. entry *Crossing Jordan* has been picked apart by ABC's *Grey's Anatomy*.

Despite facing erosion this season in the 9 p.m. death slot against those pesky *Housewives*, *Law & Order: Criminal Intent* should stay on the docket.

MONDAY

ABC: Expect programmers to aggressively tackle this night, where ABC will need to start laying the foundation for schedule stability before handing off *Monday Night Football* to ESPN in 2006. Even with the schedule difficulties

Continued on page 16

the disclaimer throughout the piece.

This bill tries to be "gentle on the broadcasters," says a Kerry staffer, putting the onus on the government agency to include the continuous disclaimer and on the broadcaster not to take it off.—J.E.

Woodruff Leaving CNN

Judy Woodruff is leaving Cable News Network, she told colleagues April 28, although she will remain a consultant and sometime contributor.

"I'm discussing several long-form projects in television," she said. "I'll also teach, do some writing and be an occasional consultant and contributor to CNN."



Judy Woodruff

Woodruff, 58, joined CNN in 1993. The network has not yet said if it will continue to produce *Inside Politics*, which airs weekdays at 3:30-4:30 p.m. The show averaged

512,000 total viewers in April.

In January, the network announced it will phase out long-running political debate show *Crossfire*, which follows Woodruff's show. CNN/U.S. President Jonathan Klein, who took the reins in November, has said he wants to focus on CNN's prime time coverage of hard news, shifting features and entertainment programming to a new block on sister network *Headline News* in February.—A.B.

CNN Posts Some Gains

CNN can finally crow about something in its ratings struggle against the still-dominant Fox News.

In April, CNN's total-day viewership jumped 11% to an average 531,000 viewers, *Headline News* jumped 21% to 235,000 total viewers, while Fox News dropped 6% to 825,000.

In weekday prime, CNN closed its audience gap with Fox News in the 25-54 demo.

Fox News led CNN by 149% in April 2004 in prime in the demo—594,000 viewers 25-54 compared with CNN's 239,000. This year, CNN reduced the gap to 46%, notching 304,000 view-

Continued on page 28

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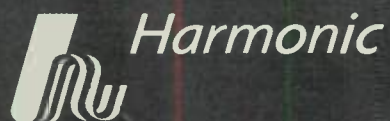
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AT&T's Off-the-Hook Book

A manual on how to botch a media mega-deal

Executives don't really need any more lessons about how to do big deals badly. Sumner Redstone's machinations at Viacom have been a good primer. But a graduate course is the soon-to-be published book about AT&T's disastrous plunge into media.

One eye-popping assertion: In its quest to cure the ills of its core long-distance business by gobbling up cable systems, AT&T pushed itself to the edge of Chapter 11.

Written by Leslie Cauley, the book—scheduled to be published in August by Free Press—is aptly titled *End of the Line: The Rise and Fall of AT&T*. It chronicles the breakdown of one of the great icons of American business, the once mighty Ma Bell.

There's a great story here, but New York gossip columnists will be paging through Cauley's book for its savage portrayal of Leo Hindery, the ex-cable executive who has since become a prominent player in New York City politics.

Cauley covered telecommunications for more than a decade at *The Wall Street Journal* and *USA Today*, where she wrote about AT&T's plunge into the cable-TV business. But she also co-authored *The Biggest Deal of All*, also from Free Press, with Hindery, then president of onetime cable giant TCI and briefly president of AT&T Broadband after the telephone company bought TCI in 1999.

Hindery is currently—among other things—cutting a high political profile as campaign finance chief for Fernando Ferrer, the leading Democratic candidate challenging New



Leo Hindery (left) and Michael Armstrong

York City Mayor Michael Bloomberg. Cauley and Hindery developed a close relationship during their book project, giving her access to his insights and many documents from that period. Their collaboration apparently ended very badly, if her harsh description of Hindery is any indication. More on that later.

In an uncorrected proof edition of *End of the Line*, Cauley concludes that "no single decision felled AT&T." Instead, it was scores of bad decisions "each linked in a daisy chain of managerial incompetence."

(Now AT&T is in the process of selling to SBC Communications, once its Baby Bell subsidiary.)

Cauley focuses on AT&T's recent years, after Michael Armstrong was brought in to save the long-distance giant from a slow death spiral. MCI, Sprint and dozens of smaller long-distance carriers were pecking away at its core business, which accounted for half its revenues and virtually all its profits. Armstrong's response was to plunge into cable. He believed AT&T needed to push into local-phone business, and cable was his path into the home. Just like the phone company, cable operators had wires running down every street in America. That copper could be carrying phone and video.

AT&T tried to partner with cable operators, but they smelled the desperation and demanded enormous payments. Instead, Armstrong turned to the largest cable operator—John Malone's TCI—and bought it, paying \$48 billion.

That's where panic overtook good sense. One misstep Cauley notes: AT&T agreed to the merger without fully inspecting TCI's systems.

They would have discovered what everyone in the cable industry knew: TCI was in no shape to launch phone services as quickly as AT&T wanted. Dan Somers, then CFO and later CEO of AT&T Broadband, drafted projections without thoroughly checking.

Months after signing the deal, an AT&T executive asked to perform some spot checks, but TCI said that "the time for due diligence was over."

That was a big problem because the cable-telephone rollout was a corporate imperative and AT&T's stock price hinged on it. But, Cauley says, AT&T executives—particularly Somers—seemed blind to its cable woes.

Former AT&T and Cox Communications executive Curt Hockmeier describes his weekly progress reports

to Somers on system upgrades, including all the outages, cut lines and other snags. Somers, Cauley says, would "sit there stone-faced." Week after week, he offered no criticism, no suggestions or feedback of any kind.

Somers was often badly out-negotiated, so much so that other cable operators privately had a refrain: "Dan's in the room."

Case in point: In a 2000 meeting, he demanded that Cox and Comcast executives commit to sell AT&T their stakes in a high-speed-Internet partnership, @Home, for \$27 a share, already 50% more than @Home's trading price.

Comcast's executive, deal guru Larry Smith, consulted President Brian Roberts, who simply said, "Double it." Smith protested that AT&T wouldn't pay. Roberts' reply: "Yeah, but don't forget, Dan's in the room." Somers agreed to \$48 per share, or \$3 billion. Later, @Home went bankrupt.

But what nearly killed AT&T was the takeover of another cable operator, MediaOne. It was Armstrong who cut that \$62 billion deal that stretched the company thin. CFO Chuck Noski and board member John Malone feared a gigantic default. AT&T ultimately avoided that, in part by selling its cable systems to Comcast.

While Somers and Armstrong receive harsh treatment in Cauley's book, they don't get it as badly as her former collaborator, Hindery.

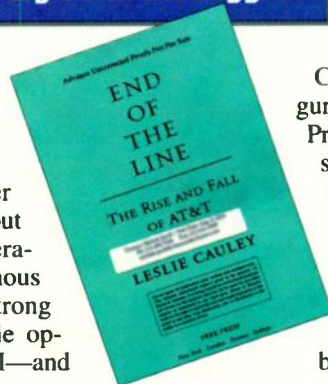
She calls him a "carnival barker," "a junk-food addict with a waistline to match" and, in a particularly cheap shot, a "Queer Eye for the Straight Guy" makeover just screaming to happen."

Tougher still, she contends that Hindery put too positive a spin on operations and deals. Malone describes him as always "sprinkling a little stardust."

Hindery and an AT&T spokesman say they have not seen any drafts of the book and won't comment in detail. A Hindery spokesman says, "Over the course of 25 months, Leo made tens of billions of dollars for his shareholders and for all parts of the cable industry, for which he was much recognized by the industry and the national media. Leo is very proud of his accomplishments, which were well-documented in his 2002 book with his co-author Leslie Cauley." ■

E-mail comments to jhiggins@reedbusiness.com

MONEY TALKS
By John M. Higgins



An advance copy of *End of the Line*

AT&T was felled by scores of bad decisions "each linked in a daisy chain of managerial incompetence."

LESLIE CAULEY, *END OF THE LINE*

THE B&C

WEEK OF APRIL 22-28

THE B&C 10

WEEK YTD



BROADCAST TV GROUPS

WEEK YTD



CABLE OPERATORS

WEEK YTD



RADIO

WEEK YTD



| | CLOSE | WEEK | YTD |
|-----------|----------|-------|--------|
| Dow Jones | 10070.37 | -1.5% | -6.6% |
| Nasdaq | 1904.18 | -3.0% | -12.5% |

THE B&C 10

CLOSE WEEK YTD

| | | | |
|---------------|---------|-------|--------|
| Cablevision | \$26.09 | -5.0% | 4.8% |
| Clear Channel | \$32.00 | -2.5% | -4.4% |
| Comcast Corp. | \$31.48 | -1.1% | -4.1% |
| Disney | \$25.90 | -6.4% | -6.8% |
| EchoStar | \$28.47 | -5.0% | -14.4% |
| Fox Ent. | \$36.35 | 0.0% | 16.3% |
| Hearst-Argyle | \$24.86 | -1.0% | -5.8% |
| Time Warner | \$16.86 | -3.8% | -13.3% |
| Tribune | \$37.48 | -1.7% | -11.1% |
| Viacom | \$35.00 | -2.2% | -5.6% |

GOOD WEEK

| | | | |
|--------------------|---------|------|--------|
| Scientific-Atlanta | \$30.42 | 5.2% | -7.8% |
| CSG Systems | \$17.05 | 3.9% | -8.8% |
| McGraw-Hill | \$86.13 | 3.4% | -5.9% |
| Meredith Corp. | \$46.66 | 2.3% | -13.9% |
| Univision | \$26.26 | 0.2% | -10.3% |

BAD WEEK

| | | | |
|---------------|---------|--------|--------|
| Paxson | \$0.87 | -23.0% | -37.0% |
| Charter | \$1.09 | -19.3% | -51.3% |
| Granite | \$0.25 | -16.7% | -39.0% |
| Gabriel Tech. | \$2.25 | -11.8% | -23.7% |
| Salem Comm. | \$18.70 | -11.0% | -25.1% |

PAXSON PLUNGES

-23%

Remember when talk about a takeover of Paxson Communications caused its penny stock to nearly double a few weeks ago? Well, the financial power of former talk-show host Byron Allen seems to have been overwhelmed by Pax TV's switch to more infomercials in prime time. The broadcaster's stock is back below \$1, off 23% from the prior week.



'Queer Eye' for the Naked Guy



The Red Sox will stay clothed for their *Queer Eye*.

Craigslist helped cast Morgan Spurlock's *30 Days*.

CNBC's chat with Adel Al-Jubeir wasn't so exclusive.

Bill Wheatley will leave NBC News the right way.

Queer Eye for the Straight Guy ran into a daunting challenge last week while shooting an episode for the summer season. How do you make over a nudist? Clotheshorse Carson Kressley could have been expected to throw up his hands over the fortysomething Mr. Natural from New Jersey, but Carson didn't end up just urging a trip to an electrolysis center and calling it a day. After all, even a nudist must dress for trips to the post office and supermarket. "Linens and loose-fitting drawstring pants that are easily shed-able," suggests Bravo's VP of Production and Programming Andrew Cohen. The episode presented hurdles for editors, too.

FLASH!

The naked guy's naughty bits will be blurred with "unobtrusive" pixelation, Cohen says, adding that the fab five might doff their carefully chosen wardrobes as they "get into the nudist's lifestyle." Somehow, that wouldn't be a shock. The season starts June 7 with a makeover of the Boston Red Sox. (Why that red? It's awfully maraschino, isn't it? How about claret, or coral?)

Meanwhile, in other Bravo fashion news... The hundreds of designers who flocked to the *Project Runway* casting

call in New York City last week will have some consolation if they're not chosen: The hit show (up 468% to more than 2 million viewers, over the course of its first season this winter) is considering cobbling together footage from the tryouts, which were also held in Los Angeles, Miami and Houston, for *American Idol*-style audition episodes.

Careful Heidi Klum, don't get too *Idolesque* with your show, or *Primetime Live* may come snooping.

Reality Check

Where can a production company turn when it needs to find just the right reality-TV contestant? The same place where *Flash!* scored a sublet apartment and a used, slightly scratched iPod: Craigslist.org. Our recent trolling of the New York and Los Angeles branches of the

online classified-ad service found casting calls for ABC's upcoming *Fix My Husband* ("looking for wives who want to spruce up their hubbies") and TBS' *Loser Leaves Town* (in which feuding neighbors battle for the right to remain on the block), as well as FX's *30 Days* (an apartment-sharing saga from *Super Size Me* star Morgan Spurlock and *The War Room* documentarian R.J. Cutler).

Of course, the definition of "reality TV" can get a little, well, unrealistic. One Craigslist ad urges, "Think *Girls Gone Wild* meets *Fear Factor*. serious only please!" Another isn't looking so much for serious-only applicants as for seriously musky. "The guys will go thru [sic] several different situations to see if you have what it takes to make it in the porn industry," says an ad for a "reality program" that claims it's slated for a winter 2006 cable premiere. Then there's the show touting itself as "the

equivalent of *American Idol* for beautiful nude women," adding helpfully, "Nudity a must." These aren't likely to show up on television until someone has prided the remote control from the FCC's cold, dead hand.

Interview Déjà Vu

Like any network, CNBC is proud of its scoops, proclaiming an interview "First on CNBC" when its producers score a good CEO or government official. The problem is that it's not always true.

On April 26, CNBC scored a live interview with Adel Al-Jubeir, foreign-policy advisor to Saudi Arabia's Crown Prince Abdullah, touting the conversation as "First on CNBC." Al-Jubeir was accompanying Abdullah on a U.S. trip that included a meeting with President Bush.

But CNBC wasn't first. If you had been flipping the dial earlier, you would have seen Al-Jubeir much earlier that day, on Fox News. The "First on CNBC" interview was at 4:45 p.m. ET; the Saudi official was on *Your World With Neil Cavuto* at 4:10 p.m.

Execs at rival networks have noticed this kind of overselling in the past. A CNBC spokesman says producers use "exclusive" or "first" graphics only after asking interview subjects or handlers if they've appeared on any other network during that particular news cycle. A Fox News spokesman dismissed CNBC and its low Nielsen ratings: "You can pretty much get away with anything when no one's watching."

Exit Strategy

We found it strange that NBC News' No. 2, Bill Wheatley, was promoted from VP to executive VP after he announced he was retiring in June. Then we recalled that NBC had upped MSNBC VP Phil Griffin to NBC News senior VP in the *Today* show shake-up. In title, Griffin would be Wheatley's superior. Obviously, NBC News wanted Wheatley—one of our favorite news executives—to go out on the right note.

ACCESS HOLLYWOOD

NBC UNIVERSAL
TELEVISION DISTRIBUTION

AMERICA'S ENTERTAINMENT NEWS LEADER!®

| WOMEN 25-54 | NY | LA | CH | PH |
|-------------------------|------------------|------------------|------------------|------------------|
| ACCESS HOLLYWOOD | #1 2.7 | #1 2.4 | #1 2.0 | #1 4.0 |
| Entertainment Tonight | 2.5 | 1.8 | 1.5 | 2.7 |
| Extra | 2.2 | 2.0 | 1.5 | 3.1 |
| The Insider | 1.8 | 2.2 | 1.4 | 3.2 |

Source: NSI WRAP Sweeps +, March 05 PA. Ratings. All Rights Reserved. © 2005 NBC Universal, Inc.



WASHINGTON WATCH

Stevens' FCC Pick First in Line

Christine Kurth is now the front-runner for Michael Powell's vacant FCC seat.

Kurth is deputy staff director of the Senate Commerce Committee, with a specialty in telecommunications issues.

Committee Chairman Ted Stevens (R-Alaska) is pushing the White House to nominate her now that his first choice, lobbyist Earl Comstock, took his name out of the hat. Her chances are boosted by the fact that Stevens' committee approves FCC nominations.

Another contender, White House favorite and former Texas utility regulator Rebecca Klein, is now the primary candidate to be chairman of the Federal Energy and Regulatory Commission, and the betting is she'll take that job.

Kurth, 34, is from Anchorage and began her Capitol Hill career as a Stevens intern, ultimately serving as deputy general counsel for the Appropriations Committee when Stevens was chairman.

Others in the race for Powell's seat and the open seat held now by Republican Commissioner Kathleen Abernathy, are Howard Waltzman, lead counsel for the



Sen. Ted Stevens

House Commerce Committee, and Michael Gallagher, head of the National Telecommunications and Information Administration.

Top Techies Push DTV Deadline

To convince wary lawmakers that a quick switch to all-digital TV is necessary, many of the biggest U.S. technology companies have formally teamed up to push a "hard" deadline for shutting off old analog signals.

With House legislation establishing a deadline—perhaps as soon as Dec. 31, 2006—expected to be introduced in the next couple of weeks, Qualcomm, Cisco Systems, Microsoft, Intel, IBM, Dell, T-Mobile and others have formed the High Tech DTV Coalition.

The companies all plan to develop products that will operate on channels 52-69, the band of

Activists Aim at Adelfphia Deal

Coalition seeks conditions on approval **By Bill McConnell**



Comcast's Brian Roberts is touting the acquisition as a benefit to consumers.

Media activists, with major union backing, are preparing an all-out assault on the Adelfphia deal, where Comcast and Time Warner plan to divvy up the spoils of their \$17.6 billion purchase of the troubled operator.

Leading the charge are the Center for Digital Democracy, Common Cause and Free Press, which banded together to block the FCC's deregulatory media ownership changes in 2003.

Common Cause was scheduled to host an organizational conference call Friday, April 29 to brainstorm strategies for the 12 months that the government's review of the Adelfphia deal is expected to take.

The activists concede that blocking the deal is a long shot. But they like their chances of winning some government conditions. Some examples: forbidding the operators from blocking or restricting competing content over their high-speed Internet lines; limiting cluster size in major markets; requiring the companies to sell sports networks and other in-house programming to rival distributors.

ARMY OF PROTESTERS

Adding muscle to the push will be the Communications Workers of America.

Since taking over AT&T Broadband in 2002, Comcast has worked hard to persuade the 3,500 union workers it picked up to drop their union affiliations. CWA, which represents the technicians, installers and drivers, has lost several decertification votes since the merger.

"Comcast is the Wal-Mart of the media industry," says Center for Digital Democracy's Jeff Chester, comparing the cable giant to the famously union-phobic retailer. Comcast defends its policy.

"A central tenet of our company is that all employees should have the choice whether or not to be represented

by a union," says a Comcast spokesman. "Our employees have consistently chosen to work in a non-union environment because our company invests in people."

Regardless, CWA's losses could be Chester and company's gain.

They now have a ready army of seasoned protesters to marshal against Comcast CEO Brian Roberts as he seeks approval from the FCC, the Justice Department, and a score of local cable regulators around the country for the deal.

RE-MOBILIZATION

The activist coalition played a major role in organizing protests against the FCC's 2003 deregulation of broadcast-ownership limits, which was ultimately derailed by legal challenges. The Adelfphia deal is the loose coalition's first chance to mobilize since those protests.

The groups argue that putting conditions on the deal is justified because of the huge clusters Comcast and Time Warner plan to create by, in Friedman Billings Ramsey media analyst Alan Bezoza's words, "trading properties like a game of monopoly (pun intended)."

For instance, Comcast's Miami/West Palm Beach cluster will serve 1.53 million subscribers, roughly 57% of the homes in South Florida. Time Warner will serve 3 million customers in the Los Angeles region.

In announcing the deal, Roberts described bigger clusters as a benefit to consumers: "Adding these subscribers, many in high-growth, geographically desirable areas, will allow us to roll out our new products and services rapidly."

The activists counter that clustering rarely benefits consumers. "Comcast and Time Warner will strengthen their chokehold over prices and programming in those markets," says Kenneth DeGraff, policy analyst for Consumers Union, adding that new services don't make up for the added costs the operators will impose.

Besides gauging their own muscle, the groups see the deal as a chance to test new FCC Chairman Kevin Martin's willingness to condition mergers on public-interest obligations.

Although Martin has strongly supported media-ownership deregulation, he has showed signs of a pragmatic willingness to bargain for the votes of Democratic Commissioners Michael Copps and Jonathan Adelstein.

The anti-merger campaign "is going to be terrible for Comcast's and Time Warner's reputations," Chester says. "But this will be a test for Martin as well." ■

Time Warner and Comcast plan to form huge clusters.

channels the government plans to reclaim and auction to new users.

The coalition will be led by Executive Director Janice Obuchowski, who ran the National Telecommunications and Information Administration during the first Bush administration.

National Association of Broadcasters President Eddie Fritts says broadcasters also support a DTV deadline but warns that the date shouldn't be driven by the "financial interests of a handful of technology companies."

Norfolk Gets Rarity: New TV Station

The first major-market TV station to be built from scratch in more than a decade will soon get a green light from the feds.

As early as this week, the FCC is expected to let local developer Robert O. Copeland build a station to operate on ch. 21 in Virginia Beach, Va. (in the Norfolk, Va., market, ranked 41st in the U.S.).

Copeland won the right to build the station after bidding \$5.17 million in 2001. The payment is the highest ever for a TV-station construction permit, the license broadcasters need to build a studio and tower. Few major markets have room for any new TV stations, but broadcast engineers figured more than a decade ago that one could fit into the Virginia Tidewater area.

Because of competing applications for the channel, the FCC decided to auction it.

Original winning bidder Winstar Broadcasting went bankrupt. Second-highest bidder Copeland was granted the permit but caused a three-year delay by fighting to cut his payment to \$1 million on the grounds that Winstar and other bidders weren't eligible for the auction, thus inflating his final bid.

The FCC rejected that argument, and Copeland forked over the \$5 million. By then, a station on the other side of Chesapeake Bay, WBOC Salisbury, Md., petitioned to cut Copeland's signal in half.

WBOC management feared that the station would suffer interference from the new outlet. In 2001, WBOC's picture was partially knocked out by WHRO Hampton Roads, Va., by "ducting," a phenomenon that magnifies TV signals over water.

Copeland attorney Lauren Colby says there's no evidence that ducting will occur this time. If the FCC makes ch. 21 cut its power, he warns, "I'll ask for my client's money back."



5/2/05

SYNDICATION



Tony Danza

L.A. Berth Pains

Buena Vista can't be sure where *Danza* will run By Jim Benson

Lightning has struck twice for Janice Marinelli, president of Disney's Buena Vista Television. Eighteen years ago, BVT rolled out a talk show with Regis Philbin using a very unusual sales strategy: launch it in the graveyard shift on KABC Los Angeles and without a clearance in Chicago.

The idea then was to take low-visibility late-night slots in the very top markets rather than throw a new show to the wolves in daytime, where it would be left to fend off hungry competitors. The syndicator supplemented the chat show's distribution list with daytime clearances on solid affiliates in other markets.

Marinelli figured she would try the same approach this season with *The Tony Danza Show*: "As opposed to putting it on in daytime on L.A. and Chicago stations, where the odds were stacked against it," she explains, "our theory was that, in success, we would find solid time periods for it."

Danza launched this past September in what many considered to be overnight death slots on ABC stations KABC and WLS Chicago, neither of which had other time periods available. BVT, meanwhile, found room for it at 10 a.m. on WABC New York and in other top markets.

Success seems to have struck again, and *Danza* became the only freshman strip to earn a second-season renewal for 2005-06.

Now new obstacles have emerged. Marinelli has once again turned her attention to Los Angeles, where *Danza* could face some grim news this fall when it moves into high-profile time periods on either of Viacom's Los Angeles duopoly stations, KCBS or KCAL (as well as a noon berth on NBC's WMAQ in Chicago).

Marinelli says KCBS could decide to air *Danza* at 9 a.m. in the slot being vacated by *Larry Elder*, putting it directly in the path of its dominant corporate cousin, *Live With Regis and Kelly*, on KABC. "That would not be the optimum scenario for us," she admits, adding optimistically that it wouldn't be terrible to have the network's morning news program as a lead-in.

KCBS/KCAL is remaining mum, but market sources say KCBS may choose to take another path. It could fill the 9 a.m. hour with second runs of *Entertainment Tonight* and *The Insider*, *Who Wants To Be a Millionaire* and *Family Feud* or additional runs of *Judge Judy*.

Danza could also wind up on KCAL, most likely mornings at 8, 9 or 11 a.m. or at 5 p.m. following what may be a new 4:00 newscast. Even in that enviable early-fringe time period, however, *Danza* would face stiff competition. Los Angeles continues to be the wild card for a talk show that will need to succeed for Buena Vista next season in two crucial markets—regardless of the odds. ■

IN FOCUS

SYNDIE STAYS IN SUNNY DAZE

Access and early-fringe shows rebounded a bit in Nielsen's national rankings the week ended April 17 but mostly stayed in the dark as the second week of daylight-saving time continued to hurt viewing levels.

In access, *Everybody Loves Raymond* (6.3), heading to its final episodes in prime time, jumped 7% for the week and 24% from the comparable year-ago week. *Seinfeld* (5.6), meanwhile, climbed 2% but dropped 7% from a year ago, while *Friends* (5.1) increased 4% but saw its year-to-year average drop 9%.

Magazines and games remained flat, with the exceptions of *Extra*, rebounding 10% from last week's season low though off 15% from a year ago, and *Family Feud*, dropping 5% on both the week and the year.

In its fifth week, ended April 24, meanwhile, Twentieth TV's *A Current Affair* revival hit its lowest score yet in overnight metered markets. It averaged a 2.6 rating/5 share for its primary runs in 30 markets—down 24% from its 3.4/7 lead-in and 16% from the year-ago time-period average of 3.1/6.

Its best performances came in No. 9 market Atlanta, up 51% from a year ago, and 10th-ranked Detroit, a 48% hike. In

the largest markets, however, the show underperformed year-ago time periods: down 48% in New York, 37% in Los Angeles and 43% in Chicago.



Extra rebounds

RATINGS 4/11-17/05

Nielsen Media Research

Top 25 Shows HOUSEHOLDS

| PROGRAM | AA | GAA |
|-----------------------------------|-----|-----|
| 1 Wheel of Fortune | 8.3 | NA |
| 2 Jeopardy! | 7.1 | NA |
| 3 Everybody Loves Raymond | 6.3 | 7.8 |
| 4 Oprah Winfrey Show | 6.2 | 6.2 |
| 5 Seinfeld | 5.6 | 6.7 |
| 6 Seinfeld (wknd) | 5.2 | 6.4 |
| 7 Friends | 5.1 | 6.4 |
| 8 CSI: Crime Scene Investigation | 5.0 | 5.7 |
| 9 Dr. Phil | 4.9 | 5.0 |
| 10 Entertainment Tonight | 4.7 | 4.8 |
| 10 Judge Judy | 4.7 | 7.2 |
| 12 Wheel of Fortune (wknd) | 3.7 | NA |
| 13 Everybody Loves Raymond (wknd) | 3.5 | 3.6 |
| 14 Live With Regis and Kelly | 3.4 | NA |
| 15 Inside Edition | 3.3 | 3.3 |
| 16 Judge Joe Brown | 3.1 | 4.5 |
| 16 Who Wants To Be a Millionaire | 3.1 | 3.5 |
| 18 King of the Hill | 3.0 | 3.6 |
| 18 Malcolm in the Middle | 3.0 | 3.8 |
| 18 That '70s Show | 3.0 | 3.7 |
| 21 Entertainment Tonight (wknd) | 2.9 | 3.0 |
| 22 Cops | 2.7 | 3.4 |
| 22 Divorce Court | 2.7 | 3.9 |
| 24 Will & Grace | 2.6 | 3.3 |
| 24 Maury | 2.6 | 2.9 |

Top Magazine Shows HOUSEHOLDS

| PROGRAM | AA | GAA |
|-----------------------------|-----|-----|
| 1 Oprah Winfrey Show | 6.2 | 6.2 |
| 2 Dr. Phil | 4.9 | 5.0 |
| 3 Live With Regis and Kelly | 3.4 | NA |
| 4 Maury | 2.6 | 2.9 |
| 5 Montel Williams Show | 2.2 | 2.2 |

According to Nielsen Media Research Syndication Service Ranking Report April 11-17, 2005

AA = Average Audience Rating

GAA = Gross Average Audience

One Nielsen rating point = 1,096,000 households, which represents 1% of the 109.6 million U.S. TV households

NA = not available

N.Y. ♥ reba

New Yorkers Love Reba In Repeats

W18-34

reba
+129%

VS.
Grounded for Life Nov '04

February '05

W18-49

reba
+73%

VS.
Grounded for Life Nov '04

W25-54

reba
+31%

VS.
Grounded for Life Nov '04

WPIX/W
Fri 830PM



Source: NSI, SNAP 3, % Increase Feb '05 vs. Nov '04, excludes specials, Rtg

STATION TO STATION

By Allison Romano

Local News Taps Into Cable VOD

When the local news anchor sings out, "Welcome to live, local news at 6 p.m.," on some TV sets, the clock in a viewer's living room might actually read 6:48 p.m. or 10:22 p.m. Viewers in about a dozen markets are watching local news on their own schedules as local broadcasters partner with cable operators to deliver news through video-on-demand (VOD) services.

For stations, delivering news on-demand suits Americans' changing lifestyles. People are working more hours and facing longer commutes, making it difficult to catch the early-evening news live. And, as exhausted viewers nod off earlier at night, the audience available for late news is dwindling, too. VOD is a way to snag those off-schedule viewers and rerun news programming, which, like yesterday's newspaper, has no value after its original play.

Local broadcasters in large and midsize markets are experimenting. In Los Angeles, the second-largest Nielsen market, KNBC

WCVB Boston's *Chronicle* team

supplies its newscasts to Time Warner Cable. Buckeye Cable offers news from NBC affiliate WNWO to subscribers in Toledo, Ohio, the 70th-largest market. Comcast Cable, which most aggressively pushes VOD uses, works with stations in a dozen markets, including hometown Philadelphia, Baltimore and Minneapolis.

For cable operators, VOD fare such as free local news is a way to entice subscribers to buy pricey digital packages and keep those subscribers from defecting to satellite providers. VOD programming is stored on local servers and dispatched almost instantly when a subscriber selects a program; it's technology

Martin Pushes Self-Control

Industry efforts not quite good enough **By Bill McConnell**

FCC Chairman Kevin Martin promised lawmakers last week he will pressure TV execs to clean up programming themselves, rather than relying on mounting government fines to scrub sexual scenes and crass language from prime time.

True to his pledge, the next day, Martin dished the cable industry's new PR campaign—it has promised \$250 million in airtime—promoting channel-blocking technology.

"The cable industry needs to do more to address legislative concerns," Martin said in a statement issued after the National Cable and Telecommunications Association unveiled the campaign at a Washington press conference. "I continue to believe the cable industry should offer a family tier or offer programming in a more à la carte manner."

Washington's newfound appreciation for "voluntary" efforts to shield children from inappropriate programming comes as broadcasters gear up for legal battles against the government's anti-indecency efforts, and cable bristles at suggestions it should be brought under the FCC's indecency-enforcement regime.



Kevin Martin

RAISE CONSUMER AWARENESS

To dampen enthusiasm for legislation that would sock cable operators with the same indecency restrictions as broadcasters, the cable industry is promoting a public-service campaign to raise consumer awareness of channel-blocking technology that allows parents to shield children from shows or channels they deem inappropriate.

Because the cable and satellite operators provide blocking capability to every subscriber, the Supreme Court has exempted them from the indecency fines broadcasters face.

Cable's free pass has been criticized by many in Congress, most notably by Senate Commerce Committee Chairman Ted Stevens. He says the NCTA campaign should be only a first step. Late last week, Sen. Ron Wyden (D-Ore.) introduced a bill to force cable and satellite operators to provide family-friendly programming tiers under threat of a \$500,000-a-day fine.

Cable isn't ready to follow calls for additional measures. Operators are confident the high court has given them protection from new restrictions.

Operators have dug in their heels against à la carte programming, which would require selling channels individu-

ally rather than requiring subscribers to buy large channel packages. Without the guaranteed advertising base that channel bundling guarantees, operators say, the cost of each channel would rise so dramatically that few would subscribe.

Broadcasters, on the other hand, are gearing up for a legal challenge aimed at striking down indecency restrictions altogether. A united front on the ratings system could give them ammunition in that fight since they, too, could argue they have a blocking system that would be a less restrictive curb on speech than FCC indecency regs.

USE OF V-CHIP RATINGS

V-chip ratings are now providing industry-wide following NBC Universal's announcement last week that it will carry V-chip content descriptors for its shows (L for language, V for violence, etc.) in addition to the age-based ratings it already carries (TV-14, for example). Descriptors enable the chip to screen out various levels of content.

NBC had been the only network not to fully implement the V-chip ratings but says times have changed.

Viewers have many more channels to sift through and want more control and information. Now that the ratings are carried by all networks, broadcasters could speak with one voice in a planned lawsuit against the indecency law, charging that the protections given to cable should apply to stations, too.

Martin said last week that channel blocking isn't enough, however. Broadcasters, he says, should provide at least one hour of family-friendly programming every night during prime time. Cable operators, on the other hand, should either sell a family-themed programming tier or reimburse subscribers for the cost of channels they block.

"Isn't that the best way to go?" asks Rep. Frank Wolf (R-Va.), chairman of the House Appropriations subcommittee that oversees the FCC's budget. "Shouldn't this be one of the major issues you're pushing, rather than confrontation and massive fines?"

Wolf's reservations about fining broadcasters are a surprise, given that he was among the 391 House members who voted to boost the broadcast-indecency fines from \$32,500 to \$500,000.

As the legal battle over that vote looms, Wolf has been signaling that it is time for compromise: "It would seem to me you would get the most benefit for the nation, but also for the industry, if you aggressively push for a voluntary code." ■

satellite can not provide.

Some local broadcasters are wary of VOD. Stations risk cannibalizing their own audiences and, as a result, their advertising rates. Others have embraced it. WCVB Boston President/GM Paul La Camera says TV stations need to keep up with changing technology. "People thought I was

"People thought I was a fool to give away my product, but I think of it as extension of my brand."

PAUL LA CAMERA, WCVB

a fool to give away my product, but I think of it as an extension of my brand," he says. "This is a different era, and we have to try some different things." WCVB, an ABC affiliate, works with Comcast to deliver an expansive on-demand roster that includes several newscasts and its nightly local newsmagazine *Chronicle*.

The menu of news varies by market. In San Francisco, CBS-owned KPIX provides only its 6:30 p.m. news to Comcast's on-demand lineup. In Salt Lake City and Denver, the cable operator partners with as many as three stations. KCNC Denver, a CBS O&O, supplies four daily newscasts, as well as telecasts of high school sports. "We will continue to expand the content," says station VP/GM Walt DeHaven.

So far, however, stations do not have much information on who is watching. Nielsen doesn't rate video-on-demand yet, although it is developing a system. Without ratings, stations aren't yet charging advertisers for the exposure on VOD. Newscasts on-demand carry the same spots as live broadcasts, so advertisers enjoy the second play for free.

Cable operators can provide stations with some basic usage information. In Salt Lake City, for example, Comcast tells ABC affiliate KTVX how often its shows are being downloaded, although not by whom. Of the station's on-demand fare, daily lifestyle show *Good Things Utah* is the most frequently ordered. "It tells us how we are progressing," says VP/GM Steve Spendlove. "On-demand is in its infancy, but we're giving viewers another way to participate in our product."

Send station news to aromano@reedbusiness.com



AT A GLANCE

The Market

| | |
|-------------------|--------------|
| DNA Rank | 63 |
| Population | 1,298,000 |
| TV homes | 492,000 |
| Income Per Capita | \$16,587 |
| TV Revenue Rank | 61 |
| TV Revenue | \$82,300,000 |

Commercial TV Stations

| Rank* | Ch. | Affil. | Owner |
|-------|------|--------|-------------------|
| 1 | WALA | 10 | Fox Emmis |
| 2 | WKRG | 5 | CBS Media General |
| 3 | WEAR | 3 | ABC Sinclair |
| 4 | WPXI | 15 | NBC Clear Channel |
| 5 | WUTC | 44 | UPN Clear Channel |
| 6 | WBPC | 55 | WB Emmis |

*February 2005, total households, Mon-Sun., 6 a.m. to 2 a.m.

Cable/DBS

| | |
|---------------------------|--------------|
| Cable subscribers (HH) | 359,160 |
| Major cable operators | Cox, Comcast |
| Cable penetration | 73% |
| ADS subscribers (HH) | 83,640 |
| ADS penetration | 17% |
| DBS carriage of local TV? | Yes |

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

What's No. 1

| Syndicated Show | Rating/Share*** |
|-------------------------|-----------------|
| Wheel of Fortune (WALA) | 11.7/20 |
| Network Show | |
| American Idol (WALA) | 23.9/35 |
| Evening Newscast | |
| WEAR | 8.9/16 |
| Late Newscast | |
| WKRG | 8.2/18 |

***February 2005, total households

SOURCES: Nielsen Media Research, BIA Research

Shoring Up the Market

Mobile-Pensacola area rebuilds after Ivan **By Allison Romano**



WALA 9 p.m. anchors

Nine months after Hurricane Ivan battered the Alabama coast and Florida panhandle, the region is still cleaning up. The most ferocious storm since 1998 had mixed effects on the local economies in Mobile, Ala., and Pensacola, Fla., the No. 63 TV market. Homes and businesses were destroyed, and tourism took a hit. Recently, though, as area residents collect their

aid money, demand for improvements—from roofing to furniture—is on the rise.

“The beach economy will suffer this summer, but there is a lot more activity in the market,” says Vanessa Oubre, VP/GM for Fox affiliate WALA.

TV stations got beat up by the hurricane, too. Ivan knocked all the TV stations off the air temporarily except Media General-owned CBS affiliate WKRG. Other Media General stations dispatched reinforcements—satellite trucks, helicopters and extra staffers—which helped WKRG stay on, says VP/GM Joe Goleniowski.

After the storm, advertisers curtailed spending—in favor of repairing their own businesses—but the situation is improving. “Now most of our regular customers are back up and running again,” Goleniowski says.

Local broadcasters in the market took in more than \$82 million in gross revenue last year, according to BIA Financial, up from \$74 million in 2003.

Even on a slow news day, the region is challenging to cover. The market reaches into two states. Mobile and Pensacola are about 60 miles apart; in between is Baldwin County, a fast-growing suburban area.

Of the four stations with local news, WALA, WKRG and NBC affiliate WPXI are Alabama-based and focus news more on the Yellowhammer State. All three use Baldwin County bureaus to cover Florida. Sinclair Broadcast’s ABC affiliate WEAR is located in Pensacola and caters more to Sunshine State viewers.

No one station dominates. In February sweeps, WKRG was top-rated in late news, while WEAR claimed the highest-rated early-evening newscast. Fox affiliate WALA ruled in total day. It runs late local news at 9 p.m.; the others have 10 p.m. newscasts.

With the start of the 2005 hurricane season approaching, June 30, stations are getting ready again. WPXI will share news with six Clear Channel radio stations. And, in July, the station will launch NBC’s 24/7 digital Weather Plus service. To keep everything running, WPXI bought an 820-gallon fuel tank that can power it for three days.

WKRG is refining its plans, but VP/GM Goleniowski hopes history works in the market’s favor. “They say you get a bad one like this every 25 years,” he says. “But we still worry, and we are prepared.” ■

NEXT: CHICAGO

Networks Switch, But Not Viewers

WALA Mobile-Pensacola is not your typical Fox station. The Emmis Communications-owned VHF outlet is more akin to traditional affiliates, with heavy local news and top-notch syndicated fare.

On weekdays, WALA offers 4.5 hours of local news and heavy-weights *The Oprah Winfrey Show*, *Dr. Phil*, *Wheel of Fortune* and *Jeopardy!*. The station’s 5 p.m. news is second-placed and offers a local newscast at 5:30, when the ABC, CBS and NBC affiliates take national evening news. At 6 p.m., WALA’s *Jeopardy!* outperforms local news on the other three stations.

The power lineup traces back to WALA’s roots. Originally an NBC affiliate, WALA switched to Fox in 1996. Its news operation was already in place, as was its formidable syndicated product.

At 10 p.m., when the others air local news, WALA runs *Everybody Loves Raymond*. The sitcom trails late-news leader WKRG by less than two rating points.

It all adds up. In February, WALA was the market’s most-watched station.—A.R.

THE DEMOS

| WHO | SHARE OF POPULATION | INDEX* |
|----------|---------------------|--------|
| White | 76% | 92 |
| Black | 20% | 167 |
| Hispanic | 4% | 32 |
| Asian | 1% | 35 |

*Index is a measurement of consumer likelihood. An index of 100 indicates that the market is on par with the average of the 75 local markets.

SOURCES: Nielsen Media Research, BIA Research

REACHING NEW LIMITS!

THE OUTER LIMITS delivers strong ratings in Jacksonville on WJWB!

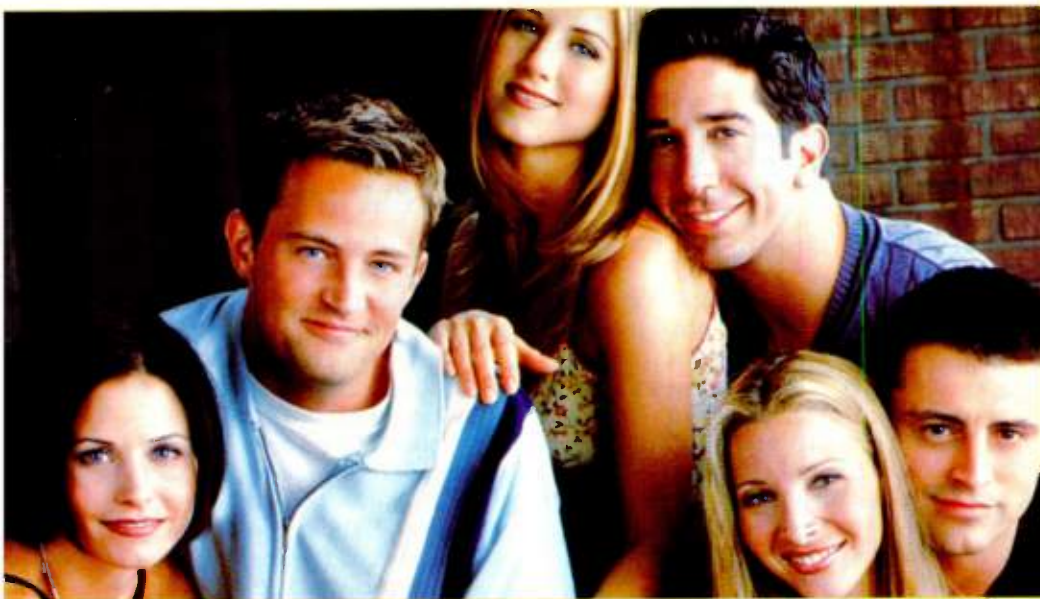
3.0 HH RTG!

+114% OVER YEAR-AGO!

+58% VS. LEAD IN!



Source: Nielsen Overnight, Sat 11P-12A, 4/23/05. HH rtg. Lead-in = 1/2 hr. to: year ago = April '04 to (4:8-4:25/04)



NBC lost *Friends*, regained the NFL and bought into a movie studio.

Universal Helps NBC Keep Its Balance

In some mergers, timing is everything

BY JOHN M. HIGGINS

If NBC were to mark the one-year anniversary of the takeover of Vivendi Universal with a TV movie, picking a title capturing the importance of the deal would be easy: *Just in Time*.

NBC completed the \$14 billion deal on May 11, 2004. Just four days earlier, the network aired the final episode of its biggest show, *Friends*. Two days later, NBC wrapped up another long-running anchor of its prime time schedule, *Frasier*.

The loss of those shows helped trigger NBC's dramatic slide this season. Surrendering the command of Thursday night, which it had held for two decades, helped knock NBC from the top spot in adults 18-49, where it had been for four years, all the way to fourth place.

The plunge is certainly painful. But the Universal deal came just in time to blunt the financial damage. Despite the broadcast network's problems, NBC Universal expects to post strong gains this year, with revenues increasing 10%-15% to around \$14.8 billion and profits up 25% to \$3.3 billion.

How? One-time cost cuts and beneficial accounting are part of the answer. But buying Universal has permanently diversified the NBC division's financial base. A year ago, 90% of NBC's revenue came from advertising, which is directly affected by falling Nielsens. Today, NBC gets revenue from a mix of products, including a less volatile library of movies and DVDs, as well as cable-network license fees.

How different is that? Today, advertising accounts for just 54% of NBC Universal's revenue.

Bob Wright, chairman/CEO of NBC Universal, says the new network-studio combo makes the company "very balanced": If one segment stumbles,

another can come to the rescue. "If one of them pops, then we're that much better off. We're not trying to create volatility. We're trying to create sustained performance, and this is a great combination of assets." (See Q&A, page 14.)

Right now, the Universal deal looks like a smart trade. With perfect timing, parent company General Electric picked up assets that are starting to perform better than expected, just as some old NBC divisions like prime time and the *Today* show, are becoming problem children.

The ratings of Universal's Sci Fi Channel continue to soar; USA Network's revenues are rising much faster than its ratings; and Universal Studios continues to exploit movies and TV shows in the DVD market.

GREAT PLATFORMS ALL AROUND

NBC Universal Television Group President Jeff Zucker acknowledges that "there's no question we've had a disappointing year" with NBC's prime time. However, he adds, "The entertainment cable networks have given us terrific diversification in a growing part of the entertainment business. What we've giving the cable networks is a tremendous platform to promote them and market them with the NBC machine and, as a result, make them stronger."

While Wall Street lauds the speed at which NBC is digesting Universal's operations and cutting costs, the easy gains will be gone after this year. Some analysts see NBC Universal's sales growth slowing from 15% this year to less than 10% in 2006. Operating profits could grow 25% this year but a slight 3%-6% next year.

Wright has to beat those mediocre Wall Street

B&C GIANTS
The first in an occasional series about media's major corporations

A year ago, 90% of NBC's revenue came from advertising. Today, advertising accounts for just 54% of NBC Universal's revenue.

forecasts, and it will take more than NBC's surprise \$600 million bid for Sunday-night NFL games beginning in 2006 to get there.

One strategy is to bind NBC Universal's media operations together much more extensively than any other broadcast-network owner has done.

Viacom, by comparison, never tried to engineer many efficiencies across its broadcast, cable and movie-studio operations, and the corporation is now discussing separating the company into two. At Disney, synergy goes only one way, says one Disney television executive: "What everyone else can do to promote Mickey."

ALL ROWING TOGETHER

By contrast, NBC works hard to get its units to work together. The cable and broadcast networks are part of the same group. Ad sales and affiliate sales are centralized, rather than staying at the networks.

NBC executives point to dozens of tactical moves. Sci Fi miniseries *The 4400* got substantial promotion not just on other cable networks but on NBC itself. Just before the cable network premiered its newest series, *Battlestar Galactica*, NBC reran a three-hour version of the original miniseries that Sci Fi had aired in 2003. Executives from various divisions—from the cable networks to the movie studio—sit in on pilot screenings and offer their input (or lobby to snatch a show for their own schedule).

Bravo President Lauren Zalaznick has already snagged one: *Hidden Howie*, a reality show with comic Howie Mandel that NBC passed on.

Executives from every NBC Universal division sit on "councils" that meet weekly to discuss joint priorities.

Some of the biggest issues are run through the commercial council. One recent topic was the then-secret plan to bring major professional sports back to NBC by bidding for Sunday-night games from the National Football League. (That deal—cut two weeks ago—wound up at \$600 million per year.)

A recurring topic is how the company should set its strategies in digital media, ranging from digital broadcasting to broadband.

The marketing council, chaired by John Miller, NBC Universal Television Group's chief marketing officer, and Marc Shmuger, vice chairman of Universal Pictures, focuses heavily on releases of Universal theatrical movies or DVDs. How many spots can Sci Fi Channel run for the theatrical release of *Chronicles of Riddick*? Can NBC's *Will & Grace* run a snipe during the credits that promotes the DVD release of former Thursday-night princess Jennifer Aniston's *Along Came Polly*? Can she host *Saturday Night Live*?

It's particularly important for executives at the former Universal units to feel that they're getting support from

the mother network. NBC Universal Television Networks Group President Randy Falco admits that there was "trepidation" among the Universal executives about how they would fit into General Electric, which is renowned for its unyielding operational controls.

"[Former Universal employees] don't know what the culture is like. They think it's very inflexible. Six Sigma and all that," Falco says, referring to one of GE's rigid management regimens. "We want a culture where they feel like they have a home that is very supportive."

How's it working? Bonnie Hammer, president of USA Network and Sci Fi Channel, voices no complaints. Although her two channels' recent hits were in development before the sale, she attributes a chunk of their success to promotion by other parts of the empire. "We couldn't have paid for the amount of reach that NBC gave us," she says. "We would have depleted our entire marketing budget to get the ratings points we got from two weeks of promotion on NBC."

Hammer adds that, when she wanted to lure World Wrestling Entertainment away from Spike for USA Network, Zucker was initially skeptical. "Do you really want this?" he asked. "I said, 'Yes', and he said, 'Let's go.'" That decision also prompted NBC's Spanish-language network Telemundo to agree to carry regular matches and NBC to schedule wrestling specials.

NBC snagged the Vivendi Universal properties in a five-way auction. French parent Vivendi Universal was struggling under debt that had been amassed by then-CEO Jean Marie Messier on an expensive worldwide shopping spree in an attempt to transform Vivendi—a telephone- and water-utility company—into a media conglomerate.

Other suitors—including Liberty Media, an investor group led by Vivendi board member and former Seagram CEO Edgar Bronfman Jr., and MGM Studios—submit-

look stupid down the line," says one U.S. media executive involved in the negotiations.

Vivendi rejected requests to interview its senior executives, saying only that the company is happy with NBC Universal's progress over the past year.

Even Universal executives who were squeezed out in the takeover have few criticisms. "Internally, NBC takes up so much oxygen in the room," says one ex-Universal executive who stays close to former colleagues. "But I think they've been pretty smart with what they've done about cable."

Former Universal Television Group Chairman Michael Jackson agrees. "They bought intelligently, and they bought at exactly the right time."

But this is no time for NBC to stumble.

Zucker, of course, is intent on turning NBC around. Even though the network generates just 15% of NBC Universal's operating income, it's the engine that can help keep everything else healthy.

"Next year is an important comeback year for us," he says. He notes that the broadcast-network race is so tight that, even in fourth place, NBC is 0.4 of a ratings point out of first place. "In the next two years, I would like to see NBC prime time back in first place," he says. "I think it's achievable in one year, and we have to get there within two."

THE NEXT FRONTIER

Top NBC executives are obsessed with technology, from digital video recorders to video-on-demand to Internet video that could bypass not just cable operators but TV stations. Like many TV executives, NBC officials are also riveted by TV-over-cellphones.

No one has figured out how to make any money on this. But NBC has long been aggressive in pursuing technology, investing early on in TiVo and offering its news shows—which have no value in reruns—to Comcast's VOD services.

Falco says NBC can no longer consider itself a broadcaster or even a cable network but is a programmer of all sorts of media. "I really don't believe that, in the 21st century, any media organization can be organized around silos. People are finding new ways to consume media."



The new visionaries (left to right): Zucker, Hammer, Falco

"In the next two years, I'd like to see NBC prime time back in first place. I think it's achievable in one year, and we have to get there in two."

JEFF ZUCKER, NBC UNIVERSAL TELEVISION GROUP

ted bids hovering around \$12 billion in a mix of cash and stock.

But Wright proposed a merger in which Vivendi Universal would be able to raise a couple of billion in cash but would primarily receive a 20% stake in NBC Universal. That gave the French executives a piece of the upside and saved them from total embarrassment. "All the French were concerned with was that they didn't

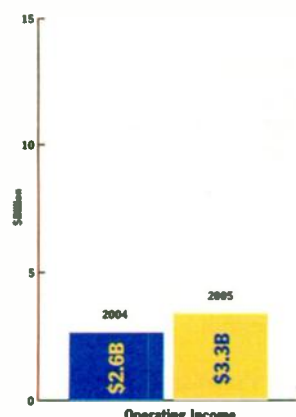
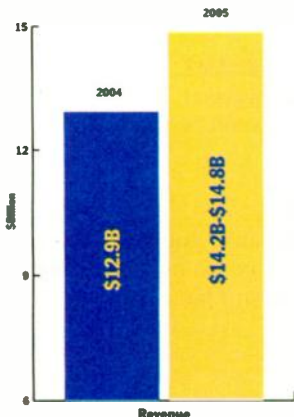
But those new opportunities are also troubling. Piracy threatens not just the DVD but even the network business. On-demand programming could shatter TV's advertising model.

With all those landmines, says one senior NBC Universal executive, "I need to figure out how to take this \$15 billion business and make it a \$25 billion business, rather than a \$10 billion business." ■

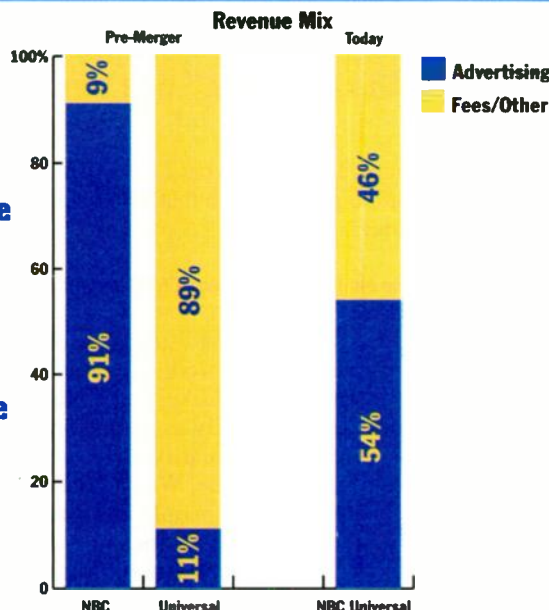
NBC Universal Is Off to a Great Start...

Change = +10%-15%

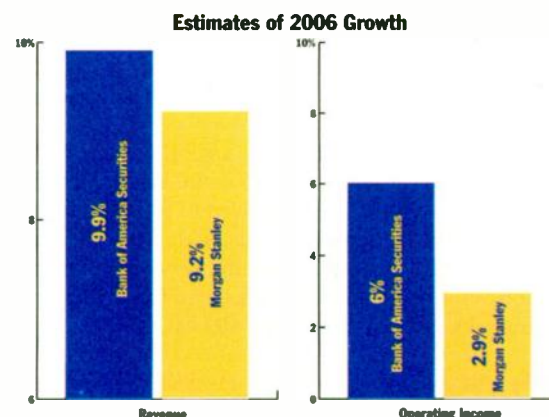
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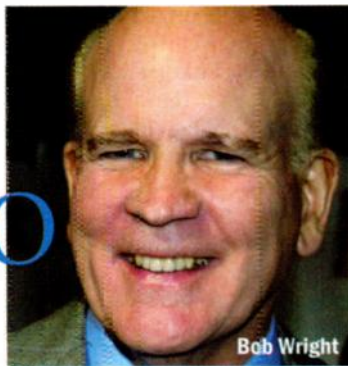
...Partly Because Universal Properties Insulate the Company From the Broadcast Network's Prime Time Slide



But Next Year Might Not Be So Hot



One Year Later, Wright Likes the View From His Studio



Bob Wright

The NBC Universal pairing creates flexibility and new opportunities

While other media companies cancel top execs almost as readily as they drop bad reality shows, NBC can boast one long-running executive hit: the Bob Wright show. Wright has run the place since 1986, when he came on board at NBC, a then-new division of General Electric.

Since landing the job, he has grown NBC with bold moves, like starting CNBC and then later acquiring Bravo and Telemundo. A year ago, Wright made the big move, doubling NBC's size by buying Vivendi Universal's entertainment properties, a \$14 billion deal that gave Wright and GE their first play in the movie business and more heft in cable programming.

As NBC Universal's first anniversary approaches, Wright speaks to *B&C*'s John M. Higgins about how the Universal merger changed his company and about some of the challenges still ahead.

A year after the deal, the biggest story about NBC Universal is the problems at NBC, which has fallen from first place to fourth. How do you approach the upfront market this year?

It's a difficult time to go into the upfront, not because of the decline but because of parity. Only 0.4 of a ratings point separates fourth place from first. That's the closest it's been in years. When it's that close, it's only good for the buyers.

Why is parity such a bad situation for the seller?

It's hard for anybody to establish a price strength, that's all. When goods and services are very competitive, it's a good situation for purchasers.

Dropping to fourth place costs you a lot of leverage.

Being ahead is only important when you're way ahead. It also means being behind is only bad when you're way behind.

It would seem NBC's mission this fall is pretty clear.

The only real focus is to get prime time to get some more hits. I mean, that's pretty clear. So we're doing everything we can to do that. The *Today* show and late night are very strong and extremely powerful. And the stations are very well positioned, [but] they're impacted by performance in prime. When performance in prime is great, they really benefit. When it's not so great, they don't benefit as much. But they don't go to hell. Telemundo is doing very well. It's got a lot of opportunity in front of it.

For years, NBC passed on other studio deals—twice on Universal itself—saying it didn't want to be in that business. Why the change?

I don't think that's quite accurate. It was the film business we never felt we had to be in. When I first came here, we weren't really allowed to be in the scripted, prime time entertainment business. We were, however, in late-night and early-morning news programming forever. So as rules have eased, we have been producing a lot of our product, not all of it.

So what does owning the studio operation do for you right now? Is programming costing less?

Well, it's not so much the costs. It's our range. It makes us a bigger player in the business. We have more commitments, more full-time executives that actually are in the script-development business. They're in the talent, in the casting, more than in the past. Quite frankly, it adds a level of sophistication to what we were doing before.

You've done this deal just as media conglomerates are falling out of fashion. Viacom decided it's not working and is splitting into two.

Viacom is really a totally different issue. It's a Viacom-shareholder issue, and the shareholder in this particular case is the Redstone family. They have elected, for reasons of share price, to split some of the assets. And that's their business. It doesn't really impact any way that we look at the business.

It's easy to see how the NBC side is stronger from the diversification of revenue sources. How is the Universal side stronger?

For the same reason. They had very little advertising. It put a tremendous pressure on [the studio] when the parks business really suffered from 2001 to 2003. What various groups inside of NBC Universal do to contribute to the whole is very balanced. And that doesn't put unnecessary pressure on any one element of the company, which is very important. If one of them pops, then we're that much better off. We're not trying to create volatility. We're trying to create sustained performance, and this is a great combination of assets.

Looking at some other assets, I see Telemundo as being in a weak position.

Well, that's because it's smaller than Univision by a large number—but we knew that going in. The upside for us is pretty terrific when they started out with 20% of the audience and the other guy has 80%. And now, if we get to 30%, I don't really care what

CNBC does quite well, but not as a measured Nielsen service.

But the revenues declined pretty substantially for a couple of years.

The profitability has not changed a great deal over the last four years. Well, MSNBC is a tough one because that market is a very narrow one, and Fox has got itself in a very large position in a small market. And that's a tricky one, and we have to keep figuring out how to make that much better for us.

What kind of moves will you make in the next year or two?

Well, we have some physical, sort of behind-the-scenes work, which is very important. It's in finance and information technologies, actually finishing the integration. We have a number of international opportunities that we're involved in. When we finish 2005, we'll be in pretty good shape to look at a lot of new things. We have a whole digital world to deal with, because every one of our businesses is impacted by the change from analog to digital. We're together now, and it gives us a chance to focus on that. That timing is pretty good.

In digital, what's the fear versus the opportunity?

There's plenty to worry about, and there's also plenty to be happy about. The Internet is a friend and a foe. We need to feel as comfortable dealing with the Internet as, for instance, we do dealing with broadcast operations or cable operations. We need to feel our content is protected, that it's valued properly, that it's paid for—and we need to deal with the piracy issues there. You have to kind of roll with the times and sort out the elements. But other people are in the same boat, and we'll figure that out.

If there's shifting of viewers and ad dollars, are you replacing high-margin dollars with low-margin dollars? As things shift to the Internet, that tends to be a low-margin game.

When you are moving from a more established media to one that's less established, you're going to initially have lower margins. Then when you feel comfortable with it and you get your hands on it, the margins can go up.

Back to the merger. It's a year old. Talk about the integration and what you found as you got into these Universal properties that you didn't expect to.

I don't think we found too much we didn't expect. One of the things we found is that the various business units were all eager to get going, to be as successful as they could be. There really wasn't a lot of indecision or

"What various groups inside of NBC Universal do to contribute to the whole is very balanced. And that doesn't put unnecessary pressure on any one element of the company." BOB WRIGHT, NBC UNIVERSAL

they have. I just care what I have. But I have plenty of room to grow, and so that's an exciting business challenge.

From the old NBC cable group, CNBC and MSNBC remain problem children.

Yeah, but Nielsen doesn't measure out-of-home viewing. So we are periodically stuck with lower ratings than we would like. But CNBC never has been designed primarily as an at-home business-news service. It is primarily an at-work and business-related service. We had a marvelous spike in the late '90s, when people at home decided to become traders and investors and watch a lot of business. They don't do it as much now. But the at-home audience is not our primary target. Actually,

confusion or lack of appetite for really doing things well. And that's not always the case in mergers.

So there are no surprises, upside or downside?

All the surprises have been very pleasant. They've been upside ones. There really haven't been any downside surprises.

There are always downside surprises.

This is a hard conversation, because you seem to be stuck on the fact that there's got to be something negative. Everything in life doesn't have a downside to it.

I'm a short-seller at heart.

Don't come here. ■



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What Networks Need

Continued from page 4

presented by football, ABC may also be looking for opportunities to tackle NBC's faltering *Fear Factor* with comedies at 8 p.m. Otherwise, there are reports that the bloom is off the *Bachelor/Bachelorette* reality franchise.

CBS: The sharks are circling. Without *Raymond*, CBS is shifting *Two and a Half Men* into the 9 p.m. slot. But 8:00 lead-off sitcom *Still Standing* is off in key demos, and *Listen Up* at 8:30 will probably

be stepping off the schedule. CBS believes it has built a comedy franchise with *Two and a Half Men* to replace

Raymond, but *Two* is sandwiched between *Raymond* and *CSI: Miami*. Next year, it will have to stand on its own.

Fox: Its Monday was helped this season by 8 p.m. entrants *Trading Spouses* and the renewed *Nanny 911*. Critical favorite *24* has a good chance of coming back at 9 p.m.

NBC: The network earned some late-season traction with the supernatural lift provided by *Medium* at 10 p.m., one of the few scripted series to work right out of the gate this season. But *Fear Factor* has lost about

a quarter of its 8 p.m. audience this season. It is a certainty for renewal, but NBC would like a show there that is trending up, not down.

The network also may be eyeing comedy opportunities. Try this scenario: NBC takes the bold step of shifting Thursday-night sitcoms *Joey* or *Will & Grace* (which is likely in its final season) to Mondays, hoping to establish a safe hammock for a new comedy at 8:30.

TUESDAY

ABC: There hasn't been much to laugh at since Fox smash *American Idol* returned in January. ABC's competing sitcoms (*My Wife and Kids* and *George Lopez*) tanked. Even 9 p.m. shows are not safe on *Idol* Tuesdays, with *According to Jim* suffering from



Raymond



Two and a Half Men



Medium



George Lopez

the amazingly *Amazing Race* on CBS. **CBS:** *The Amazing Race* at 9 p.m. has been just that this season, exploding in popularity and boosting its ratings in the time period by 100% and 132%, respectively, for its sixth and seventh editions. It garnered a record-breaking number of viewers last week.

The rest of the news is mixed for CBS on the night. *NCIS* is okay at 8, but *Judging Amy* at 10 has been losing too much of its *Amazing* lead-in.

Fox: With *House* exploding this season behind the unstoppable *American Idol*, Fox should keep it in its 9 p.m. time period this fall and air reruns all

summer to attract new

viewers. Chances are the network will seek out a reality show or drama for the 8 p.m. time period this fall.

NBC: It has already announced the return of reality series *The Biggest Loser* at 8 p.m. from August to November. But NBC has really been out of the game here since *Idol* returned in January. Having basically

abandoned the 8 p.m. hour, it saw its comedies airing from 9 to 10 suffer, including *Scrubs* and, more recently, midseason entries *The Office* and *Committed*.

NBC is said to be still hopeful about *The Office*, so it could return in the fall or midseason, perhaps in a different time period. NBC is noncommittal about *Committed*. At 10, strong performer *Law & Order: SVU* is safe.

WEDNESDAY

ABC: The network wants bigger things on Wednesday to capitalize on its 8 p.m. wonder, *Lost*. *Alias* and *Wife Swap* could stay, but there's a feeling they've both lost steam.

CBS: *King of Queens* is hurting against *Idol* but not enough to make it go away. Questions, however, have been raised about the future of the two shows surrounding it: *60 Minutes Wednesday* is now tainted (and has bad ratings, too), and comedy *Yes, Dear*—brought back at midseason in the post-*King* 9:30 slot—has been



House



American Idol



The Office



Lost

squandering its lead-in audience.

Fox: There are lots of alternatives available. The network will likely bring back *That '70s Show* to lead off the night, then decide on midseason entry *Life on a Stick* (which perked up last week following an appearance behind *'70s Show*). Count on *The Simple Life* or Fox's comedy-development slate to round out the rest of the night.

NBC: The network needs to shore up its weak 8-9 p.m. block, where it has been unable to gain much traction with anything, including a version of *Dateline NBC*.

At 9, expect *The West Wing*, which has struggled with a weak lead-in this season while doing well creatively, to move to a new night in what could be its last hurrah. New series

Revelations won't fit there because it will need time to generate new episodes. So what does NBC do with the hour? Maybe move the

Donald Trump version of *The Apprentice* from 9 p.m. Thursday to the same hour a day earlier, with the new, Martha Stewart-fronted *Apprentice* on Thursday. *ER* will still be there.

THURSDAY

ABC: Schedule-setters will likely see Thursday as a blank slate. If comedy development pans out, programmers could see a huge opportunity now that NBC's Must-See Thursdays are now pretty miss-able. At 9 p.m. at least, ABC has a chance to develop an unchallenged comedy block. Don't expect *Jake in Progress* back, and ABC News' *Primetime Live* is hurting at 10.

CBS: What's there to say? From *Survivor* to *CSI* and *Without a Trace*, CBS rocks.

Fox: *The O.C.* will surely be back, having performed well at 8 against tough competition. It shot up more than 70% in adults 18-49 over last year's occupant, *Tru Calling*, which is now struggling at 9.

NBC: It could move *Joey* or *Will & Grace* to give familiarity to another comedy night but doing that could damage those sitcoms, which seem fragile where they are. Much of NBC's



Revelations



Apprentice



Jake in Progress



The O.C.



Will & Grace

Thursday future rests on the strength of its comedy-development slate. The list includes *All in Goody's*, a pilot set in a coffee shop in the North End of Boston that counts powerful *Law & Order* impresario Dick Wolf among its producers. But with the Winter Olympics, NBC gets a huge promotional platform to pump some promising sitcoms launching in the spring.



Joey

FRIDAY



8 Simple Rules

ABC: None of ABC's comedies this night have done great. The two with the best hope for renewal are *8 Simple Rules* and *Less Than Perfect*, if only

so they can anchor new entrants.

CBS: *Joan of Arcadia* will need a miracle to save it.

Meanwhile, the long-running *JAG* ended its tour of duty April 29. But *Numb3rs* is a surprise hit at 10.

Fox: Depending on whether *Bernie Mac* returns—the star has a respiratory disease—Fox could opt for more comedies at 8 followed by a drama, or a two-hour laugh block.

NBC: The network has done decently with *Dateline*, *Third Watch* and *L&O: Trial by Jury*. But *Third Watch* ends this week, which gives NBC an opportunity to incubate a new series before moving it to a more competitive time period (think *Raymond*, which started on Fridays).



Third Watch

SATURDAY

ABC, CBS, NBC: Expect more of the same on the week's lowest-rated night: movies and clever packaging of series repeats.

Fox: Those bad boys on Fox's *Cops* and *America's Most Wanted* are staples, at least until society goes through a massive transformation. ■



Cops



America's Most Wanted



NIELSEN APRIL 18 - 24 RATINGS

THE PRIME TIME RACE Top 10 Basic Cable Shows

April 18-24

Total Households (in millions)

| PROGRAM | DATE | NET | HHS |
|--------------------------------|------|------|-----|
| 1. NFL Draft | 4/23 | ESPN | 3.8 |
| 2. WWE Raw 10p | 4/18 | SPIK | 3.6 |
| 3. WWE Raw 9p | 4/18 | SPIK | 3.3 |
| 3. SpongeBob SquarePants 9:30a | 4/24 | NICK | 3.3 |
| 5. Fairly OddParents 10a | 4/24 | NICK | 3.1 |
| 5. SpongeBob SquarePants 9:30a | 4/23 | NICK | 3.1 |
| 7. SpongeBob SquarePants 9a | 4/24 | NICK | 3.0 |
| 7. Fairly OddParents 10:30a | 4/24 | NICK | 3.0 |
| 9. SpongeBob SquarePants 9a | 4/23 | NICK | 2.9 |
| 10. Fairly OddParents 10a | 4/23 | NICK | 2.8 |

Adults 18-49 (in millions)

| PROGRAM | DATE | NET | 18-49 |
|----------------------------------|------|------|-------|
| 1. NFL Draft | 4/23 | ESPN | 2.9 |
| 2. WWE Raw 10p | 4/18 | SPIK | 2.8 |
| 3. WWE Raw 9p | 4/18 | SPIK | 2.5 |
| 4. The Shield | 4/19 | F/X | 2.3 |
| 5. Sex and the City 9:40p | 4/19 | TBS | 1.9 |
| 5. South Park | 4/20 | COM | 1.9 |
| 5. NBA: Nuggets vs. Spurs | 4/24 | TNT | 1.9 |
| 5. RW/RR Challenge Inferno | 4/18 | MTV | 1.9 |
| 9. NBA: Wizards vs. Bulls | 4/24 | TNT | 1.7 |
| 10. NBA: Rockets vs. Mavericks | 4/24 | ESPN | 1.6 |
| 10. Law & Order: Criminal Intent | 4/23 | USA | 1.6 |
| 10. Family Guy | 4/20 | TOON | 1.6 |

SOURCE: Turner Entertainment Research, Nielsen Media Research

Broadcast Networks

April 18-24

Total Households (in millions)

| | WEEK | STD |
|--------|------|-----|
| 1. CBS | 8.9 | 9.1 |
| 2. NBC | 6.3 | 7.2 |
| 3. FOX | 6.2 | 6.7 |
| 3. ABC | 6.2 | 7.2 |
| 5. WB | 2.5 | 2.4 |
| 6. UPN | 2.4 | 2.5 |
| 7. PAX | 0.4 | 0.5 |

Adults 18-49 (in millions)

| | WEEK | STD |
|--------|------|-----|
| 1. FOX | 4.9 | 5.3 |
| 2. CBS | 4.8 | 5.2 |
| 3. ABC | 4.2 | 4.9 |
| 4. NBC | 4.1 | 4.6 |
| 5. UPN | 1.7 | 1.8 |
| 6. WB | 1.6 | 1.8 |
| 7. PAX | 0.2 | 0.2 |

Top 10 Broadcast Shows

Total Households (in millions)

| | WEEK |
|----------------------------|------|
| 1. CSI | 18.5 |
| 2. Desperate Housewives | 16.1 |
| 3. American Idol Tue | 15.7 |
| 4. American Idol Wed | 15.2 |
| 5. CSI: Miami | 14.3 |
| 6. Survivor: Palau | 12.8 |
| 7. Grey's Anatomy | 12.4 |
| 8. House | 12.0 |
| 9. Everybody Loves Raymond | 11.9 |
| 10. Two and a Half Men | 11.8 |
| 10. ER | 11.8 |

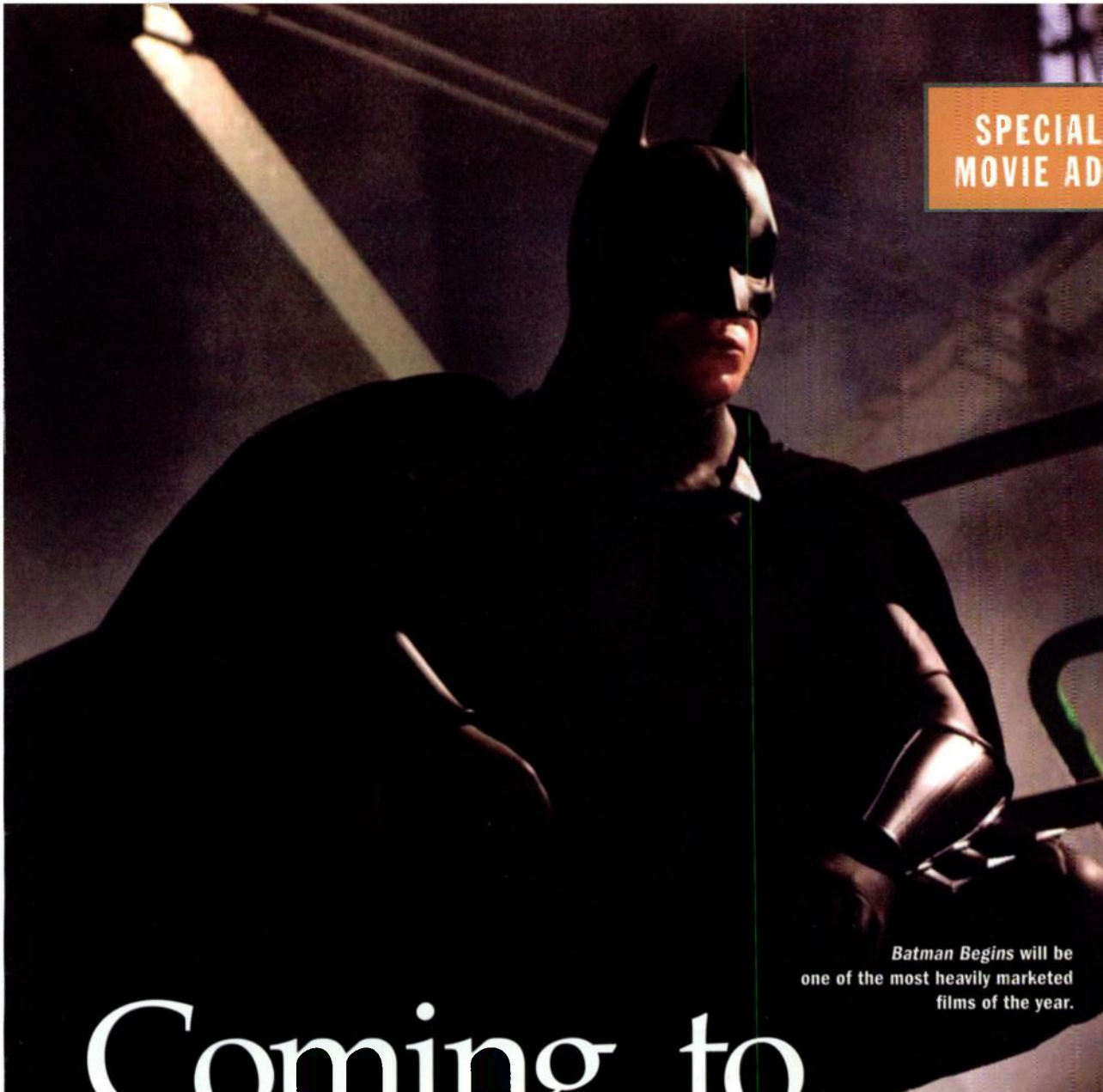
Adults 18-49 (in millions)

| | WEEK |
|-----------------------------------|------|
| 1. Desperate Housewives | 13.1 |
| 2. American Idol Tue | 12.8 |
| 3. American Idol Wed | 12.6 |
| 4. CSI | 12.0 |
| 5. Grey's Anatomy | 10.5 |
| 6. ER | 9.6 |
| 7. Extreme Makeover: Home Edition | 9.0 |
| 8. CSI: Miami | 8.9 |
| 9. Survivor: Palau | 8.8 |
| 10. House | 8.4 |
| 10. The Apprentice | 8.4 |

SOURCE: Nielsen Media Research

| | abc | CBS | NBC | FOX | PAX | UPN | WB |
|-----------------|--|-------------------------------------|--|---|--|-------------------------------------|----------------------------------|
| Week 31 | 5.8/11 | 9.9/16 | 5.0/8 | 6.2/10 | 0.5/1 | 2.0/3 | 2.8/4 |
| MONDAY | | | | | | | |
| 8:00 | 65. Extreme Makeover Home Ed: How'd They Do That? 4.3/7 | 34. Still Standing 6.0/10 | 62. Fear Factor 4.5/7 | 39. Nanny 911 5.6/9 | 125. Extreme Fakeovers* 0.4/1 | 99. One on One 1.9/3 | 92. 7th Heaven 2.5/4 |
| 8:30 | | 35. Listen Up 5.9/9 | | | | 99. Cuts 1.9/3 | |
| 9:00 | 40. The Bachelor 5.5/8 | 9. Everybody Lvs Raymond 10.9/16 | 52. Las Vegas 5.1/8 | 26. 24 6.8/10 | 122. Monday Mystery Movie—Diagnosis Murder: X Marks Murder 0.5/1 | 97. Friends 2.2/3 | 85. Everwood 3.1/5 |
| 9:30 | | 10. Two and a Half Men 10.8/16 | | | | 99. Half and Half 1.9/3 | |
| 10:00 | 31. Supernanny 6.1/10 | 5. CSI: Miami 13.0/21 | 40. Medium 5.5/9 | | | | |
| 10:30 | | | | | | | |
| | | | | TUESDAY | | | |
| | 4.7/8 | 7.7/12 | 4.8/8 | 12.7/20 | 0.2/1 | 1.8/3 | 3.0/5 |
| 8:00 | 85. My Wife and Kids 3.1/5 | 21. NCIS 7.7/13 | 79. Most Outrageous Moments: Live TV 3.3/5 | 3. American Idol 14.3/23 | 130. Lie Detector 0.2/1 | 106. All of Us 1.8/3 | 79. Gilmore Girls 3.3/5 |
| 8:30 | 79. George Lopez 3.3/5 | | | | | 99. Eve 1.9/3 | |
| 9:00 | 44. According to Jim 5.4/8 | 21. The Amazing Race 7.7/12 | 69. Scrubs 4.0/6 | 8. House 11.0/17 | 134. Cold Turkey 0.1/1 | 106. Veronica Mars 1.8/3 | 91. One Tree Hill 2.6/4 |
| 9:30 | 46. Rodney 5.3/8 | | 76. The Office 3.4/5 | | | | |
| 10:00 | 40. Blind Justice 5.5/9 | 19. Judging Amy 7.8/13 | 23. Law & Order: Special Victims Unit 7.4/12 | | 125. Diagnosis Murder 0.4/1 | | |
| 10:30 | | | | | | | |
| | | | | WEDNESDAY | | | |
| | 5.5/9 | 5.8/9 | 7.6/12 | 7.1/11 | 0.6/1 | 2.3/4 | 2.1/3 |
| 8:00 | 28. Lost 6.5/11 | 40. 60 Minutes Wednesday 5.5/9 | 59. Dateline NBC 4.7/8 | 67. The Simple Life 4.2/8 | 118. Doc 0.6/1 | 85. America's Next Top Model 3.1/5 | 89. Smallville 2.8/5 |
| 8:30 | | | | 52. Stacked 5.1/8 | | | |
| 9:00 | 46. Alias 5.3/8 | 46. King of Queens 5.3/8 | 19. Revelations 7.8/12 | 4. American Idol 13.8/21 | 118. Sue Thomas, F.B. Eye 0.6/1 | 110. Kevin Hill 1.6/3 | 113. Jack & Bobby 1.4/2 |
| 9:30 | | 36. Yes, Dear 5.8/9 | | 56. Life on a Stick 5.0/8 | | | |
| 10:00 | 62. Eyes 4.5/7 | 30. CSI: NY 6.3/11 | 14. Law & Order 10.1/17 | | 122. Diagnosis Murder 0.5/1 | | |
| 10:30 | | | | | | | |
| | | | | THURSDAY | | | |
| | 3.8/6 | 13.1/21 | 8.4/14 | 3.6/6 | 0.1/1 | 3.3/5 | 1.8/3 |
| 8:00 | 83. Jake in Progress 3.2/6 | 6. Survivor: Palau 11.7/20 | 46. Joey 5.3/9 | 64. The O.C. 4.4/7 | 130. Young Blades 0.2/1 | | 99. Blue Collar TV 1.9/3 |
| 8:30 | 85. Jake in Progress 3.1/5 | | 38. Will & Grace 5.7/9 | | | 79. WWE Smackdown! 3.3/5 | 99. Blue Collar TV 1.9/3 |
| 9:00 | 83. Extreme Makeover 3.2/5 | 1. CSI 16.9/26 | 16. The Apprentice 8.9/14 | 89. Tru Calling 2.8/4 | | | 106. Blue Collar TV 1.8/3 |
| 9:30 | | | | | 125. Diagnosis Murder 0.4/1 | | 109. Blue Collar TV 1.7/3 |
| 10:00 | 56. Primetime Live 5.0/8 | 12. Without a Trace 10.6/18 | 10. ER 10.8/18 | | | | |
| 10:30 | | | | | | | |
| | | | | FRIDAY | | | |
| | 4.9/9 | 6.4/11 | 6.2/11 | 4.0/7 | 0.3/1 | 1.2/2 | 1.9/3 |
| 8:00 | 59. America's Funniest Home Videos 4.7/9 | 52. Joan of Arcadia 5.1/9 | 44. Dateline NBC 5.4/10 | 69. Fox Movie Friday—Maid in Manhattan 4.0/7 | 118. America's Most Talented Kids 0.6/1 | 113. Enterprise 1.4/3 | 110. What I Like About You 1.6/3 |
| 8:30 | | | | | | | 110. Reba 1.6/3 |
| 9:00 | 74. Hope & Faith 3.5/6 | 27. JAG 6.6/11 | 31. Third Watch 6.1/10 | | | 116. America's Next Top Model 1.0/2 | 95. Reba 2.3/4 |
| 9:30 | 76. Hope & Faith 3.4/6 | | | | 130. MGM Night at the Movies—Love Is All There Is 0.2/1 | | 98. Living With Fran 2.1/4 |
| 10:00 | 28. 20/20 6.5/12 | 23. Numb3rs 7.4/13 | 25. Law & Order: Trial by Jury 7.0/12 | | | | |
| 10:30 | | | | | | | |
| | | | | SATURDAY | | | |
| | 3.6/7 | 5.0/9 | 4.3/8 | 5.0/9 | 0.3/1 | | |
| 8:00 | 71. Wonderful World of Disney 3.7/7 | 61. NCIS 4.6/9 | 92. Crossing Jordan 2.5/5 | | 125. Universal Family Movie—The Great Waldo Pepper 0.4/1 | | |
| 8:30 | | | | | | | |
| 9:00 | 73. ABC Saturday Movie of the Week—Jurassic Park III 3.6/6 | 50. Crimetime Saturday 5.2/9 | 65. Law & Order: Special Victims Unit 4.3/8 | 52. NASCAR Nextel Cup—Subway Fresh 500 5.1/10 | | | |
| 9:30 | | 50. 48 Hours Mystery 5.2/9 | 31. Law & Order 6.1/11 | | | | |
| 10:00 | | | | | 130. Faith Under Fire 0.2/1 | | |
| 10:30 | | | | | | | |
| | | | | SUNDAY | | | |
| | 10.1/16 | 8.8/14 | 8.3/7 | 2.7/4 | 0.6/1 | | 1.9/3 |
| 7:00 | 58. America's Funniest Home Videos 4.9/9 | 17. 60 Minutes 8.3/15 | 68. Dateline NBC 4.1/7 | 74. The Simpsons 3.5/7 | 125. America's Most Talented Kids 0.4/1 | | 113. Charmed 1.4/3 |
| 7:30 | | | | 76. Malcolm in the Middle 3.4/6 | | | |
| 8:00 | 15. Extreme Makeover: Home Edition 9.6/15 | 12. Cold Case 10.6/7 | | | 122. Doc 0.5/1 | | 92. Charmed 2.5/4 |
| 8:30 | | | | 71. The Contender 3.7/6 | 95. American Top 40 Live 2.3/4 | | |
| 9:00 | 2. Desperate Housewives 14.6/22 | 18. CBS Sunday Movie—Locusts 8.1/13 | | | 117. Sue Thomas, F.B. Eye 0.7/1 | | 99. Steve Harvey Big Time 1.9/3 |
| 9:30 | | | | | | | |
| 10:00 | 7. Grey's Anatomy 11.3/18 | | 36. Crossing Jordan 5.8/9 | | 118. Diagnosis Murder 0.8/1 | | |
| 10:30 | | | | | | | |
| Averages | | | | | | | |
| Week | 5.6/9 | 8.1/13 | 6.7/10 | 5.7/9 | 0.4/1 | 2.1/4 | 2.2/4 |
| S-T-D | 6.5/11 | 8.3/13 | 6.6/11 | 6.1/10 | 0.4/1 | 2.3/4 | 2.2/3 |

NET: 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 109.6 million households; one rating point is equal to 1,096,000 U.S. 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



Batman Begins will be one of the most heavily marketed films of the year.

Coming to a Small Screen Near You

In an uncertain time for advertisers, movie studios still find TV crucial

By Joe Mandese

Over the next couple of months, Hollywood will give movie fans super villains, an alien invasion and a trip to the Dark Side. Studios will bombard TV viewers with commercials for *Batman Begins*, *War of the Worlds* and the last of the *Star Wars* trilogy, *Revenge of the Sith* in one of the most competitive box-office battles ever.

That's great news for media outlets that may learn to depend on entertainment advertising in what is shaping up to be a questionable upfront advertising season.

While there are mixed signals in virtually every major advertising category—automotives, pharmaceutical, financial services, and fast food—Hollywood studios continue to be some of the healthiest advertisers and most demanding of premium ad inventory, spending more than \$2.7 billion last year.

And though the movie industry has begun shifting its ad budgets into a wide array of alternative media—especially the Internet and a variety of buzz marketing techniques—TV continues to be the happy mainstay of motion picture marketing. It is almost common knowledge, even with television viewers, that, on Thursday

night, the movie studios load up on TV advertising trying to boost weekend box-office results.

In fact, it is now customary for studios to run commercials for some of the most anticipated summer blockbusters during the Super Bowl, as much as six months before the films are released. That was true for what will be two of the most heavily marketed films of the year: Warner Bros. *Batman Begins* and Paramount's *War of the Worlds*.

Unlike other major ad categories, the movie industry's budgets are rising not because of inflation but because there are more movies and they're becoming more profitable.

"While the number of films increased last year, the cost to make and market those films dipped slightly from the previous year," Dan Glickman, president and CEO of the Motion Picture Association of America, boasted during an annual economic update at a film-industry trade show in Las Vegas. The average ad budget of an MPAA-member movie in 2004 was \$30.6 million, down 12% from 2003.

That might seem a concern for the media industry, but it is more a reflection of how economical advertising has become for movie marketers, as they develop more-sophisticated methods for modeling how and when to spend their ad budgets,

and perhaps more important, when not to.

"Whereas other categories are having problems with their business models, the movie business is profitable on all sides," says Michael Lotito, managing partner of Media IQ, a New York-based firm that evaluates the media buys of agencies for big national marketers.

THREE MAJOR LAUNCHES A WEEK

"Their modeling has gotten so sophisticated that, based on the first week's box-office gross, they can tell you exactly how much money they will make over time," Lotito explains. "They know how much money to plow back into marketing and how much profit that will generate. If it opens big, they put more money into it. If it opens medium, they put a little more into it. If it opens small, they know not to waste their time on it."

The good news, says one movie-marketing expert, is that the movie industry is not pocketing those savings. Instead, it is reinvesting them in marketing more product than ever before, meaning that, while movie ad budgets are declining on average, the category's spending is growing overall.

"The broader release slate is fairly constant compared to where we've been relative to the last few years. We're projecting around 150 wide releases for 2005," says Andy Wing, president and CEO of Nielsen Entertainment, Los Angeles, referring to the number of major movies that open on 600-1,000 movie screens nationwide. Those are the type likely to have big ad budgets, he says, noting that the output equates to "three major new product launches a week."

"What other industry can you say that about?" he asks. And, Wing adds, it isn't simply theatrical releases that are boosting Hollywood's marketing spending but the subsequent DVD sales, as well.

The combined effect of simultaneous theatrical and DVD releases has created an incredibly competitive and cluttered movie-marketing environment, says Jon Mandel, chairman of MediaCom Worldwide's U.S. operations in New York.

That, he says, has led to a year-round marketing cycle for the movie industry that has stretched well beyond its traditional summer and holiday-season focus.

While summer and holiday releases are still get some of the biggest budgets, Mandel, who handles Warner Bros.' media buying account, says, when smaller titles and independent features are factored into the mix, there will be "something like 33 movies releases a week" during 2005.

He predicts that this movie-marketing frenzy will be especially concentrated during the next few quarters as Sony absorbs the MGM studio library it acquired and begins fulfilling the marketing terms of the movie-financing deals related to those films.

"Sony will be just stupid for a while," he says bluntly, predicting an ad blitz for some films. "They will be vomiting over themselves chasing these movies." Nonetheless, Mandel believes that script will be followed by other major studios, which may actually output fewer films than last year.

SUMMER MOVIES IN APRIL

Several other studios are going through transitions of their own. There's a new management team at Paramount, which may opt for a more financially prudent approach during its break-in period under parent Viacom. Walt Disney Co.'s film studio is in transition as it spins off its hit-making Miramax division.

Meanwhile, the summer marketing season itself is being extended beyond the traditional Memorial Day-to-Labor Day period. "The summer box-office season expands every year. Here we are in mid April, and we're already seeing summer movies open. It used

to be at least the second week of May," says Sean Horvath, VP of entertainment marketing and sales at Alloy Media and Marketing, a youth-marketing agency that specializes in the entertainment industry.

He says the the kind of films being marketed is also changing. While the studios are still focusing on movies that appeal to young audiences, Hollywood now is focusing on films with crossover appeal.

"Most movies are targeted at the 12-34 demo, but the pipeline for most of 2005 seems focused on a broader target than normal," Horvath says. "It's not so much the hardcore 12-17 youth audience but more of the 12-24 or 12-34 audience. The titles coming out are aimed at a broader base."

MEET THE BUZZ SQUAD

Expanding the base of moviegoers has led the big studios to focus more on sequels and "franchise films" as likely to appeal to older viewers as to younger ones.

"Look at *Batman Begins*," Horvath notes. "If you were a teenager who didn't see *Batman* 15 years ago, the focus is on introducing it to you. At the same time, the focus is trying to get the people who know the franchise to come back."

Something else that's changing is how movie studios market their films, including the media they choose, and how they reach younger consumers. Alloy, which specializes in "buzz marketing" is emblematic of that.

Instead of TV commercials, the agency uses "viral" marketing techniques ranging from street-marketing stunts and film-merchandise giveaways to a peer-to-peer network of teens who create word of mouth about new films.

Some of Alloy's stunts include the creation of live "skits" of films, in which actors dressed in movie costumes perform in public areas to create buzz and generate PR.

But the heart of Alloy's approach is its Buzz Squad, a panel of 200,000 teens and college

students who sign up to promote new films in exchange for early previews of trailers, merchandise and other "swag." By prior agreement, each member of the network has to agree to pass the word on to five peers and to document their efforts, which range from simple word of mouth to personal blogs showing clips and trailers.

"[Studios] know they have to try new approaches to create buzz," Horvath says. "It's all about 'eventizing' a film."

Not surprisingly, these new approaches are leading to profound shifts in the way studios spend their advertising budgets. Between 2000 and 2004, network TV's share of the average movie ad budget has declined to 22.9% from 23.8%. Spot TV has fallen even more, dropping to 13.3% from 18.3%. The fastest-growing sectors: online and "other media," according to MPAA estimates.



Jon Mandel

There have also been notable shifts within TV ad spending. Over the same four-year period, Nielsen Monitor-Plus estimates, spending by movie studios on spot TV has declined 4%. While spending on broadcast-network ads has risen 20%, the fastest-growing segments have been cable TV (+121%) and Spanish-language TV (+185%). Syndication was flat during this period.

Charlie Collier, executive VP for advertising sales at Court TV, explains cable's uptick, noting that cable networks often work harder to "merchandise" films, creating promotions related to the release of a film or integrating movie brands into their programming.

"The challenge is, [studios] have very short windows for launching a new product. Essentially, they're planning for a two-week cycle," Collier says. "So they have to find ways to break through the clutter of network TV."

Nielsen's Wing explains the Hispanic TV growth as indicative of a more fundamental cultural shift in the U.S. entertainment industry.

While Hispanics account for nearly 13%-14% of the U.S. population, he says, their impact on movie-attendance habits is different. For example, compared with other demographic and ethnic classes, Hispanics are more likely to attend movies as a family on Sundays rather than use movie-going as a "date" on a weekend night.

Despite these shifts, MediaCom's Mandel believes that traditional TV advertising will remain the focal point of plans by the major Hollywood studios for another very important cultural reason. "Let's face it," he says. "It's the business they're in: The studios own the networks." ■

AVERAGE AD BUDGET FOR NEW FEATURE FILM

Total and platform share

| | TOTAL | NETWORK TV | SPOT TV | ONLINE | OTHER |
|------|----------|------------|---------|--------|-------|
| 2004 | \$30.61M | 22.9% | 13.3% | 2.4% | 61.4% |
| 2003 | \$34.84M | 23.2% | 15.7% | 1.3% | 59.8% |
| 2002 | \$27.31M | 23.0% | 17.6% | 0.9% | 58.5% |
| 2001 | \$27.28M | 25.4% | 16.9% | 1.3% | 56.4% |
| 2000 | \$24.00M | 23.8% | 18.3% | 0.7% | 57.2% |

SOURCE: Motion Picture Association of America

MOVIE-STUDIO SPENDING ON TV

Total and by platform, in millions

| YEAR | TOTAL | NETWORK | CABLE | SYNDICATION | SPOT | SPANISH LANGUAGE |
|----------------|-----------|-----------|---------|-------------|---------|------------------|
| 2000 | \$2,024.9 | \$938.4 | \$330.8 | \$139.0 | \$531.1 | \$23.1 |
| 2001 | \$2,691.5 | \$1,021.9 | \$394.6 | \$154.4 | \$511.8 | \$32.5 |
| 2002 | \$3,223.3 | \$1,140.2 | \$589.7 | \$134.0 | \$599.5 | \$50.4 |
| 2003 | \$3,465.8 | \$1,252.3 | \$624.9 | \$118.6 | \$616.3 | \$70.3 |
| 2004 | \$3,510.6 | \$1,228.8 | \$730.3 | \$138.4 | \$509.4 | \$65.8 |
| Change '00-'04 | +73% | +20% | +121% | NC | -4% | +185% |

SOURCE: Nielsen Monitor-Plus

NC = No change

It's Reality
It's Sports
It's
Original!

ULTIMATE
ARENA
PAINTBALL

America's popular outdoor extreme sport
is now indoors and more intense than
anything you've ever seen.

RACECAR
Driver

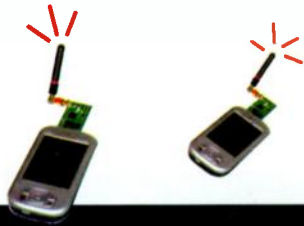
Your riding shotgun with driver Paul Tracy
in his high speed search for racing glory.

This fall brings 2 new original
premieres, each with great
marketing opportunities.



SUPERSTATION
WGN

BILL SHAW VPI General Manager
CHRIS MANNING VPI General Sales Manager
(212) 210-5900



Live TV on Your Cellphone

A much improved service could be in hand next year **By Ken Kerschbaumer**

Attendees at last month's NAB Show got their hands on video-enabled phones that used a prototype receiver chip and antenna to receive live TV signals.



Microsoft will provide Crown Castle with VC1 compression, streaming and digital-rights-management (DRM) technology. SES Americom will provide satellite space for delivering TV signals to the transmitters that will eventually be located across the country.

VC1 compression takes less memory to decode the TV signal, an important feature because it means the phone's processor doesn't have to be as large and won't drain as much of the battery.

Crown Castle's plans include expanding the network to nine "always on" sites for a more in-depth trial than the one it has been running in Pittsburgh, says Crown Castle Mobile Media CTO Nick Davies.

The company needs to probe data rates and quality issues like indoor reception, plus end-user requirements, including display resolution.

The company still has to negotiate with content and cellular providers. Crown Castle wants a large footprint, so it is not interested in exclusive deals. It could also deliver TV pictures over other mobile devices, but, for now, the focus is on the cellphone. "That's the device Joe Public will want to use," says Schueppert.

BROADCASTERS WAIT AND SEE

When Crown Castle showed off the technology at the National Association of Broadcasters Show last month, the techies were interested, but broadcasters weren't putting it on their to-do lists right away. That doesn't concern Schueppert: "Right now, our customers are the wireless carriers, because their primary business model is pay-TV services to cellphones."

Today, cellphone users can watch prerecorded TV snippets on Sprint and Cingular's MobiTV or Verizon's Vcast. But by next year, they may be able to watch live TV content from a variety of cellular phones.

As a step toward inaugurating its Digital Video Broadcasting-Handheld (DVB-H) service, Houston-based Crown Castle International has licensed 5 MHz of spectrum nationwide in an FCC auction—at the surprisingly low price of \$12 million. Crown Castle is testing the system in Pittsburgh now but ought to be able to deploy its signal over a wide portion of the U.S. by the end of next year.

"We can conservatively fit eight TV channels and 12 audio channels in our spectrum," says Crown Castle Mobile Media President Michael Schueppert. "We still have a lot of things to pull together, like getting handsets and aggregating the content, but things are going well."



"We can conservatively fit eight TV channels and 12 audio channels in our spectrum."

MICHAEL SCHUEPPERT, CROWN CASTLE MOBILE MEDIA

CHEAPER, BETTER

Unlike current mobile video services such as Vcast and MobiTV, Crown Castle's DVB-H is not a unicast, or one-to-one, transmission. The unicast model is expensive to build and maintain because the cellular network needs enough capacity to send out individual streams to subscribers. As it grows in

popularity, the infrastructure to push the content needs to be expanded.

Not so with DVB-H. As long as the cellphone has a DVB-H receiver chip, it will be able to pull down local TV signals retransmitted by Crown Castle.

"One of the big advantages is that, because it uses terrestrial transmission, we can carry local content in the same way as TV stations and offer different local services in different markets," says Schueppert. "We'll want to work with local broadcasters because they do the best job with local news, weather and sports." But it is also clear that DVB-H, which Crown Castle will brand with a

less cumbersome name at some point, can also deliver cable news and sports networks. Crown Castle says it will pay retransmission fees to content providers; the product is new enough that Crown Castle doesn't know what consumers will be charged.

Peter MacAvock, who heads the effort in Europe to continue evolving DVB-H standards (the service is already available in Finland and the UK, and coming to China soon), is more bullish on the channel capacity. He says that, depending on compression level, it is possible to deliver 15-30 channels.

And he believes content providers will eventually get it. "Our value proposition," he says, "is helping them repurpose content and build other revenue streams without cannibalizing existing services."

The biggest challenge for Crown Castle may be overcoming a prejudice that exists against such services. "Just six months ago, people were very skeptical because they looked at MobiTV and saw two frames per second of performance," says Schueppert. "But we have vastly better economics and more value because of our transmission method." ■

TECH Q&A

Grass Valley Eyes Competitors

New strategies as big players get bigger

When it comes to driving the global TV-production market with the right product introduction, there is little doubt that Thomson, particularly its Grass Valley division, is at the top of that game.

Headed up by President Marc Valentin, the company continues to look for ways to expand its product offerings—particularly since rival Avid acquired Pinnacle Systems.

Valentin and Jeff Rosica, Grass Valley VP, worldwide strategic marketing and business development, spoke with *B&C's* Ken Kerschbaumer about Grass Valley's changing role.

When Avid acquired Pinnacle Systems, some network executives told me that Avid is now clearly defined as the content-creation-tool maker, while Grass Valley is focused on content distribution and infrastructure. Would you agree?

ROSICA: I do think that, from a post-production standpoint, Avid is very large, while we're in certain segments of that market. But we're a leader in the production market, the leader in the infrastructure market, and the leader in the playout and distribution market.

VALENTIN: And let's not forget the news market. It's very important for us. We're in the whole news workflow from beginning to end.

What do you think of the new 1080/60p cameras that Sony rolled out at NAB?

ROSICA: I think the number-one question to ask is, are they doing it because the customers need it or to solve a problem against a competitor? 1080p/60 is something you can't run down existing wires.

With respect to other HD production gear, what do you think of Panasonic's P2 and Sony's XDCAM formats?

ROSICA: We believe the days of proprietary, closed approaches to formats are over and a truly open framework in that environment is what is needed. And that could be open media, codecs. We think it's time to put the choice into the hands of the user, rather than having manufacturers dictate things.

The Best of the Best...

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Peabody Awards
Emcee

Presentation Luncheon

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Larry Dunn,
Publishing Director, 646-746-6572

Issue Date: May 16
Space Close: May 4
Materials Close: May 6



DEALS

TVS

K14LJ LAUGHLIN, NEV.

PRICE: \$10,000

BUYER: NBC/GE (Jay Ireland, president, TV stations)

SELLER: Summit Media LP (Scott Gentry, president)

FACILITIES: Ch. 14, 10 kW, ant. 2,316 ft.

COMMENT: Purchase price is portion of purchase price payable under KBLR(TV)/K14MA asset-purchase agreement.

K04HG, K10EA AND K12KV LAKE CITY, COLO.

PRICE: Undisclosed

BUYER: Town of Lake City (Michelle L. Pierce, town manager)

SELLER: Hinsdale County Chamber of Commerce (Alena Haskell, executive director)

FACILITIES: K04HG: Ch. 4, 0.012 kW; K10EA: Ch. 10, 0.005 kW; K12KV: Ch. 12, 0.008 kW

COMBOS

WELY(AM) AND WELY(FM) ELY, MINN.

PRICE: \$445,000

BUYER: Bois Forte Tribal Council (Kevin W. Leecy, chairman); owns no other stations

SELLER: Boundary Waters Broadcasters (Janice Erickson, CEO)

FACILITIES: WELY(AM): 1450

kHz, 770 W; WELY(FM): 94.5 MHz, 15 kW, ant. 338 ft.

FORMAT: WELY(AM): Variety; WELY(FM): Variety

KRQX(AM) AND KYCX(FM) MEXIA, TEXAS

PRICE: \$390,000

BUYER: Simmons Media Group Inc. (G. Craig Hanson, president); owns 20 other stations, none in this market

SELLER: MJ Communications Inc. (Susan M. Cholopisa, president/director)

FACILITIES: KRQX(AM): 1590 kHz, 500 W day/128 W night; KYCX(FM): 104.9 MHz, 2 kW, ant. 351 ft.

FORMAT: KRQX(AM): Coun-

try; KYCX(FM): Country

BROKER: John Pierce of John Pierce and Co.

WSWV(AM) AND WSWV(FM) PENNINGTON GAP, VA.

PRICE: \$105,000

BUYER: B C Broadcasting Co. Inc. (Billy Louis Carter, president); owns no other stations

SELLER: IBS Communications LLC (David S. Hartley, GM)

FACILITIES: WSWV(AM): 1570 kHz, 2 kW day/191 W night; WSWV(FM): 105.5 MHz, 4 kW, ant. 276 ft.

FORMAT: WSWV(AM): Gospel; WSWV(FM): Adult Hits

FMS

KTEE(FM) FELTON AND KOTR(FM) HOLLISTER (MONTEREY-SALINAS-SANTA CRUZ), CALIF.

PRICE: \$2.88 million

BUYER: Lazer Broadcasting Corp. (Alfredo Plascencia, president); owns 16 other stations, none in this market

SELLER: Mapleton Communications LLC (Adam Nathanson, president)

FACILITIES: KTEE(FM): 93.7 MHz, 28 W, ant. 1,260 ft.; KOTR(FM): 93.5 MHz, 110 W, ant. 2,297 ft.

FORMAT: KTEE(FM): Oldies; KOTR(FM): Oldies

COMMENT: Additional contingent consideration (positive difference between upgrade population count and base population count multiplied by \$5) is payable within 90 days after commencement of regular programming from any new, relocated or upgraded facilities.

NEW (FM)(CP) RYE (PUEBLO), COLO.

PRICE: \$200,000

BUYER: WAY FM Media Group Inc. (Robert D. Augsburg, president); owns 13 other stations, none in this market

SELLER: Harvest Radio Corp. (Larry Perry, president)

FACILITIES: 90.9 MHz, 11 kW, ant. 114 ft.

FORMAT: CP-NOA

COMMENT: Purchase price includes \$125,000 payable within 90 days of completion of construction of station as authorized by the CP. Buyer also agrees to air certain programming to promote Seller's non-

profit educational purposes.

AMS

KSUD(AM) WEST MEMPHIS (MEMPHIS, TENN.) ARK.

PRICE: \$2 million

BUYER: Simmons Media Group Inc. (G. Craig Hanson, president); owns 21 other stations, none in this market

SELLER: Educational Media Foundation (Richard Jenkins, president)

FACILITIES: 730 kHz, 1 kW

FORMAT: Inspirational/Talk

BROKER: John Pierce of John Pierce and Co.

WLDX(AM) FAYETTE, ALA.

PRICE: \$450,000

BUYER: Dean Broadcasting Inc. (J. Wiley Dean, president); owns no other stations

SELLER: Thomley Broadcasting Co. Inc. (Eloise F. Thomley, president/director)

FACILITIES: 990 kHz, 1 kW day/42 W night

FORMAT: Country

WDLX(AM) WASHINGTON (GREENVILLE-NEW BERN-JACKSONVILLE), N.C.

PRICE: \$400,000

BUYER: Pirate Media Group LLC (Troy Dreyfus, manager/member); owns one other station, WGHB(AM) Greenville-New Bern-Jacksonville

SELLER: NextMedia Group (Skip Weller, president)

FACILITIES: 930 kHz, 5 kW day/1 kW night

FORMAT: News/Talk

BROKER: Zoph Potts of Snowden Associates

WKMC(AM) ROARING SPRING (ALTOONA), PA.

PRICE: \$80,000

BUYER: David Barger; owns three other stations: WRTA(AM), WBRX(FM) and WBXQ(FM) Altoona

SELLER: Allegheny Mountain Network (Cary H. Simpson, president)

FACILITIES: 1370 kHz, 5 kW day/38 W night

FORMAT: Country

INFORMATION PROVIDED BY:

BIA Financial Networks' Media Access Pro. Chantilly, Va., www.bia.com

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NEW VISION TELEVISION

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for

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The undersigned acted as exclusive broker in this transaction and assisted in the negotiations.



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THIS WEEK

MAY 2
THE NATIONAL TELEVISION ACADEMY
26TH ANNUAL SPORTS EMMY AWARDS
Frederick P. Rose Hall/
Lincoln Center, New York.
Contact: Tanya Lopez,
Goodman Media 212-576-
2700 ext. 230 or
tlopez@goodmanmedia.com

MAY 3
BEACON AWARDS (DURING
FORUM 2005)
SPONSORED BY CTPAA
Ritz-Carlton Hotel, Wash-
ington. Contact: Michelle
Butler 202-775-1082,
mbutler@ctpaa.org or
www.ctpaa.org

UPFRONTS 2005

ALL LOCATIONS
IN NEW YORK CITY

MAY 16
NBC
Radio City Music Hall
4 p.m.

MAY 17
ABC
Lincoln Center
4 p.m.

MAY 17
THE WB
Madison Square Garden
Time: TBD

MAY 17
TELEMUNDO
Jazz at Lincoln Center
Frederick P. Rose Hall
7 p.m.

MAY 18
CBS
Carnegie Hall
3 p.m.

MAY 18
UNIVISION
Lincoln Center
Alice Tully Hall
10 a.m.

MAY 19
UPN
Theater at Madison
Square Garden
11 a.m.

MAY 19
FOX
City Center
4 p.m.

MAY

MAY 10
HOROWITZ ASSOCIATES
FIFTH ANNUAL HOROWITZ ASSOCI-
ATES BREAKFAST RESEARCH FORUM
Marriott Marquis, New York.
Contact: Adriana Waterston
914-834-5999 or adrianaw@
horowitzassociates.com

MAY 11-13
WOMEN IN CABLE AND
TELECOMMUNICATIONS
WICT FORUM 2005
New York. Contact: Leslie
Dorman 703-234-9818,
ldorman@wict.org or
www.wict.org

MAY 13
WOMEN IN FILM & VIDEO DC CHAPTER
12TH ANNUAL WOMEN OF VISION
AWARDS GALA
Ronald Reagan Building &
International Trade Center,
Washington. Contact: 202-
429-9438

MAY 14
ACADEMY OF TELEVISION ARTS &
SCIENCES
DAYTIME EMMY CREATIVE AWARDS
The Hollywood and Highland
Complex, Hollywood, Calif.
Contact: Academy of Televi-
sion Arts & Sciences 818-754-
2800 or www.emmys.com

MAY 15-17
BROADCAST CABLE FINANCIAL MAN-
AGEMENT ASSOCIATION/BROADCAST
CABLE CREDIT ASSOCIATION
45TH ANNUAL CONFERENCE
Hyatt Regency Superdome,
New Orleans. Contact:
www.bcfm.com or
www.bccacredit.com

MAY 16
THE MUSEUM OF TELEVISION & RADIO
ANNUAL UPFRONTS BREAKFAST
The Museum of Television
& Radio, New York. Contact:
310-786-1077

MAY 16
UNIVERSITY OF GEORGIA GRADY
COLLEGE OF JOURNALISM AND
MASS COMMUNICATION
64TH ANNUAL PEABODY AWARDS
Waldorf-Astoria, New York.
Contact: Stephanie Baumel
212-983-9898 or stephanieb@
ferencomm.com
Tickets: 212-889-6716

MAY 17
CABLE IN THE CLASSROOM
CABLE'S LEADERS IN LEARNING
AWARDS
Washington. Contact:
Tegan Firth 202-775-1054,

tfrith@ciconline.org or www.
leadersinlearningawards.org

MAY 17
THE NATIONAL ASSOCIATION FOR
MULTI-ETHNICITY IN COMMUNICAIONS
25TH ANNIVERSARY CELEBRATION
Fez Under Time Cafe, New
York. Contact: Spencer
Casseus 212-962-3791 ext.

DATEBOOK

208 or casseusmedia@hotmail.
com; Ramona Collins 516-
384-6760 or ramonadcollins@
hotmail.com

MAY 18
CABLE AND TELECOMMUNICATIONS
HUMAN RESOURCES ASSOCIATION

ANNUAL SYMPOSIUM
Atlanta. Contact: 630-416-
1166 or www.cthra.com

MAY 19
CABLE & TELECOMMUNICATIONS
ASSOCIATION FOR MARKETING
THE COMMERCIAL SERVICES COUN-
CIL FORUM
Sheraton Premiere Tysons
Corner, Vienna, Va. Contact:
Seth Morrison 703-549-4200
or www.ctamconferences.com

MAY 20
ACADEMY OF TELEVISION ARTS &
SCIENCES
DAYTIME EMMY TELECAST
Radio City Music Hall,
New York. Contact: Acad-
emy of Television Arts &
Sciences 818-754-2800 or

www.emmys.com

MAY 23
QUINNIPIAC UNIVERSITY SCHOOL OF
COMMUNICATIONS
2005 FRED FRIENDLY FIRST
AMENDMENT AWARD LUNCHEON
The Metropolitan Club, New
York. Contact: 203-582-8655
or www.quinnipiac.edu

MAY 23-24
THE CABLE TELECOMMUNICA-
TIONS ASSOCIATION OF MARYLAND,
DELAWARE AND THE DISTRICT OF
COLUMBIA
ANNUAL AWARDS CELEBRATION AND
GOLF TOURNAMENT
Marriott Waterfront Hotel, Bal-
timore. Contact: Wayne O'Dell
or Jean Reilly 410-2666-9111
or ctaofmd-de-dc@msn.com

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Never Two Busy

Bravo/Trio's Zalaznick always has a couple of projects going **By Anne Becker**

Lauren Zalaznick tackles her tasks in twos. She had both premed and English concentrations in college, worked on film and TV careers, took charge in marketing and programming positions, and is now president of two NBC Universal cable networks, Bravo and Trio.

The New York native didn't even envision a career in TV while she was an undergrad at Brown University prepping to apply to med school.

But to indulge a budding interest in film, she decided to delay med school for a year. After sending out one letter, she landed a job as production assistant on director Frank Perry's feature film *Compromising Positions*, starring Susan Sarandon and Raul Julia. For the next decade, she jumped between freelance production assignments on art-house flicks, all the while producing promos, music videos and commercials for MTV Networks and others.

"The youthful glow of doing what you want to do doesn't always make money to pay the rent," she says. "But I know what it means to be in production on something—budget, craft services, how to coil cable. Once you've really seen how a movie works, it gives you an understanding of what the whole process means."

She further credits movie work with making her a hands-on producer and giving her a from-the-ground-up perspective for "every teeny piece that fits into a 44-minute DVD that's called a TV show."

And although some might consider film more prestigious than television, the dual-media executive holds the two in equally high regard. "You can make great films and really terrible films," she says, "and you can make great TV or really crappy TV."

One of what she calls the "storied and fabled few" who leave film for TV, Zalaznick was tapped in October 1994 to be VP, on-air promotions, at VH1 and, within two years, was promoted to senior VP, original programming and development, where she oversaw the launch of hit shows including *Pop Up Video*, as well as the network's fashion awards.

But even then, she made time to executive-produce the 2001 male-model send-up *Zoolander*, a feature film starring Ben Stiller and based on a character she helped create for the network.

PUTTING OUT THE WORD

Zalaznick's marketing background served her well when she left VH1 to run the pop-culture network Trio, as executive VP, network enterprises, Universal Television Networks, in May 2002. She subsequently launched an ag-

gressive campaign to put out the word on the niche network.

"You can't push content onto people and make it successful," she says. Mar-

FIFTH ESTATER

keting is "inordinately important to deliver concise headlines for people as to what to expect when they get to where you're asking them to go."

So is branding. Having taken on the role of president at Bravo a year ago, as part of the NBC merger with Universal television, she rebranded the network in January with a "Watch What Happens" tagline promoting new shows, including Heidi Klum-helmed hit *Project Runway*. Bravo had already tasted programming success with *Queer Eye for the Straight Guy*, and Zalaznick brought her artsy persona and pop-culture background together to drive home the message that Bravo is aimed at an upscale, affluent and educated audience.



LAUREN ZALAZNICK
President, Bravo and Trio

B. Jan. 18, 1963

EDUCATION

Brown University, B.A., English literature and premed, 1984

EMPLOYMENT

1986-94: Independent film and television producer; 1994-2001: VH1: multiple posts, including VP, on-air promotions, and senior VP, original programming and development; current position with Trio since May 2002; current position with Bravo since May 2004

PERSONAL

Married; three children

She concedes such an attachment to establishing her networks' identities that she even gets excited by new corporate stationery that properly reflects the brand. "People think my brands are me, that I somehow turn myself inside out and put a logo on it and it's the channel," she says. "Yeah, I make it kind of me, but it's my job to make it that way."

BRAVO, TRIO STRATEGIES

For 2005-06, Bravo will mix returning hits (*Queer Eye for the Straight Guy*, *Celebrity Poker Showdown* and *Blow Out*) with new specials and series, including *Being Bobby Brown* and *Situation: Comedy*, in addition to a development slate of four non-fiction series: *Battle of the Network Reality Stars*; *The Daily News* (working title), a reality show based on the New York tabloid; *Top Chef*, a search for the country's next great cook; and *The Real Housewives*, a show about real-life suburban Orange County, Calif.

And although Trio has experienced its distribution struggles, getting dropped by DirecTV last December, it is still on Zalaznick's mind. "It's not like 'Oh, my God, crazy old Auntie's in the room. Don't talk about it!'" she says about the network that is always rumored to be on life support. "We're wholeheartedly devoted to figuring out the right place for that brand."

If anyone can do that, it is probably Zalaznick. "Lauren is that rare executive that knows how to balance commercialism with artistic integrity," says NBC Universal Cable Entertainment President Jeff Gaspin, with whom she became close when they worked together at VH1.

Although the 80 hours of capacity on Zalaznick's home TiVo are filled with every new broadcast sitcom and drama and an array of non-fiction cable shows (in addition to baseball and *Full House* for her kids, ages 10, 8 and 3), she takes care not to watch so much of others' work that her own becomes derivative.

"At a certain point, you have to turn it off and turn your Bravo brain on," she says. "That's my whole crazy mantra: to insist that every piece of the channel, and how we touch the outside world, becomes second nature."

But she also makes time to cook, read and catch movies with her kids.

Zalaznick credits "having a thicker skin than most" and a can-do attitude with taking her far in the business.

"People ask me, do you think you could run any channel, and the answer is yes," she says. "I've felt that way every step of my career. I just say, yes, I can. And if I really can, I really can." ■

FATES AND FORTUNES

BROADCAST TV

DOUGLAS FRIEDMAN, partner, Malibu Marketing, Calabasas, Calif., joins KUSI San Diego as director, creative services.

PROGRAMMING

NEIL BAKER, senior VP, advertising sales, E! Networks, New York, named executive VP, E! Networks and Comcast network sales, New York.

CLAUDIA TERAN, VP, business and legal affairs, Fox Cable Networks, Los Angeles, promoted to senior VP.

VAL BORELAND, VP, scheduling, planning and acquisitions, Lifetime Television, New York, named VP, program and promotion scheduling, Comedy Central, New York.

STEVEN KUO, senior VP, business development, Fox Television, Los Angeles, appointed senior VP, digital media and technology.

BILL BELL, director/producer, Baltimore Orioles/Washington Capitals, Comcast SportsNet Mid-Atlantic, Bethesda, Md., promoted to director, operations.

Promoted to VP/creative director, marketing, at Discovery Networks, U.S., Silver Spring, Md.: **GHERI ARNOLD**, creative director, Discovery Health Channel and FitTV; **DAVID FALCONE**, creative director, emerging networks, Discovery.

LEA PORTENEUVE, public relations consultant, named VP, publicity, Universal Studios Home Entertainment.

At *National Lampoon*, Los Angeles: **DOUGLAS S. BENNETT**, president, adds chief financial officer; **LORRAINE EVANOFF**, controller, TAG Entertainment Corp., Los Angeles, named VP, finance and chief accounting officer; **SARA RUTENBERG**, consultant, *National Lampoon*, named executive VP, business affairs.

PAUL LADD, morning-drive news anchor/producer, Metro Networks Nashville, named director, follow-up, World Christian Broadcasting, Franklin, Tenn.

IRENA BRIGANTI, senior director, media relations, Fox News, New York, promoted to VP.

KATINA VLAHADAMIS ARNOLD, senior director, affiliate and new technologies communications, ESPN Bristol, Conn., promoted to VP, affiliate and international communications.

DAVID W. HARLESTON, executive producer/business and legal affairs consultant, MZA Events, Los Angeles, appointed general counsel/senior VP, business and legal affairs, Current, San Francisco.

CHRIS SHERIDAN, supervising producer, *Today* (NBC)/senior producer, *The News With Brian*



PEOPLE

Williams (MSNBC), Los Angeles, named executive producer, *World News Now* and *World News This Morning*/coordinator, overnight news segments, *Good Morning America*, ABC News, New York.

JOURNALISM

JOHN KING, senior White House correspondent, CNN, Washington, named chief national correspondent.

ADVERTISING/MARKETING/PR

LIANE RAMIREZ SWIERK, senior account director, Goodman Media International Inc., New York, promoted to VP.

Calif., joins board of directors, Wine Network Inc., San Francisco.

SARFINA SANCHEZ-AYALA, director, program marketing/Latin programming specialist, CABLEready, Norwalk,

Conn., promoted to VP, sales and marketing.

MATT MILLS, VP/GM, Greater Media Inc., Boston, elected board member, National Association of Broadcasters, Washington.

HELEN GRIFFIN, distribution analyst, Fairchild Publications Inc., New York, appointed coordinator. Family Friendly Programming Forum, Association of National Advertisers, New York.

WHAT'S YOUR FATE?

Send it to Melanie M. Clarke, editorial assistant, B&C (e-mail: mclarke@nbcbusiness.com; fax: 646-746-7028; mail: 360 Park Ave. South, New York, NY 10010)



Neil Baker

E! Networks/Comcast

At Bader Rutter & Associates, Milwaukee: **SABRINA KAHLER**, media analyst, Kohl's, Milwaukee, joins as media buyer/planner, media group; **COLLEEN GRAMS**, meteorologist, WDJT Milwaukee, joins as account executive, public relations group; **FRED WINNICK**, writer, promoted to account executive, public relations group; **JOEL PATRICK KENNEDY**, public relations account executive, Zigman Joseph Stephenson, Milwaukee, promoted to account executive.

TECHNOLOGY

At Dayport, Mankato, Minn.: **TOM GUZIK**, founder/CEO, Computer Mind Ltd. and Air Communications, Thunder Bay, Ontario, named senior VP/GM, business development, streaming and IP solutions; **LON BENCINI**, director, media services/VP, group account director, Hawkeye/FFwd, Dallas, named VP/director, marketing.

ALLIED FIELDS

ANN MATHER, executive VP/CFO, Pixar, Emeryville,

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TELEVISION

SALES CAREERS

GENERAL SALES MANAGER

Television station in Santa Barbara, CA is receiving applications for the General Sales Manager position. Candidate must have a minimum of five years experience in broadcasting, proven track record of broadcast sales and management, computer literate. Position requires the development of new business, train staff, support revenue growth and monitor the development of National sales. Fax resume to: (805) 968-9983 or send resume to: KPMR TV 38, 7000 Hollister Ave., Goleta, CA 93117, Attn: Human Resources. KPMR is an EOE and encourages women and minorities to apply.

LOCAL SALES MANAGER

WUVP-TV, Philadelphia's Univision television station, is seeking a Local Sales Manager. Must have leadership skills and ability to hire, train and motivate local sales team. Candidates must have a proven track record in new business development. Strong negotiation, interpersonal, organizational and computer skills required. Send resumé and cover letter to: WUVP Human Resources, 1700 Market Street, Suite 1550, Philadelphia, PA 19103 or wuvp65_jobs@univision.net. Please note job #WUVP 05-06 in your correspondence. NO PHONE CALLS. M/F EOE

SALES TERRITORY REPRESENTATIVE

Joseph Electronics, a Master Broadcast Distributor of 100 premier lines seeks experienced independent Sales Representatives in several U.S. markets. Must have at least three years experience working with TV stations, system integrators, and truck builders and be familiar with Broadcast products such as wire, connectors, test equipment and related materials. Lucrative commission package offered. E-mail resume and cover letter to chull@josephelectronics.com

SALES CAREERS

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ACCOUNT EXECUTIVE

WUVP-TV, Philadelphia's Univision television station, is seeking a full time Account Executive. The candidate must demonstrate leadership and motivational skills and have creative problem solving abilities. This position has a strong emphasis on new business development, projects and promotions. Good presentation and language skills are needed; a strong knowledge of the TV industry is helpful. Send resumé and cover letter to: WUVP Human Resources, 4449 N. Delsea Dr, Newfield, NJ 08344 or wuvp65_jobs@univision.net. Please note job #WUVP 05-03 in your correspondence. NO PHONE CALLS. M/F EOE

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KUAT, Tucson, AZ. <http://www.kuat.org>
The KUAT Communications Group (KUAT-TV, KUAS-TV, KUAT-DT, KUAS-DT, KUAT-FM, KUAZ-AM, KUAZ-FM, MultiMedia), an educational broadcast and production resource of the University of Arizona in Tucson, seeks an experienced chief executive to provide creative leadership for an organization with a \$8.3 million budget and 135 employees dedicated to providing the diverse populations of southern Arizona with public broadcasting and community services. The successful candidate will provide vision in leading KUAT in the continuing transition to digital technology; guide our highly successful local and national production projects; actively participate in building viable major giving resources; and spearhead positioning the organization to meet the challenges of the 21st Century. Initial review of applications begins May 20, 2005. Position will be open until filled. For full details, and to apply, complete the online application form for job # 32677 at www.hr.arizona.edu The University of Arizona is an EEO/AA Employer-M/W/D/V

TECHNICAL CAREERS

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Equity Broadcasting Corp. seeks a qualified RF engineer in its Little Rock, AR offices. Transmitter and studio responsibility for multiple stations. Must have 3+ years experience and excellent analytical and problem solving skills. Requires excellent oral and written communication skills. Salary commensurate with experience. Please send resumes to Sam Smith, Human Resources at ssmith@ebcorp.net EOE

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NEWS CAREERS

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WTVJ/NBC 6, NBC O & O Station in South Florida, has an immediate opening for an experienced Assistant News Director who will work to ensure overall execution of news mission and assume top leadership role in the absence of the VP of News. He/She will oversee all aspects of the on-air presentation of content for all shows - regarding style, content, graphics and live execution. QUALIFICATIONS: - Bachelor's degree in Journalism, Communications, related field and/or equivalent work experience. Experience as broadcast news manager in a top 30 market. Strong journalistic, program and production skill; knowledge of budgets, staffing/scheduling and broadcast legal knowledge are essential. Interested candidates can apply on line at www.gecareers.com. The position COS number is 350790. Your referral source code is NNR223 (under "other" as the "specific name of where you heard about the job opening"). WTVJ is an Equal Opportunity Employer.

CABLE

TRAFFIC CAREERS



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Want to live in Paradise? Comcast Cable is seeking a Traffic Supervisor for its Sarasota/Fort Myers Fl. Area system. Ideal candidate will be proficient in Novar or other similar traffic system, have ability to lead and motivate traffic and support team and communicate effectively with Sales Force and Management. Log onto www.comcast.com to apply.

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Fast Track

Continued from page 4
ers in the demo to Fox News' 443,000.

CNN attributes the success to growth for *Anderson Cooper 360*, *Paula Zahn Now* and *Larry King Live*. Headline has been boosted by its Headline Prime block, including *Nancy Grace*, which launched in February.—A.B.

O'Brien Returning To 'Insider'

Pat O'Brien, the former CBS sportscaster who left *Access Hollywood* last year to co-anchor *Paramount Television's Entertainment Tonight* spinoff, *The Insider*, will return to the gossipy entertainment newsmagazine May 5, Paramount said.

O'Brien left a substance-abuse rehab facility he entered in late March after admitting he had a problem with alcohol. He took the drastic step around the time several lewd, sexually-explicit voicemails—from someone who sounded like him—surfaced on the Web.

"I want to thank everyone for their support during the past few weeks," O'Brien says in a statement. "I plan to continue my recovery with the help and support of my family, colleagues and friends and look forward to getting back to work."

CBS and co-owned Paramount were making the most of O'Brien's return. He will be featured on a *Dr. Phil McGraw* prime time special May 4 to discuss his problems.

Then, the day of his return on *The Insider*, O'Brien will continue his all-in-the-family *mea culpa* tour on the syndicated version of King World's *Dr. Phil*.—J.B.

FCC Gets New Indecency Czar

FCC Chairman **Kevin Martin** has named **Kris Monteith** as his point person overseeing the agency's crackdown on broadcast indecency.

As chief of the FCC's enforcement bureau, she also will be charged with investigating alleged violations of rules governing broadcast-tower operations, broadcast- and cable-signal interference, and Emergency Alert System compliance. Besides media issues, the bureau also handles enforcement of telephone competition and consumer telemarketing protections.

Monteith previously was a deputy bureau chief in the FCC's consumer and governmental affairs bureau. She replaces **David Solomon**, who is leaving the commission May 10. Solomon will be joining **Washington** law firm of **Wilkinson, Barker & Knauer**.—B.M.

NBC Adopts Content Ratings

NBBC has joined ranks with the rest of the networks on the TV-ratings system.

The network said last week that it will immediately begin including content descriptors in its TV ratings—"V" for violence, "S" for sexual content, "L" for vulgar language, "D" for suggestive dialogue and "FV" for fantasy violence—as the other networks do. It will also air the ratings icons coming out of each commercial break.

ABC already airs the ratings coming out of commercials, and Fox does coming out of the 15-minute break for half-hour shows and on the half-hour for hour-long programs, while CBS airs them at the top of the hour and the half-hour.

NBC said the changes will be "fully implemented" by the start of the new fall season.

NBC had been airing age-based classifications ("TV-G," "TV-14," for example), but it had refused to add the descriptors. The network was among the strongest critics of the adoption of the ratings system on First Amendment grounds.

Back when the system was instituted in 1997, NBC resisted pressure from the White House and Congress to adopt the descriptors.

Arguing, in the words of one executive at the time, that they could be misleading and result in indiscriminate blocking and censorship, NBC said it would instead increase parental warnings when appropriate and monitor public opinion on the ratings system.

Of the turnabout, **Alan Wurtzel**, NBC president of broadcast standards, says changes in the times and technology were behind the move to add the descriptors.

"Eight years ago, when content descriptors were first implemented, we questioned if they would cause more confusion than they would help," he says. "We're in an environment where the number of channels has grown exponentially. It's increasingly hard for viewers to know what's on all those channels. We want to give them more information, and our research shows that they are interested in choice and control, not in being passive."

But self-regulation is a business decision as well as a public service, he says. Our advertisers pay a premium for a certain environment, he says, adding that there are more than 200 affiliates to think about.

NBC will also boost its public-service-announcement campaign for the ratings system, including airing PSAs in all dayparts.—J.E.

FAST TRACK

Pat O'Brien

John Rigas

According to Jim

Sundance Cuts Staff, Shifts Direction

Cable network **Sundance Channel** has laid off 10 staffers, mostly in programming, which a Sundance spokeswoman says was part of a shift in focus away from internal production and toward commissioning, licensing and marketing more films, multipart documentaries and narrative TV series.—A.B.

Rigases Agree To Pay \$715 Million

Adelphia Communications' Rigas family has agreed to settle a federal fraud investigation by paying \$715 million to an investor fund.

U.S. Attorney General **Alberto Gonzales** said that Adelphia founder **John Rigas** and his family have agreed to turn over 95% of the family's assets, or about \$715 million.

Money for the investor fund will come from the proceeds of the sale of most of Adelphia's systems to **Time Warner Inc.** and **Comcast Corp.** for \$17.6 billion in cash and stock.—J.B.

ABC Picks Up 'Jim,' 'Videos'

ABC has given early-season pickups to sitcom *According to Jim* and reality vet *America's Funniest Home Videos* as it prepares its new fall schedule.

Jim, already in its fourth season,

has been ABC's top sitcom this season in households and the key 18-49 demo.

Up against tough competition from sports overruns on CBS and Fox, ABC points out, *Funniest Home Videos*, now in its 15th year, is second in its Sunday 7 p.m. time period for the season but has been first in three of the past four weeks.

The pair join already renewed series *Desperate Housewives*, *Lost*, *Alias*, *Boston Legal*, and *Extreme Makeover: Home Edition*.—J.E.

L.A. Marks the Spot For X Games

ESPN's X Games will remain in Los Angeles through 2009 under a deal with AEG, owner and operator of the **Staples Center** and **The Home Depot Center**, the games' two main venues, confirming industry speculation that ESPN had been hunting for a long-term partner for the now well-established franchise.—A.B.

Kids Upfront Drags Feet

Major advertisers responsible for 80%-90% of kids-TV spending have finalized their budgets and submitted them to networks to begin negotiations. **Turner's Cartoon Network** has closed a few deals, and a spokesman for **Nickelodeon** expects to close "a significant amount of business shortly," certainly by this week.

Volume in the kids upfront—in which advertisers lock up prices for the next season—is expected to be softer than last year's \$900 million and a few weeks behind last year's schedule. Contributing to the slowdown are FCC-influenced uncertainty on food companies' spending and hesitation by major toy stores, particularly **Toys R Us**, which is considering selling its toy stores and hanging onto its **Babies R Us** chain.

"This could be a long, drawn-out affair," said **Shelly Hirsch**, chairman of **Summit Media Group**, the media-buying division of **4Kids Entertainment**. "We're at the dance with the boys on one side of the auditorium, the girls on the other side and Officer Krupke in the middle hoping to get them together, but nothing's happened yet."

Kids-upfront spending has evolved within the past two years from being a concentrated week of late nights of locking in deals to more complicated packaging and licensing agreements made throughout the year.—A.B.

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A Good Symbolic Gesture

A

fter holding out against the full monty V-chip rating system, NBC last week joined the other broadcast networks and cable industry to put the system in place. It will add so-called descriptors—like V for violence or L for language—to its on-screen ratings guide and air the ratings more often.

NBC has always been concerned over the First Amendment implications of the system. So were we, afraid the ratings would become a device to chill content rather than set it free.

Eight years later, NBC has had a chance to watch and learn, and it doesn't appear that the ratings have frightened broadcasters into timidity. (We already have a Federal Communications Commission and Congress for that).

NBC's announcement came on the heels of one by the National Cable & Telecommunications Association that it will begin displaying its ratings larger and repeat them after every commercial break.

How much good all that flagging will do is debatable. But if *CSI* is any indication, the threat of slapping a V symbol on the screen prior to a show has not prevented programmers from exercising their creative fluids in the violence department.

Virtually nobody uses the V-chip or cable blocking mechanisms, so, from a practical standpoint, adding the S, L and V to the ratings, as NBC will now do, does not seem the threat it once did. And if it ultimately helps viewers take more control over their programming, there is nothing wrong with that.

The S, L and V descriptors allow the chip to block far more categories of programming. But that isn't going to change

viewing habits appreciably if the experience of all the other networks, which have been using the descriptors for years, is any example. And even if it does, there is as much chance that it will free broadcasters to program the edgier content that will keep them competitive as that it will create widespread censorship.

Things have changed in the past eight years, and not just politically. Viewers are less passive and more interactive, and they do have a lot more channels to navigate.

We do have a problem with the timing, as both the cable and broadcast industries rush to please Washington and nervous advertisers. But there is an upside to the move that broadcasters must capitalize on.

Now that everyone will effectively be on the same page, with the ratings system consistent across the broadcast networks, they can stop suggesting that cable be regulated down to their level on indecency and start making a strong case to the courts for being as free as other media. That's a great goal.

Speech can be regulated, but only if the means to regulate it is narrowly tailored to achieve a compelling government interest—in this case, protecting children from inappropriate content. Five years ago, the Supreme Court, in a case involving the Playboy Channel, ruled that the mere availability of a channel-blocking mechanism—even if it's not used—is suitable protection against programming that some might find offensive.

Now that broadcasters can make that same claim, they should receive the same protection from an overzealous government. That would be a win-win for everybody.

EDITORIAL

The News Is Over

There is a dramatic revolution taking place in the news business today, and it isn't about TV-anchor changes, scandals at storied newspapers or embedded reporters. The future course of the news, including the basic assumptions about how we consume news and information and make decisions in a democratic society, is being altered by technology-savvy young people no longer wedded to traditional news outlets or even accessing news in traditional ways.

The future of the U.S. news industry is seriously threatened by the seemingly irrevocable move by young people away from traditional news sources.

It is an overwhelming challenging time in the worlds of cable television and broadcast news, as well as in print media. Young people are moving away not just from television news to the Internet but also from television in general. This makes it difficult for TV-marketing organizations to even reach the next generation of news consumers, since many have already abandoned TV for their computers.

Still, enterprising television executives do have a variety of new tools and distribution mechanisms at their

disposal. Within the new NBC Universal family, for example, there is an abundance of opportunities with CNBC, MSNBC, USA Network, the Sci Fi Channel and Bravo.

Some news organizations have already made a promising start. Last summer, ABC News launched ABC News Now, a subscription-based news network designed to capture the desktop audience at work, at school or on the move. It will be available on broadband services, digital cable and wireless services. Nothing like it has ever been tried before in the U.S., and it clearly fills a void in the ABC News distribution plan.

Success in these areas is critical for the networks. "We would like to attract younger viewers," says Bill Wheatley, recently promoted to executive VP of news for NBC. "We know advertisers will pay us more to reach them, and NBC has long been accepted as a network with appeal to younger people. But in news, the challenge is great. The trick is that we are a mass medium, and if we target young people too regularly and too narrowly, we will lose other parts of

the audience. We may, though, come to a point where we will have to create programs just for younger viewers."

That is very likely what it is going to take to change current trends for mainstream news organizations. They are going to have to program for the demographic if they are to retain consequential news franchises.

As Ted Turner changed the game at a much different moment in time with the invention of CNN, and as Apple changed

another game by providing accessible music downloads, dramatic moves—accompanied by the simultaneous but deft, prudent tinkering of skilled print editors, television producers, and digital-media journalists and technologists—are unquestionably required.

Media consultant Brown, a former newspaper and magazine reporter, was founding editor in chief of MSNBC.com from 1996 to 2002, served as a senior VP of RealNetworks and was a founder of Court TV. His entire essay, "Abandoning the News," written for Carnegie Corp., can be found at www.carnegie.org/reporter.

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