

PEOPLE METERS

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BLACK BROADCAST

Market study, activity at station level/A-1

Television/Radio Age

February 17, 1986

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Television/Radio Age

February 17, 1986

Volume XXXIII, No. 17

Recent AGB gains seen prodding Nielsen, but only one survivor expected over the long haul

People meter race moves into high gear 33

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BLACK BROADCAST

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Women 18 +	+ 43%	Men 18-49	+ 13%
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SOURCE: Nielsen, November '85 DIVORCE COURT scheduled 3:00-4:00 p.m. vs.
November '84 non-DIVORCE COURT time period programming.

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Publisher's Letter

Innovative promotions are being used by stations to lure clients

There are several significant developments in local broadcast sales that are worth watching. TV/RADIO AGE has predicted that local TV business will increase this year in the 10-15 per cent range; local radio is expected to be up 10 per cent (see local radio story, page 40). In another two years, local TV, it is estimated, may well surpass national spot.

Stations are aware of this trend—each year there is more visible activity on the part of stations and marketing specialists in such diverse areas as health care and/or retailing.

The more progressive stations are gearing up to sell more product, exploring ways and means of capturing a larger share of the advertising budget and analyzing the audience product potential. While stations and reps have become more adroit at how to go after co-op business, there is still a large untapped potential in this area of local business.

Sandy Josephson, our editorial director, has reported on innovative station activity to increase station revenues. He has developed a close working relationship with department store executives, who are becoming more oriented to the productive use of broadcast. His *Retail Report* column, which appears every other issue in the *Spot Report*, crystallizes ideas on successful promotions submitted by retailers, manufacturers and stations. Here are some tangible examples, previously reported, of how closer cooperation between station, retailer and manufacturer paid off:

■ WUAB(TV) Cleveland: raised \$95,000 of vendor support in six weeks. "We never had to talk about CPMS, reach, or frequency," said Bill Scaffide, general sales manager. "We said we could move merchandise; we said we could make the cash register ring—and we did it!"

■ WXIX-TV Cincinnati: raised a total of \$176,000 from four accounts for the fourth quarter, \$75,000 of which was invested on WXIX-TV. Goal for 1986, according to Bill Jenkins, vice president and general manager, is \$500,000—"new dollars for our station from vendor."

■ KOMO-TV Seattle-Tacoma: targeted health care as a new business category, increased that category by 348 per cent the first six months of last year, totaling slightly over \$500,000 in revenues.

■ WFMY-TV Greensboro-Winston-Salem-High Point: rented out a convention center, according to William Moll, Harte-Hanks president, in a giant 'After-Christmas Warehouse Sale.' The project included TV promotion, direct mail and other media support, and is run in January and July. One weekend last summer, one of these sales drew 70,000 people. KDKA-TV Pittsburgh is credited with originating the idea.

Continuing coverage. These are just a few of the examples of creative promotions being mounted by alert broadcasters around the country—promotions designed to enhance a retail advertising schedule. TV/RADIO AGE, recognizing the vital importance of local/retail sales development for the longterm future of television and radio stations, is dedicated to continuing in-depth coverage of all activities in the sales development arena. Our goal is not only to inform, but to plant new ideas that will help the broadcast business grow.



They
came,
They
saw,
They
laughed...

And they b



MAUDE

The Original - Why Wait?

World Radio History

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then ought.



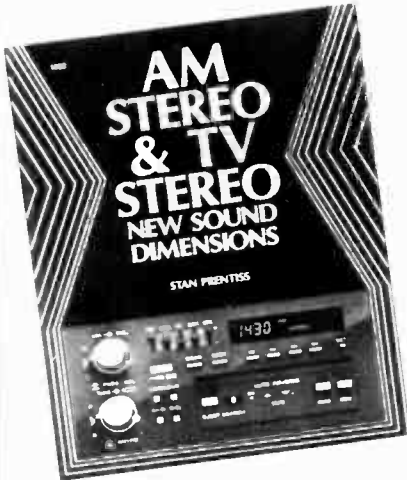
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The Hottest Investment For Fall '87.

EMBASSY

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World Radio History

AM STEREO- TV STEREO...



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A complete intro to multi-channel TV sound is followed by a closer look at Zenith's initial tests and proposal; the XC-TV system; the dBs, Inc. System; EIAL Telsonics and Zenith Encoder/Decoder and more...

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- The FCC's Marketplace Decision
- Kahn/Hazeline and Harris Systems
- AM Stereo Transmitters/Receivers
- Introduction to Multichannel TV Sound
- Cable Problems and Buzz
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Payment or Company P. O. must accompany each order.

Letters

Network radio advertisers

Regarding your January 20 list of network radio advertisers (*Web radio's full client list for '85*), we noticed incorrect information, regarding our client (listed on page 70 as Greyhound Corporation/Armour).

Armour-Dial, Inc is separate from Armour Meats, which Greyhound sold off some time ago; and therefore should not have been listed as Greyhound Corp/Armour. Armour Hot Dogs is Armour, and Dial Soap is Greyhound/Armour-Dial. However, effective this year (as of 1/86), Armour-Dial Inc has changed their name to "The Dial Corporation." Also, the agency for Dial Soap is not Bozell & Jacobs; in 1985 the media was placed by Needham Harper Worldwide. Further please note that our company, RDR/Time Buying Service, has placed all 1986 network radio for Dial Soap.

In spite of this, both our client and TBS found the article informative.

ANNE M. BENVENUTO
Vice president,
planning media resources,
Time Buying Services Inc.,
New York

Wrong name

In the article beginning on page 111 of the January 6 issue of your magazine (*Slim pickings seen in late-night product offered to stations*), you indicated the name of our show as *The Rock and Roll Weekend News*, when in fact it should be *The Rock and Roll 'Evening' News*.

This error appears throughout the article, as well as on page 154 in the category of "First-run weekly hours."

VICTORIA ARCHER
King World Productions,
West Los Angeles, Calif.

Hispanic issue

At the risk of "beating a dead horse" I would like to comment again about what we consider misrepresentations in your *Hispanic Market* edition of December 9, 1985. You've heard the comments before, but maybe one day we'll make enough of an impression that your annual edition will not continue to misrepresent the San Jose/San Francisco market.

Before we get into that, however, I would like to compliment you very much for putting out a superior *Hispanic Market* analysis in 1985!

Our complaint always has been that

you continue to take Arbitron Ratings' ADI, television ADI, etc. and use those figures for your various charts and graphs. The majority of the Hispanics in the Bay Area are in San Jose, not in San Francisco. It must be realized that San Jose is an hour south of San Francisco, and they are not contiguous.

San Francisco County has 83,000 Hispanics; Santa Clara County has 226,000 Hispanics. The national census ranks San Francisco as the 18th Hispanic market in the United States and San Jose as the eighth Hispanic market in the United States. San Jose is considered the second Spanish market in California.

You people are driving us crazy by not even mentioning San Jose and just figuring that everybody will assume that we are part of San Francisco. For 10 years we have been beating our drums in New York City to convince the time buyers and the agency people that San Jose is the buy in the Bay Area, not San Francisco. But buyers change, agency people change; and it is a continuing educational process that we are going through... and then every year you cut the ground right out from under us.

But more than that, what you are publishing is not true; you are picking up someone else's stupid information and republishing improper figures.

On page A-4 the top 30 Hispanic markets listing shows San Francisco as sixth and you don't even mention San Jose. That's wrong. San Francisco should be 18th, and San Jose should be eighth.

On page A-12 you list Hispanic TV households in the top 30 markets... you list San Francisco as fifth, and you don't even mention San Jose. The least you could do would be to make that listing San Jose/San Francisco. You don't need to keep republishing Arbitron's improper market designations. On A-16 you do it again... you list San Francisco as Number 5, and you never mention San Jose... and again on A-18!

Arbitron lists McAllen-Brownsville together; they list Sacramento-Stockton together; they list Salinas-Monterey together; and they list Tampa-St. Petersburg together. If we can't change ARB because they are too hard-headed, maybe we can convince your staff.

I appreciate very much your quoting me on A-44 and A-45 about this problem, but that doesn't undo the damage that you've done to us on all of the charts that you publish.

DAVID M. JACK,
President,
Tamarack Communications,
Portland, Ore.



Changing your station's format? BMI makes any move easier.

Without BMI's tremendous variety of music, any format change would be a lot more difficult.

That's because BMI has always licensed and encouraged all forms of music. Even when others didn't.



And no matter how many times a format changes, one thing will never change. You'll always have plenty of BMI music to play.

Wherever there's music, there's BMI.

Sidelights

A night to remember

Take the largest sound stage in the world, completely redesign the surroundings, including a reflecting pool and a 50-foot waterfall, and add the nation's best caterer (Chasen's of Beverly Hills).

Sprinkle a group of celebrities that would make a Hollywood gossip columnist swoon, intersperse the big band sound of Les Brown and His Band of Renown, mix adroitly and you have one of Hollywood's most dazzling parties—one that Warner Brothers Television Distribution put together for the Association of Independent Television Stations (INTV) last month. (Such movies as *Casablanca*, *My Fair Lady*, *Music Man*, *Ice Palace*, and *PT109* were filmed in part at the historical Burbank Stage 16).

One of the Hollywood executives remarked he had never seen, in his many years on the scene, a party with such attention to lavish detail. Charles D. McGregor, the host and president of WB-TV Distribution, and his staff

planned every detail with the same intensity, observed this executive, as Dave O. Selznick did casting *Gone With the Wind!*

When the guests arrived and walked through a carpeted canopy into the huge studio, the cocktail area was at a specially constructed foot-bridge, leading to the tables and food area, where over 200 chefs and waiters ladled out delicacies, such as hot hors d'oeuvres consisting of: Chinese dumplings, nachos with chicken, shrimp sautéed with lemon butter, petite cheeseburgers, bouchées of chicken curry, bouchées of lobster Newburg, quiche Lorraine and potato pancakes with sour cream and apple sauce.

The buffet dinner consisted of: cold Columbia River Salmon decorated with baby trout, roast sirloin of beef with mustard and bordelaise sauce, chicken Florentine, Chasen's famous chili, linguini with clam sauce, pasta marinara with primavera, cobb-style salad, fresh stringbean salad, assorted cheeses and fruits and assorted breads.

The dessert table featured assorted ice creams with rum sauce, melba, chocolate, hot fudge, toasted coconut, almonds, walnuts, and marshmallow.

Also sliced fresh fruit, assorted cakes, banana shortcake, chocolate mousse pie, and coconut cake.

At one end of the stage was a huge mural, specially painted for the occasion, of a California sunset. In the mural was a semi-circular aperture, through which the guests arrived, stars from: *Scarecrow and Mrs. King*, *Night Court*, *Growing Pains*, *Shadow Chasers*, *Hotel*, *Matt Houston*, *Love, Sidney*, and *North and South*, all Warner shows.

Also present were Jack Valenti, David L. Wolper, Aaron Spelling, E. Duke Vincent, James Komack, and Tommy Lasorda, manager of the Los Angeles Dodgers.

The finest linens and flatware were used. Thirty extra parking attendants were recruited with instructions to get cars in and out in five-minute intervals. Fresh flower centerpieces were placed on each of the tables. The honeywagons (portable bathrooms) were carpeted and warmed with portable heaters. The staff, who volunteered their services, rehearsed their specific assignments. Nine hundred persons were invited, 1,300 came; and the reviews were all raves.

The Goodyear blimp

A cast of hundreds



Lee Horsley of *'Matt Houston'* and Gaylord's Charles Edwards



Eugene and Nancy McCurdy (WPHL-TV Philadelphia), l., and Congressman and Mrs. Donald Ritter (Pa.)



Markie Post, l., and John Larrouquette, r., of *'Night Court'* with Ed Trimble of KHTV(TV) Houston



VTR pioneer retires

Charles Ginsburg, who is credited with the development of the first video tape recorder, has retired from Ampex Corp. at age 65. Ginsburg, a vice president since 1960 and retiring as vice president for advanced technology and planning, joined Ampex in early 1952 and built a six-man development team for the specific purpose of devising a means of recording TV programs on magnetic tape.

The team developing the quad recorder included Ray M. Dolby—who later developed the Dolby noise reduction system, Charles E. Anderson, Shelby Henderson, Alex Maxey and Fred Pfost. Ampex introduced the first practical VTR, the Mark IV, on April 14, 1956 at a convention in Chicago of the forerunner organization to the National Association of Broadcasters.

CBS became the first network to go on the air with the Ampex recorder, with a time-delay broadcast of *Douglas Edwards and the News* on November 30, 1956. Ampex received an Emmy in 1957 in recognition of the develop-



Charles Ginsburg, developer of the first videotape recorder, has retired after 34 years with Ampex Corp.

ment. The many honors conferred on Ginsburg include the David Sarnoff Gold Medal of the Society of Motion picture and Television Engineers.

Argue with your TV set

If a guest at Doubletree Hotel in Dallas mistakenly ordered an in-room movie, he doesn't have to hold up the checkout

line when he finally gets the bad news. The same TV set that shows the movie can spell out his charges at any given moment. After testing two systems, the hotel ordered the Spectravision II interactive video service from Spectradyne, whose in-room movie system can now be found in over 322,000 hotel rooms. To use the system, the guest presses a two-digit code on the Spectravision II room unit, turning the TV set into a CRT display. With another touch, the guest summons the room folio from Doubletree's property management system.

After reviewing the charges, the guest may press an additional command to authorize checkout. The guest may either pick up a printed copy of the bill at a special express desk in the hotel lobby or have it mailed.

Michael Morgan, rooms division manager for the Dallas hotel, says the video checkout system has had a positive impact on the hotel's front office productivity. In addition to six channels of pay movies and the checkout service, the system offers video messaging, which allows guests to review their messages on their sets; and housekeeping status, which enables housekeeping personnel to notify the front desk immediately when a room is ready.

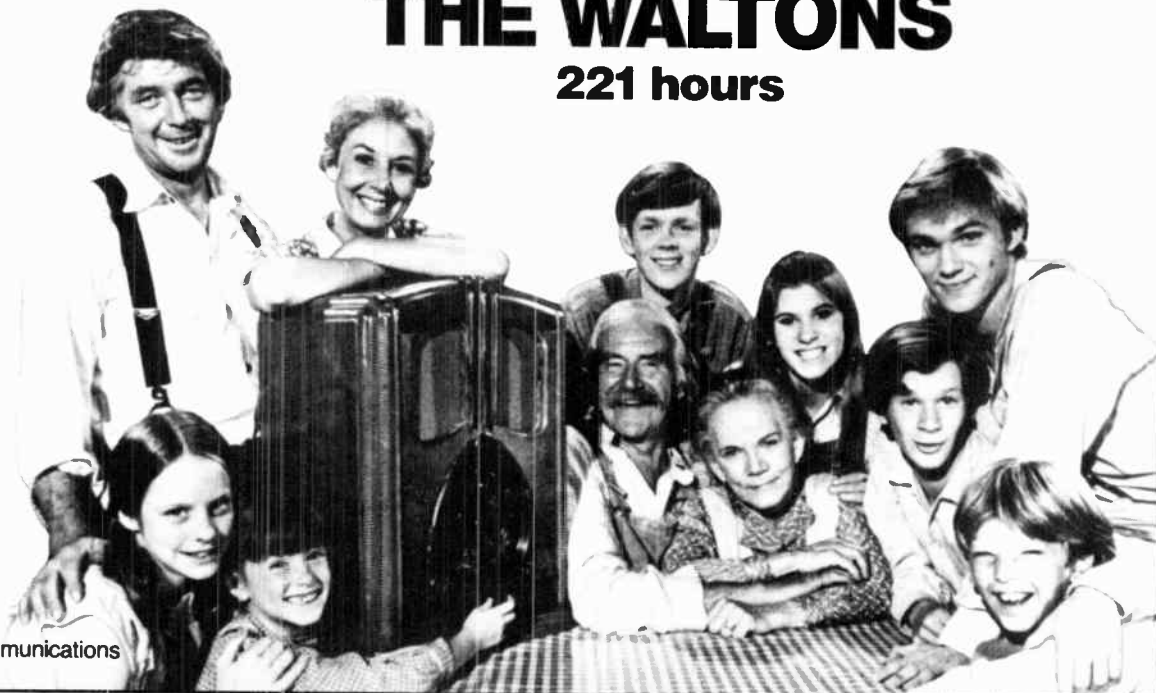
The family America grew up with ... and stays with.

THE WALTONS

221 hours



Warner Bros.
Television
Distribution
A Warner Communications
Company



Tele-scope

High tech marches on via microcomputer access

Now that both Simmons Market Research Bureau and Mediamark Research (MRI) have announced their new computer software for in-house subscriber microcomputer access by menu to replace endless inputting of codes for every item required, Telmar president Stan Federman is still confident that his new Micro Network II system as a "gateway" to all information suppliers' data bases will fill a real industry need.

Says Federman: "Simmons and MRI have come up with fine systems to access and manipulate their own data. I assume that eventually, Nielsen and Arbitron will, too. But they've each been working on their own to develop these systems separately and independently. They're not going to fit. That's where we come in. We make them fit."

Without a service like Telmar's, asserts Federman, a media planner at an agency or a brand manager for a packaged goods company is going to have to learn each different system from each different data supplier. "And even if they have the time and patience for all that," he adds, "and they're sitting there at their micros with everybody's data all there in the same IBM box, and something doesn't come out right, who do they call? Simmons or Nielsen? MRI or Arbitron? The alternative is one call to us. We're playing a different game. Their game is gathering and supplying information. Ours is making it all mesh, so it can all work together to serve its maximum value to clients' advertising and marketing operations."

Mixing systems won't work, insists Federman: "If Simmons or any other data supplier tries to lock the industry into one access and data messaging system, they won't need me to tell them they're making a mistake. The market place will tell them soon enough."

And what the marketplace is telling him right now, adds Federman, is that "Our clients think our new Micro Network II system is great." He says that in the U.S. alone, Telmar has over 500 agency clients, some 25 advertiser clients, roughly 100 broadcast clients and about the same number of publisher clients.

Simmons system. Meanwhile, Simmons calls its new speedy access system Choices. On one micro disk are 300 million pieces of information including audiences of television, radio, newspapers, magazines, cable, outdoor posters and the Yellow Pages from the Simmons 1985 *Study of Media & Markets*, all broken out into 27 demographic factors including age, sex, income, education, occupation, marital status, number of children, region of the U.S., county size and value of residence.

Also in Choices are consumption and purchase information on over 800 product categories and 3,900 brands, cross-tabbed by demographics, psychographics and media. Kay Wall, vice president, manage-

ment systems, describes Choices as "so user friendly that only minimal computer literacy and training are needed for advanced tabulation." And SMRB president Frank Stanton says that advertisers can access the data base for trends, growth opportunities, strategic planning and new product development, while agencies can use the information for media planning, creative direction, marketing strategy, sales promotion and new business presentations.

MRI isn't far behind. Chairman Dr. Timothy Joyce says part of MRI's data base is on floppy disk now, and the rest will be on floppies "within the next two or three months. The disks are for use with IBM or IBM-compatible micros, though they have to be XT's or AT's, "not a PC Jr., which won't hold the minimum data required for a data base as big as ours—based on 20,000 respondents, with 120 punch cards worth of information on each respondent, if it were a punch card system."

Supplier agreements. Both MRI and Simmons have agreements with the suppliers of the VALS lifestyle consumer breakouts and geo-demographic market segmentation systems like PRIZM (both), ClusterPlus (Simmons only) and CACI's Acorn system (MRI only) to be included on their disks.

Charges by both suppliers will be based on subscriber size—agency billing, or dollar volume of media and advertiser clients. The range for Simmons' Choices will be from \$5,000 a year to \$250,000 and up. MRI isn't ready to expose its rate card, but Joyce does say that the annual on-line market for processing this kind of syndicated research data is estimated at more than \$7.5 million." Simmons estimates a 40 per cent customer saving from elimination of time charges for mainframe access, even though the basic charge will be 20 to 25 per cent higher than its current system.

But Joyce emphasizes that "Far more important to clients than the money saved on elimination of access time charges will be *speed* of access. No more waiting in line for other clients who tapped into the mainframe earlier. Doing all this on clients' own micros will be five to 10 times faster than it has been until now."

Nielsen moves on CBS/AMOL

A. C. Nielsen is preparing a new gameplan to keep CBS from dropping out of AMOL (Automated Measurement of Lineups), currently supported one-third each by the three major networks. While the other two networks are continuing with the service, Nielsen has until March 31 to convince CBS to stay aboard. Nielsen's two major challenges are to reduce cost, which would necessarily be done for all three webs, and to prove that AMOL shows significantly different affiliate clearance levels over the networks' manual systems to affect the fairness of ratings if one network doesn't use the system.

David Poltrack, vice president, research, CBS/Broadcast Group, discloses the network is paying \$600,000 a year for the service but has not saved



Newhart



An MTM production distributed by Victory Television

the cost of its own manual system because it is still needed to counter problems with accuracy and other technical problems. Under contract terms, he adds, CBS has served notice of intent to discontinue the service as of March 31, after which the network would have to pay a penalty fee for the remaining six years of the nine-year contract. With this cutoff date, he notes, the penalty would be a CBS expense for 1985 vs. 1986, which is what the network prefers for accounting purposes.

The problems. One of Poltrack's concerns has been that, when programming is pulled down from a satellite for delayed broadcast, particularly the case on the west coast, many of the VTRs don't pick up the vertical blanking interval line where the code is. Stan Seagren, vice president, eastern regional manager for Nielsen, counters that this can be resolved by the networks' working with affiliates to upgrade to the newer equipment which does not present this problem.

Poltrack says Nielsen has made strides toward improving errors in its own system such as the code being picked up by stations not broadcasting a particular program. Seagren says he does not know of any case where this has happened.

In addition to a cost reduction, Poltrack is looking for proof of major differences with the manual systems that are carried all the way to the pocketpieces. He believes many of the discrepancies in the manual systems only appear in the overnights but are corrected before the pocketpieces come out—the latter considered the true measure of audiences.

Seagren says Nielsen is "evaluating all the options" where price is concerned and soon expects to have results of a study where AMOL's critical differences in results are shown. "It's hard to prove on a day-to-day basis what the added accuracy is," So Nielsen is studying an unusual broadcast day where regular schedules were disrupted—the night following the recent space shuttle explosion.

Ace in the hole. Nielsen has another pitch to affect CBS' decision. Just this month, Seagren reports, it went to an accelerated delivery level, where the information is delivered at 3:15 p.m. the day after telecast—16½ hours sooner than previously. If CBS cancels, he explains, it will have a time lag in receiving its numbers of that much time beyond the other two networks.

ABC News, 'Money' poll

ABC News and *Money* magazine have launched a monthly opinion poll focusing consumer attitudes about the economy, and its first findings indicate that Americans are generally positive about their own financial situations but are somewhat negative about the national economy. The ABC News/*Money* Maga-

zine Pool, said to be the first of its kind to be developed by any media organization, was conducted of 1,000 men and women between January 9 and February 2, with the margin of error plus or minus 3.5 percentage points. Findings by the poll indicate that: 46 per cent of Americans rate the economy as good or excellent, compared with 54 per cent who believe it is not-so-good or poor; 58 per cent rate their personal finances as good or excellent, while 42 per cent said their finances were not-so-good or poor; 60 per cent think it is not a good time to buy consumer goods, compared with 40 per cent who believe this is a good time for buying.

According to Jeff Alderman, ABC News polling director, the poll results will be used as a monthly index of consumer economic confidence, and the three specific questions on the public's view on the state of the economy, their own finances and their spending plans will be repeated in each poll to formulate the ABC News/*Money* Magazine Consumer Comfort Index. In addition, supplementary, or "wild card" questions will be added each month to address concerns about timely and topical issues, such as the stock market, IRAs, employment taxes and personal expenses. The poll results will be broadcast on such ABC programs as *World News Tonight With Peter Jennings* and *Good Morning America*, as well as on *Business Report*, ABC News' daily business and economics report.

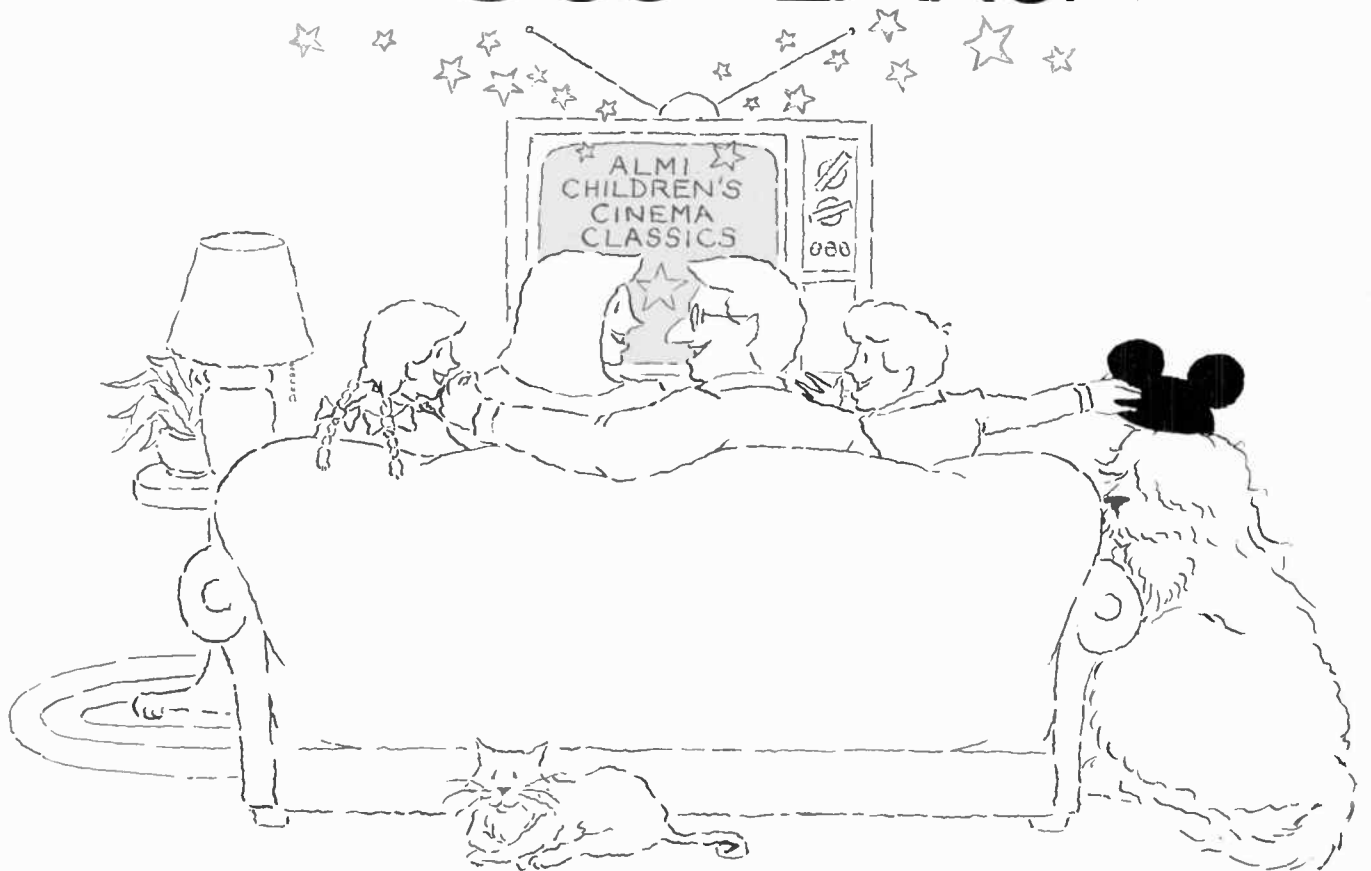
NBC program moves

NBC is amending its 8-9 p.m. lineup on Mondays and is changing the time periods of three continuing dramatic series for the remainder of the season. In the former case, two comedies, *You Again* and *Valerie*, will premiere on March 3, filling the hour time period at present occupied by *TV's Bloopers and Practical Jokes*. New editions of this program will continue later this season in a series of specials. *You Again* stars Jack Klugman; Valerie Harper stars in *Valerie*. In the case of the moved shows, *Remington Steel* goes to Saturdays at 10 p.m.; *Hunter* to Tuesdays at 9; and *Riptide* to Fridays at 8, on a trial basis. *Misfits of Science*, on Fridays at 8, completes its first-run episodes February 28, and will return via rebroadcasts later this season on dates to be announced. *You Again*, which is based on the British hit series *Home to Roost*, will have a sneak preview on February 27, from 8:30-9 p.m. *Valerie* will be given a sneak preview on March 1 at 8: 30.

Magazine pages down

While magazine advertising pages were down 3.3 per cent in 1985 from 1984, revenues were up 4.5 per cent, according to Publishers Information Bureau. Pages for the year totaled 152,565.73, a decrease of 5,227.99 pages. Revenues were nearly \$5 billion.

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TV Business Barometer

December spot increase was 5.0%

As far as spot TV time sales are concerned, 1985 ended not with a bang but a whimper. Overall, in addition, it was not a great year for spot TV. It was, in fact, the smallest increase since the beginning of the decade.

The predictions of a poor fourth quarter for spot held true through the three months. December time sales were up only 5.0 per cent, just about the same as the previous two months. November was up 5.3 per cent, and October rose a very modest 4.8 per cent.

December topped the \$400 million mark, as did the previous two months. But December was a five-week Standard Broadcast Month (SBM), while November and October were both four-week SBMs.

Volume for December came to \$416.5 million, compared with \$396.7 million for December, '84. The quarter came in at \$1,311.2

million vs. \$1,248.3 million during the corresponding '84 quarter. That came to an increase of 5.0 per cent, indubitably the worst quarter of the year.

The best quarter of '85 for spot TV by far was the third, which rose 11.0 per cent to \$1,297.1 million and was paced by business in August.

The latter month showed an increase of 13.4 per cent. Next best was the second quarter, which registered an increase of 8.5 per cent, pulling in \$1,470.2 million in spot time sales, and was the biggest quarter in dollars.

One bright spot in the spot TV picture was the fact that volume topped the \$5 billion mark for the first time. The actual figure was \$5,077.0 million, compared with \$4,714.5 million for '84. The increase for the year came to 7.7 per cent.

As noted, this increase was the smallest during the years since the FCC stopped requiring financial reporting by broadcast stations.

This covers 1981 on. In that year, spot increased 13.1 per cent. The next year, the rise amounted to a hefty 16.5 per cent.

This was followed by a 9.5 per cent increase in '83 and a 12.0 per cent hike in '84.

To a minor extent, spot in '85 actually did a little better than the 7.7 per cent increase indicated by the *Business Barometer* sample of stations.

This is because, under the Standard Broadcast Calendar, 1984 consisted of 53 weeks, compared to the conventional 52 weeks during 1985.

The 'true' rise

If the '84 figure is reduced to the 52-week equivalent, it would amount to \$4,625.5 million, instead of \$4,714.5 million, and the increase would be 9.8 per cent, instead of 7.7 per cent. That would be the case, that is, if all stations in the *Barometer* sample reported on an SBM basis. But the fact is that a minority of stations report on an SBM basis. So the true increase is better than 7.7 per cent, but not much better.

National spot +5.0%

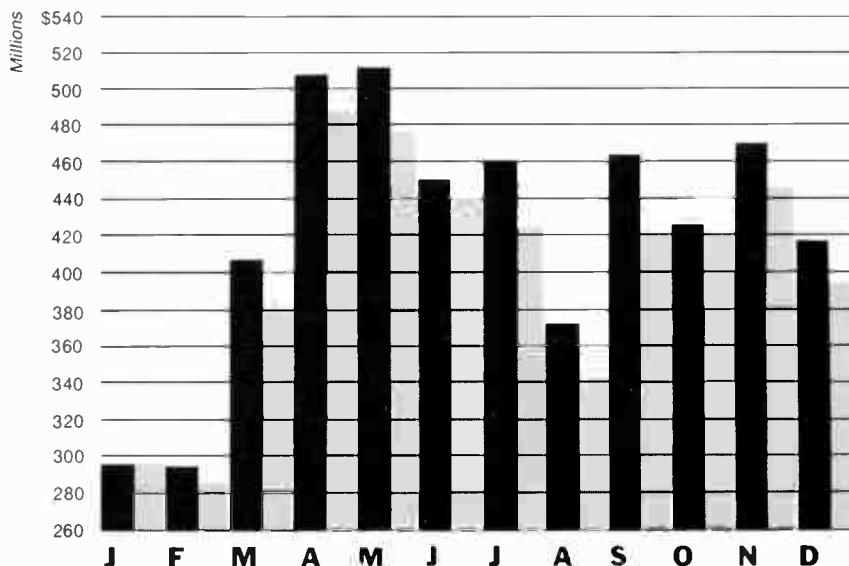
(millions)

1984: \$396.7 1985: \$416.5

Changes by annual station revenue

Under \$7 million	+7.0%
\$7-15 million	+6.7%
\$15 million up	+3.8%

December



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Winning takes teamwork and on-the-spot leadership. The ability to respond to wind shifts. Only Blair has three regional vice presidents in the field ... where the action is. Setting the course. That's why a major consulting firm recently described Blair Television as having "the best organized, best managed regional sales systems we've seen." What else keeps Blair's regional offices out front? Our crew. Managers, sales people and sales assistants pulling together. People who have grown with their marketplace. The #1 source buyers turn to for information. They are tied into the most sophisticated sales/sales support network in the industry. Weekly teleconferences keep all our offices on the same hard-selling tack. The fastest to the finish line. Teamwork and leadership. Winning traditions we share with our clients.

BLAIR. ONLY BLAIR.

Television



Cable Report

Remarketing Showtime/TMC

Declaring that "the novelty of the new media is wearing off," the marketing director of Showtime/The Movie Channel says it is now concentrating on program-specific promotions extending over the entire calendar year, as opposed to the "brand-name sell" that has typified past pay-cable campaigns.

According to Josh Sapan, the new strategy contrasts with the strategy of Home Box Office Inc., which, in his view, continues to promote name-brand recognition. It also signals the belief by Showtime/TMC officials that pay-cable faces "a difficult year ahead" due to a sobering marketplace outlook, complicated by the growth of VCR usage. VCRs, Sapan remarked, "own the 'new media' franchise."



"VCRs, not cable, own 'new media' franchise"
—Josh Sapan

Sapan termed 1985 a "flat" year for Showtime/TMC in terms of subscriber growth. He declined to say whether that meant the organization's two pay services experienced a net loss of subscribers, although observers believe that to be the case. Officials said Showtime finished the year with 5.4 million subscribers, The Movie Channel, 3.2 million, numbers that parallel last year's levels.

[Home Box Office Inc., meanwhile, claimed that its two pay services, HBO and Cinemax, registered modest subscriber gains for 1985. HBO finished the year at about 14.6 million, up 100,000, while Cinemax's number was 3.7 million, up about 400,000, officials said. HBO chairman Michael Fuchs termed the first half of 1985 "disappointing," crediting the gains to strong third and fourth quarters].

Because pay-cable finds itself pitching to a "mature market," Showtime/TMC has to "apply consistent marketplace pressure over the 12-month period," Sapan said at a recent briefing.

Breaking down resistance. Pay cable, he noted, no longer is a growth industry, due mostly to the drop-off in the business's new-build phase. This newly "mature" marketplace means programmers must attract new subscribers from among two "resistant" groups: the so-called "passive rejectors," and former, dissatisfied subscribers who chose to disconnect.

A monthly churn rate of about 4 per cent appears an inevitable byproduct of Showtime/TMC's business, Sapan said, requiring constant remarketing to keep subscriber numbers from eroding.

As a result, Showtime/TMC is concentrating heavily on programming-specific campaigns that tie together feature films, some of them exclusive, and thematically-related original programming, such as musical specials. It will reduce the number of such campaigns but expand their scope and their lifetime over two- or three-month periods.

Showtime/TMC also is increasing its 1986 budget by 25-50 per cent over last year's levels. Sapan declined to release exact figures.

These campaigns will be promoted in conjunction with cable systems, using a primary vehicles local and spot advertising in print and broadcast media, direct mail, along with national buys in *TV Guide* and cable guide publications that reach key target markets. Two upcoming events: The Movie Channel's "Third Annual Salute to the Academy Awards" and Showtime's "The Heat Is On" spring-summer effort, tied to the exclusively pay cable showing of *Beverly Hills Cop*.

Showtime/TMC no longer will use network TV, relying instead on the spot market so that TV campaigns can directly tie in to cable operators' local marketing efforts, Sapan said. Showtime/TMC had used network TV in the fall for 1984 for its "We Make Excitement" campaign, itself an exercise in brand-name promotion.

Viacom's cable combo

Ever since Viacom International announced that it was acquiring MTV Networks Inc., speculation has abounded that Viacom would employ its fortified cable muscle—ownership of two pay and three ad-supported programming services—to make greater inroads into the pay business.

The theory is that Viacom will coordinate its affiliate marketing strategies, using the popularity and marketing savvy of MTV as leverage against a pay universe still dominated by Time Inc.'s Home Box Office.

Until just recently, however, marketers at respective services were downplaying such possibilities, noting the distinct differences between pay and basic marketing. But two things have happened recently to make such marketing coordination between Viacom's pay and basic services a likely possibility.

First, Kenneth Gorman was named chairman of a new "Viacom Cable Networks Group," charged with overseeing the cable investments. And then a tripartite "office of the chief executive" of that entity was formed. It consists of Gorman, Showtime/TMC chairman Neil Austrian, and MTV Networks president Robert Pittman.

According to Gorman, the new team will consult on "planning and development functions, including the formulation and implementation of programming strategies"—including the "review" of "common areas of staff support among members of the group, as well as other possible operating efficiencies."

Do "operating efficiencies" mean that overlapping responsibilities could result in a reduction in staff ranks? That's the question anxiously being asked

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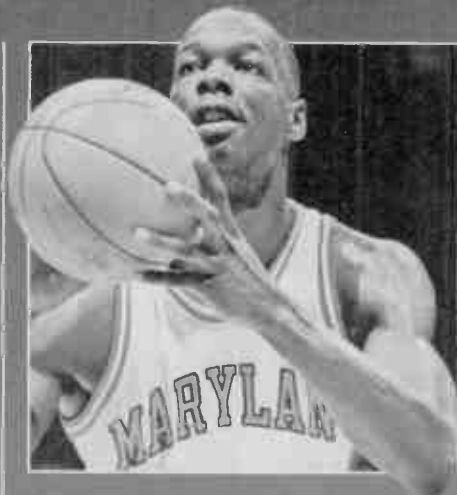


ESPN's® SportsCenter.™ The Source for Sports for millions of American men. The place they turn to for all the names and games making news in the sports world. It's one more reason why upscale men are turning from the networks to ESPN. Only ESPN delivers the kind of unbeatable, round-the-clock sports coverage they want.

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ESPN
THE TOTAL SPORTS NETWORK



among the cable divisions.

On the programming side, greater coordination between the cable properties already has been evidenced by the active role Viacom is taking in bringing MTV programs to the broadcast syndication market.

A SPACE blast to CBS

The Satellite Television Industry Association Inc., the trade group representing home TVRO dish dealers, has threatened unspecified "action" against CBS over its plans to scramble its satellite feeds to affiliates.

SPACE terms it "a scheme . . . to cut off home earth station owners." It maintains that the "vast majority" of the estimated 1.5 million home TVROs are in rural areas, "where CBS affiliates often do not exist."

SPACE vice president Chuck Hewitt states that it is "absurd" to think that home TVRO viewing harms network affiliates: "Local affiliates pride themselves on providing local services, and where there is local service, it will be watched." SPACE counsel Rick Brown even invokes the memory of Edward R. Murrow, terming the CBS move as alien to the First Amendment and "an act ill-befitting [Murrow's] legacy."

CBS vice president of communications and information George Schweitzer counters by stating that CBS is in the network distribution business, not in the direct broadcast business, and that satellite feeds are private communications. Scrambling, he states, is a means to protect the "integrity of the signal," including backhauled feeds not intended for simultaneous public viewing.

CBS estimates that only 400,000 homes cannot receive broadcast signals of affiliates.

But the political pressure of SPACE may be one motivating factor behind CBS's recent establishment of an affiliate task force to explore ways of extending affiliate signals into remote areas through the use of repeaters, low power television, microwave—"anything but satellites," Schweitzer says.

As for SPACE's rhetoric, the association has threatened legal action against cable programmers who are scrambling, but at this writing has yet to actually file suit against any of them.

'Goodwill' good for ESPN?

The Goodwill Games, two weeks of Olympics-style summer sporting events being staged by Ted Turner and the Soviet government for 129 hours of domestic airing this July, will help and not hurt the salability of the U.S. Olympic Festival games which follow five days later.

That's the new approach being taken by ESPN,

which is carrying the U.S. Olympic Committee—sanctioned event and selling half of its advertising availabilities (the rest go to the Olympic Committee).

According to ESPN officials, the Goodwill Games, which are not sanctioned by the U.S. Olympic body, will whet audience appetite for the subsequent Festival events. The Goodwill Games run from July 5–20 in Moscow; the Festival is July 26–August 3 in Houston. ESPN notes that some of the same Olympic athletes plan to compete in both sets of games, but that only the Festival serves as qualifying heats for the 1988 Olympics in Seoul, Korea. Anheuser-Busch and Exxon have signed on as early ESPN advertisers, joining USOC underwriting sponsors Adidas, Miller beer, Coca-Cola and McDonald's.

A Turner Broadcasting System spokesman agreed with the ESPN view, but maintained that officials of the sports network privately weren't so sanguine when the Goodwill Games were first announced. "Back then, they were afraid this would kill them, and now they say it will help," remarked the official.

Initially, officials of the USOC publicly expressed reservations about the Goodwill Games, maintaining that the competition could detract from the eight days of officially-sanctioned events to be held in Houston. The committee later quieted its protests, stating that it would assist, but not participate in, the Goodwill venture.

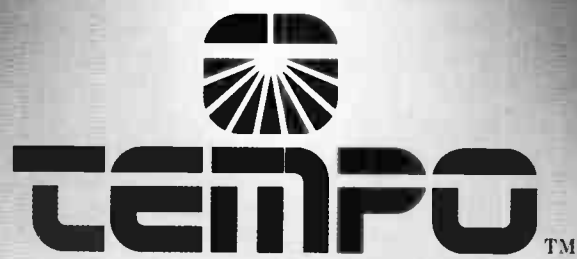
Broadcast clearance. Meanwhile, Turner Broadcasting said it has cleared half of the top 100 broadcast TV markets, representing 73 per cent of the total audience, for its ad hoc network coverage of the games, including 13 of the top 20 markets. Five more of the top twenty were pending. Internationally, Turner's syndication arm has arranged for coverage in Australia via Bond Media, which has purchased national TV rights down under. The games also have been cleared in Venezuela and Argentina, and "serious negotiations" were underway for carriage in other South American, European and Asian nations.

Slow HBO 'Festival'

Michael Fuchs, chairman and CEO of HBO, calls his third channel service, "Festival," which is to begin test-marketing in March, "the flip side" of the company's Cinemax service, and "we are not interested in rolling it out very quickly because this is a service we want handled in a special way."

Fuchs envisions Festival, which he says is intended to reach "possibly an older audience, one that's a little more conservative than a Cinemax audience, a little more family-oriented," as an aid to cable systems that are attempting to attract more customers.

The family-oriented channel "is not a replacement for movies, Playboy, HBO, or Cinemax," Fuchs said in a speech to the Washington Metropolitan Cable Club. If he were a cable operator, he says, "I would use it just to get homes passed or cable-only homes. We are looking for it to give cable lift." He sees it as a heavy marketing tool for cable and does not want it offered as part of a multi-pay service.



Over the years, you've known us by many names.
Soon, you'll know us by one.

Radio Report

Arbitron pooh-poohs Birch 'primary' agency claims

In a bid for equal time following a series of press releases from Birch trumpeting its selection as "primary" radio ratings service by agencies large and small, Ken Wollenberg, vice president advertiser/agency sales and marketing for Arbitron Radio quotes Jack Kennedy's crack that "Where there's smoke, you'll often find a smoke-making machine," and wonders "How much real fire exists behind all the smoke being blown by Birch?"

He reports that Arbitron Radio "has not lost one agency client since all this flack started, and Arbitron is still the primary radio rating service of the largest of the agencies they claim as theirs."

In the case of McCann-Erickson, says Wollenberg, "The decision on Birch was said to be based on frequency of measurement. What Birch forgot to mention was that McCann also plans to review their decision, market by market, on who their chief radio rating service will be when Arbitron starts continuous measurement in a lot of these markets this summer. On top of that, of the 153 markets McCann considered, Birch measures 85 of them only quarterly."

As for Birch's claim that BBDO has adopted Birch as its primary service based on an evaluation by media research director Steve Singer, Arbitron's Wollenberg says this evaluation "applies only to BBDO/New York and possibly Minneapolis and Detroit. The great bulk of radio buying for most of the clients mentioned by Birch in all their smoke about radio billing, like Pepsi, Stroh's and Gillette is done by BBDO's more autonomous offices like Tracy-Locke in Dallas and BDA, Atlanta. These offices are still buying radio by Arbitron. And if BBDO's other offices aren't, they'd do well to look again at what was left out of Singer's paper."

Wollenberg says, for instance, that "Singer chose not to mention the fact that Birch does not use pure random digit dialing. They randomize only the last three digits, and therefore have no idea how many unlisted numbers are in their sample, as we do, and report in every Arbitron book."

Neither, says Wollenberg, does Singer's paper "mention the fact that to base its ratings on only one respondent per household, and do it correctly, Birch would have to weight their sample by household size. But they don't."

'Apples-to-oranges' He also charges that the BBDO research paper, "chooses not to mention the apples-to-oranges comparison between Birch's telephone response rates and our diary response rates. Any comparison should be between apples and apples: Birch's telephone response to RADAR's telephone response. If they'd made that comparison, they'd find that RADAR's response rates are consistently higher than Birch's."

Meanwhile, the latest Birch release welcomes Dancer Fitzgerald Sample to its growing list of subscriber agencies. But at least this one chooses to omit the adjective "primary" in describing itself as DFS's new radio rating service.

Roanoke outlet is tops

The number 1 radio station in the top 100 metros, 6 a.m. midnight, Monday-Sunday, all persons 12+, in the fall '85 Arbitron sweep was WXLK(FM) Roanoke with a 28.1 share. The rock station did not appear among the leaders (top 20) in either of the previous sweeps (spring '85, fall '84), according to a TV/RADIO AGE analysis of computations supplied by Radio Information Center.

Rounding out the top five were: (2) KFAB Omaha, adult contemporary, 26.8, up from fall '84's 28.3, but down in rank from Number 1; (3) WIVK-FM, country, 26.7, up from fall '84's 21.6; (4) WIOG(FM) Saginaw, 26.6, rock, up from fall '84's 16.6; and (5) WMEE(FM) Fort Wayne, 24.4, also a newcomer to the top 20 lists.

Of the top 20 leaders, seven have adult contemporary formats, five each are rock and country and one each have news/talk, beautiful music and variety formats.

Number 1 share among stations in the top 50 ADIs was turned in by KMOX St. Louis. The news/talk outlet had 20.8 per cent of listening, followed by WTQR(FM) Greensboro-Winston-Salem-High Point, 18.7 (country); WCCO Minneapolis St. Paul, 17.9 (variety); WFBQ(FM) Birmingham, 14.8 (country); and WFBQ(FM) Indianapolis, 14.7 (AOR).

The most listened to format among stations in the top 100 markets, according to the TV/RADIO AGE analysis is adult contemporary, with 18.2 per cent, followed by rock/CHR, 15.5; AOR, 10.4; easy listening, 9.9; and country, 9.8.

CBS in subcarrier role

The CBS-Owned FM Stations may be putting their sidebands to work now that CBS Inc. has purchased a half interest in Mainstream Communications Corp. Mason Best Co., Dallas-based merchant banking firm, owns the other half. MCC's first project involves participation in the ownership of Mainstream Data, Ltd., a Texas limited partnership based in Salt Lake City.

Mainstream Data is developing a point-to-multi-point data transmission system, which will allow clients to transmit digital information via FM subcarriers to remote printers and computers. Ted Ingersoll, director of Mason Best, reports the prospect of CBS FM stations participating will be discussed but that no decision has been made on it. Neither participating stations nor clients have been lined up at this time.

Ingersoll says MCC will continue with its present

day-to-day management, although CBS executives will be named to seats on the board of directors. As for prospective clientele, he indicates retailers with a number of locations throughout a region or the entire country will make good prospects for transmission of price changes and inventory conditions. Publishers who are printing at different locations also appear to be a good market for text transmission, he adds.

Cregan in for Kelly

Jerry Cregan has replaced Jerry Kelly as president of Republic Radio. Cregan originally came to the New York sales staff of Katz Radio in 1974. He became New York sales manager in 1977 and two years later



Jerry Cregan

was elected a vice president of Katz Radio. In 1979 he assumed additional responsibilities as vice president, national sales for Katz Radio, and since 1984 has been vice president stations, Central Division.

New network programs

Both ABC and CBS are adding new radio program elements. ABC Radio Networks has signed an exclusive contract with Kaminsky & Co. to produce a new series titled *Music of America*, which will feature concerts, special events and holiday programming with well-known contemporary musicians. Kaminsky's credits include producing and creating 250 country concert specials that were carried by ABC under the title, *The Silver Eagle*; producing *The Emo Philips Comedy Experiment* for Cinemax and co-producing Bette Midler's *Mud Will Be Flung Tonight* for Atlantic Records.

Music of America will kick off its premiere show with a concert spotlighting the Oak Ridge Boys and The Judds in performance at Radio City Music Hall on March 21. The newly formed Kaminsky & Co. is headed by Bob Kaminsky, president.

Meanwhile, CBS Radio Stations News Service, the Washington-based news and syndicated programming arm of CBS Radio, is adding "This Day in History," a 60-second report, to its *Byline Magazine* package of features. The reports, the only seven-day-a-week *Byline Magazine* offering, are hosted by KCBS San Francisco anchor Stan Bunger, who will provide informative glimpses into the past.

"This Day in History" replaces "A Lifestyle Report" in the 12-unit package and is the only 60-second report, with all others running 90 seconds.

Avail demographics shift

The age cells of 25-54 and 18-49 continued to grow as a proportion of avail requests in 1985, according to Torbet Radio's annual report for all radio business placed in the year. Accounting for 41 per cent of Torbet's requests, 25-54 was up 4 per cent for the year, while 18-49 grew 3 per cent to represent 19 per cent of the year's requests.

A big jump was seen in the 18-49 bracket from the third to the fourth quarter of 1985—from 15.2 per cent to 27.5 per cent. Aside from the two growing age cells, all others declined—at an average rate of 1.5 per cent from 1984 to 1985.

Adult requests have shown a steady growth since 1981, going from 38.3 per cent in that year to 45.8 per cent in '85. Requests for males declined from 22.9 per cent in '84 to 20.6 per cent, while female requests grew from 22.7 per cent to 23.8 per cent.

The total number of avails declined from 28,106 in 1984 to 27,191 in '85. Flight times remained relatively consistent, with 30 per cent of all business in one-week flights.

Mutual in major revamp

Marking what it calls the single biggest programming development at the network in 14 years, the Mutual radio network plans a series of major programming changes in news and sports, to take effect beginning March 10. Included in the realignment, according to Jack Clements and Art Kriemelman, both Mutual presidents, is that newscasts will be expanded each hour from three to four, including two 60-second headline services dubbed *Mutual Update*. Specifically, every Monday-through-Sunday, from 6 a.m. to 11 p.m., Mutual news each hour will feature a full five-minute newscast at the top of the hour; a two-minute half-hourly newscast; and *Mutual Update*, at :25 and :55 after the hour.

Part of the news expansion entails changes in assignments, including Mutual's White House, Senate and House of Representatives correspondents, the appointment of two general assignment reporters, and the selection of seven anchors based on their individual style and delivery.

On the sports end, the Monday-Friday schedule changes involve two morning-drive and three afternoon-drive/early evening sportcasts, all four minutes and 50 seconds in length; personality-oriented sports features, *Lasorda at Large* and *Larry King: Sports in Focus*, have been added to the weekday sports lineup—*Lasorda* in morning-drive and *King* in afternoon-drive; and the *Wide Weekend of Sports* schedule has been revamped to include 16 sportcasts every weekend.

Radio Business Barometer

Smaller markets did well in '85

The general pattern for spot television in recent years has been faster growth in the larger markets. It's not quite that way in spot radio. Radio Expenditure Reports data show, based on its standard breakdown of market groups by top 10, 11-to-25, 26-to-50 and 51-plus, that the smaller markets have been doing better than the larger markets.

This was true last year and in part the year before. For example, last year the 51-plus markets, bolstered by a sensational December, showed a 14.0 per cent increase (adjusted), while the other three groups showed increases ranging between 10.5 and 10.9 per cent.

In 1984, the 51-plus markets registered an even greater increase, though the gap between the smallest market grouping and the other three groupings was not as marked as in '85. The 51-plus

group was up 16.7 per cent in 1984, compared to the following increases for the other groups: top 10, up 14.7 per cent; 11-25, up 15.1 per cent, and 26-to-50, up 14.6 per cent. These, of course, are averages. As RER constantly reminds its clients, the market group and national figures for spot radio are not to be taken as reflective of any one market or station.

In any case, the 51-plus markets rose 24.9 per cent in December to \$19,264,400. These figures are slight RER revisions from data shown in *Radio Report* in the February 3 issue, which reported incorrectly a 25.7 per cent increase to \$19,381,000. Also slightly revised were the 11-to-25 market figures for December, which now show a 13.3 per cent rise to \$18,107,900. The incorrect figures showed a rise of 12.6 per cent to \$17,991,300.

The other two market groups, unchanged, were the top 10, up 16.8 per cent to \$32,263,600, and the 26-to-50 market group, up 9.9

per cent to \$11,827,100.

December spot as a whole was up 16.7 per cent to \$81,463,000, while spot radio billings for the full year of 1985 came to \$900,954,900, up 9.3 per cent from the '84 figure of \$824,003,300. However, because the Standard Broadcast Calendar for '84 had 53 weeks and '85 had 52 weeks, the '84 billings figure was adjusted downward to \$808,456,100 and the adjusted percentage increase came to 11.4 per cent.

Fourth quarter

The December billings brought the fourth quarter spot radio total to \$241,289,500, compared with \$216,672,700 for the corresponding '84 quarter (the 13 final weeks of the 53-week year). That represents an increase of 11.4 per cent.

The final billing figures for '85 covering the four market groups are: top 10, \$349,967,600, up 10.5 per cent, adjusted; 11-to-25, \$195,680,100, up 10.8 per cent, adjusted; 26-to-50, \$136,682,200, up 10.9 per cent, adjusted, and 51-plus, \$218,625,000, up 14.0 per cent, adjusted.

National spot +16.7%

(millions)

1984: \$69.8

1985: \$81.5

Changes by market group

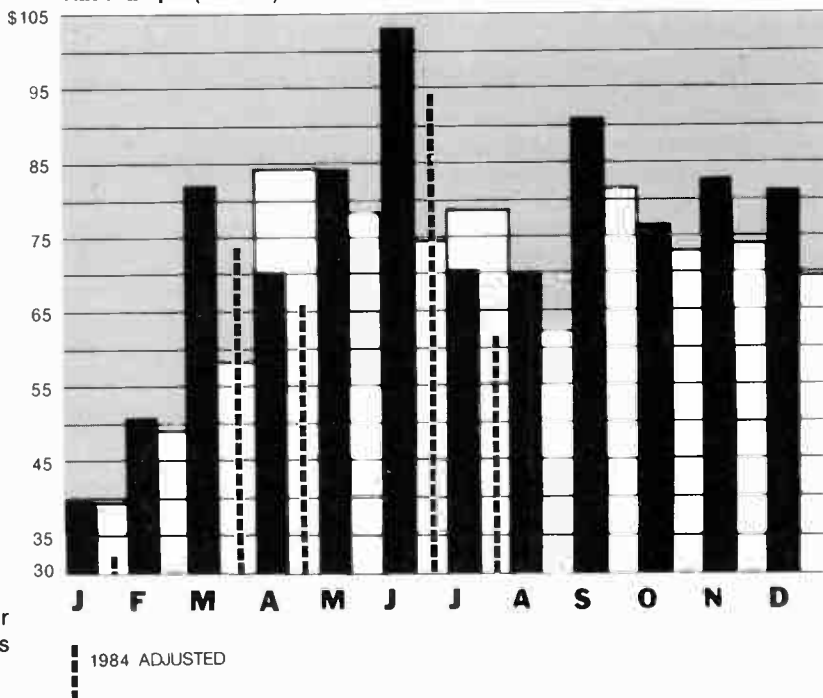
Market group	Billings (mils.)	% chg. 85-84
1-10	\$32.3	+16.8%
11-25	18.1	+13.3
26-50	11.8	+9.9
51+	19.3	+24.9

Source: Radio Expenditure Reports

* 1984 level adjusted to compensate for differences in Standard Broadcast Months in '84 and '85.

December

National spot (millions)



Golden West Television Holding Company

has been acquired by

Tribune Company

*The undersigned acted as financial advisor to
Golden West Television Holding Company in this transaction.*

MORGAN STANLEY & CO.
Incorporated

December 17, 1985

NOW...THE WO

Television/Radio Age INTERNATIONAL NEWSLETTER

Volume 1. Number 1

London . New York . Hollywood 27 May 1985

This is the first issue of the Television/Radio Age International Newsletter published biweekly. It will cover the activities of television programming and major technological developments throughout the world. It will feature last minute news items from the major production capitals, including Hollywood, New York and London and will be produced in those cities under the direction of Irwin Margolis, formerly head of NBC News, Europe.

U.S. INTERNATIONAL DISTRIBUTORS reacted positively to the French report on private television. Although the report which establishes two "super" networks to cover the entire country and an unspecified number of local stations, probably about 60, still must be approved by the government, it is likely that the prospective station owners will be permitted to buy about 40 percent of their programming from outside the European Common Market.

Jerry Wexler of NBC International, commented that the report was encouraging and would result in better programming. He was confident that the public in Europe would benefit.

Bruce Gordon, Paramount International, said that while he thought it would take some time before the new French networks were operative, he is encouraging the increase in business in the U.K. and Western Europe. "There seems to be renewed confidence," he declared, "that the new technologies are not going to knock out over-the-air television."

While TURNER PROGRAM SERVICE was announcing its first major series sale to Western Bloc country, Robert Wussler, executive vice president of the TURNER BROADCAST SYSTEMS, was in Moscow discussing programming with the Russians that will come of those talks is not immediately known, but it is known that the East Germans have purchased the seven hour Jacques Cousteau Amazon series or airing later this year.

The syndication arm of Turner also announced a two-year agreement with the USA, Mexico's leading broadcast and cable system to provide 24 hour service which includes access to all-news CNN. Turner programs already can be seen in Australia, Germany, Iceland, Italy, Japan, Korea and the Philippines. Transmission to Europe starts this autumn.

Three major advertising agencies are producing a significant number of commercial spots for use in the U.S. While the three, Y & R, the world's most prominent agency, BBDO, the third largest and Ogilvy and Mather might cite the

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"We feel it is a good lead into network childrens' programs." — Mary Hughes, WHP-TV (CBS) Harrisburg, Pennsylvania.

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Television/Radio Age

February 17, 1986

Nielsen won the first round in Canada, while round two went to AGB when it signed two major U.S. agencies.

Only one survivor seen over long haul;
AGB signings viewed as prod to Nielsen

People meter race moves into high gear as AGB makes gains

By EDMOND M. ROSENTHAL

The A. C. Nielsen Co. and AGB Television Research appear to be running a close race in the people meter sweepstakes, but it seems unlikely that both will be operating a national people meter service several years down the road. In fact, according to what network and agency executives say, recent encouragement that AGB is getting may mostly represent a means of prodding Nielsen down the people meter path.

Still playing a dark horse role is ScanAmerica, operated by Arbitron Ratings Co., Burke Marketing Services and Selling Areas-Marketing, Inc. (SAMI). SAMI recently acquired Burke, including Arbitron's minority share. Network and agency people contend that ScanAmerica is still too far away from developing a national sample to be taken seriously at this time, but some indicate its single-source approach allowing evaluation of product purchases along with viewing gives it an outside chance of becoming the ultimate measurement system—provided that the ScanAmerica approach is fully validated.

No one is minimizing the implications of the people meter race. For example, Marvin Mord, vice president;

marketing and research services at ABC, asserts, "The entire issue of audience measurement is probably at the most critical stage at this moment than at any other time that I can remember—except perhaps when Nielsen first involved itself in people measurement versus just households in the '60s."

While it can easily be said that both networks and agencies want the people meter, the general indication is that most would support only one service over the long haul. The consensus is that the industry might support two of them for a period of three to five years. Eventually, though, it's felt that one of the two would be dropped. And, although AGB is said to be the more dynamic force in driving the marketplace toward the people meter, Nielsen's long experience as a national service in this country appears to give it the inside track for survival.

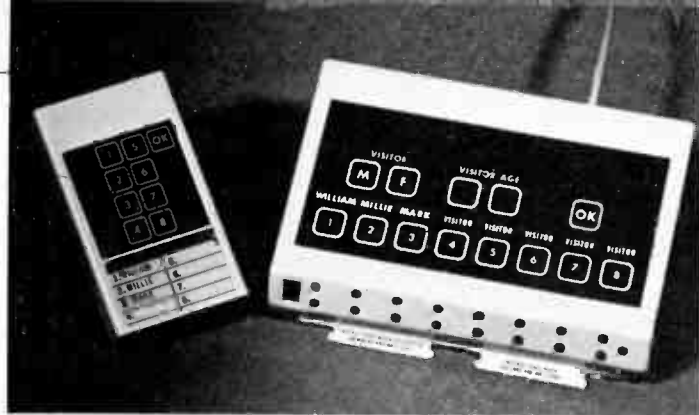
BBM's decision

If there are any true milestones of marketplace acceptance, Nielsen has won the first round, having been accepted by Canada's Bureau of Broadcast Measurement as a national people meter service. BBM indicates Nielsen's experience with national ratings was

"The entire issue of audience measurement is probably at the most critical stage at this moment than at any other time that I can remember ..."



Marvin Mord
Vice president
ABC



Nielsen people meter keypads



ScanAmerica's UPC scanner



AGB handset and monitor (on TV set)

Both AGB and Nielsen hope for national launches in September, 1987, while ScanAmerica is looking to February, 1989.

the deciding factor.

More recently, round two went to AGB, when both BBDO and Young & Rubicam—together representing some 15 per cent of total network billings—signed five-year agreements to go with its people meter starting in September, 1987, when it first goes national. But this hardly knocks Nielsen out of the box, as both agencies have recently agreed to three-year renewals of NTI—with the probability of a people meter figured in, as Nielsen is targeting its launch for the same date as AGB subject to specific research findings. ScanAmerica, meanwhile, is figuring on a national launch in February 1989. Full national samples are projected for a year later than their initial ones for Nielsen and AGB and in August 1990 for ScanAmerica.

The rationale of the two agencies signing with AGB is somewhat telling. Steve Singer, vice president, director of media research services at BBDO, says, "AGB's presence assures that the people meter will be a reality in the marketplace. If AGB goes away, it's possible that the people meter will also go away." He adds, "Ideally, we'd like to support just one."

And Y&R's Joe Ostrow, executive vice president, director of communica-

tions services, holds, "When the dust settles a few years down the road, there will probably be only one survivor." Competition assures better research and better pricing, he notes.

Reportedly there is no longer a significant pricing differential between Nielsen and AGB. While the latter has said it will come in 30 per cent less than NTI, Nielsen is reportedly pricing its national service competitively with AGB now on the basis that it will no longer have to bear the cost of its separate NAC (National Audience Composition) diary survey.

Impact of pricing

Dr. Joseph Philport, president and COO of AGB Television Research, says the people meter service will cost major agencies between \$100,000 and \$500,000 a year, with the majority of the big broadcast buyers paying around \$250,000. He contends, "I don't think price will be *the* factor; it's too late for that. If they buy on price and then lose one service, it's very easy for the survivor to raise prices."

Currently conducting a test in Boston which it considers complete for all practical purposes, AGB expects to have a national sample of 2,000 house-

holds and 5,000 people by September, 1987, and a full sample of 5,000 households and 13,000 people by September, 1988. Philport says four separate validation tests in Boston show that the AGB meter works as well in the U.S. as it does in other countries using it, including parallel dropout rates. Based on continued support, AGB will order 2,000 meters next fall and probably would purchase the remainder in monthly increments of about 500, he notes.

AGB is continuing the Boston testing, he says, not because any new information is forthcoming that would be vital but because "it's still a microcosm of people meter information and lets our clients see what the people meter looks like."

As are its competitors, AGB is preparing to offer monitoring of videocassette recorder playback as part of the service. The monitoring equipment that it is putting in, Philport explains, encodes the tape during recording, identifying the station, the time the recording takes place and the running time—the latter allowing determination of whether commercials are deleted on playback.

Philport anticipates some "growing pains" in going from a local to a nation-

“If, for example, we can’t get a nickel out of Y&R without AGB data [in addition to supporting Nielsen],

you can be sure our sales department is going to have some input.”



George Hooper
Vice president
NBC

al service and says it would be extremely difficult to develop a national sample faster than the September, 1987, target date. He confirms there is more volatility in the AGB household ratings than in the other Boston meter measurements—with AGB ratings running lower than NSI and Arbitron in May and July while its numbers were in line with NSI in November.

“It appears that we reflect more seasonal fluctuations than NTI,” he explains.

He contends the AGB approach is more accurate, though, in that it uses an average minute as the foundation for its ratings, while both Nielsen’s and Arbitron’s local meter and diary samples for households credit five minutes of viewing as an entire quarter hour. He adds, “Telephone coincidental validation confirms that our numbers are the most accurate in the market. There is no statistically significant difference with the coincidental.”

Aside from the BBDO and Y&R commitments, Philport reports, AGB is close to commitments with several other major agencies. Clients have the option of dropping the service after two years and are not committed to any payment before September 1987. He says AGB’s pricing structure is less complex than Nielsen’s, with AGB’s being priced on overall TV billings while Nielsen’s is priced so that an agency heavily into daytime programming would pay less than one that is mostly involved in primetime (Nielsen explains multiple-day-a-week programming, typical of daytime, is figured at a lower rate).

“I think the desire to have two services is real,” he asserts. “And we have the advantage of being the only one that is validated. We also have the experience of developing applications from this minute-by-minute information that is being retrieved, such as better demographics.”

More finely tuned demographics, he notes, may result in spreading out the cost of the service among more clients—making the information more useful to cable networks, advertisers and syndicators, who now collectively pay about a third of the bill for NTI, with networks and agencies each collectively paying another third.

Philport says the cost of setting up a national service is some \$30 million. To support it, he adds, AGB needs to bring in agencies representing 25 per cent of network billings, at which point it can talk to the networks in terms of financial support. He says it would be viable to turn the service on with support from two of the three networks.

Nielsen’s momentum

John Dimling, Nielsen’s group director of product and development, reports his company now has a national people meter sample of well over 500 and expects to have 600 by next month and a total of 1,000 by July. Next June,

he says, Nielsen will decide whether it can replace NAC with the people meter, and if it is so concluded, the people meter will be used for audience composition starting in September. Then early in 1987 it would be decided whether to replace NTI with the people meter. If so, it would be used for national measurement starting September, 1987, with a sample of 2,700 households. If this proves out, the sample size would be increased to 4,600 in September 1988.

The initial decision of whether to replace NAC with the people meter already has raised some concern among those to whom demographics mean big money. ABC’s Mord observes, “Nielsen has indicated that a parallel sample is being considered but that it will not make that decision until June. We’ve now got a system in on which basis billions of dollars are being spent. We’re basing a great deal of our guarantees against demographics—so before anything happens, we’d like to have some discussions with Nielsen. It could be that we’re 10 per cent off from where we might have been, so it’s important that we don’t make an abrupt change.

“It’s for that kind of reason that we asked AGB to retain its Boston sample—because more time was needed to evaluate the extent to which button pushing occurs in both recently metered homes and those that have had the people meter for an extended period of time.”

Mord realizes that once NAC is discontinued, the network would save that much money, but he says he would rather pay for it. He adds, “There are problems inherent in NAC, and we know it. But the diary will have to continue to be a part of our business because meters are not a reality for markets below the top 20.”

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“We would be willing during a development period to contribute to both services . . . but we do not contemplate supporting both over the long term.”



David Poltrack
Vice president
CBS/Broadcast Group

Network TV reports due in spring from Monitor-Plus service as initial step

Monitoring battle coming to a head: Nielsen vs. BAR

By ALFRED J. JAFFE

THE battle for dominance (or survival) in commercials monitoring will come to head in couple of months as the A.C. Nielsen Co. begins delivering sample network TV reports from its computerized Monitor-Plus service. By the end of June, Nielsen will be integrating these network data into its NTI reports. By the beginning of next year, Monitor-Plus is scheduled to be up and running with a comprehensive commercials checking service covering ad activity and expenditures on the TV, radio, cable and barter syndication networks plus local TV in 75 top markets.

This is the ambitious schedule the media research company has laid down for itself, a schedule that its major competitor, Broadcast Advertisers Reports—currently the major source of broadcast ad activity and expenditures—is convinced will end up with Nielsen falling on its face.

Nielsen, the new kid on the block in commercials monitoring, is couching its description of the competitive battle in terms of automated (Nielsen) vs. manual (BAR) monitoring, but BAR maintains that Nielsen will be stagger-

ing with a heavy burden of “human intervention” once Monitor-Plus is in full operation.

In the meantime, BAR has set in motion steps to cut off its supply of data to Nielsen and is increasing its daily monitoring to 16 markets by the end of year.

Both services are considered “passive,” in the sense that no outside cooperation is required in identifying and describing commercials. In contrast to the passive mode, two other monitoring services, Ad Audit and TeleScan, which require encoding of commercials by others before airing, are now testing their technology. Still another service involving encoding, Audicom, which had a corporate reorganization last year, is struggling to get moving again and is planning a demonstration of its system in New York starting April 1. (For a previous review of commercials monitoring, see TV/RADIO AGE, May 27, 1985.)

In addition to these developments, another monitoring service candidate, Telecount, has appeared in the wings under the aegis of a joint venture company to be set up by Arbitron and Sales Areas-Marketing, Inc., (SAMI), a sub-

siary of Time, Inc. Telecount was described, in an announcement of the joint venture last month, as “a business now under development by SAMI,” which will “provide reports to television advertisers and agencies on the placement of commercials.” However, mixed signals from the two partners indicated there might be other facets involved.

While neither SAMI nor its parent, Time, would comment, it is understood that the monitoring technique involves a “voice and pattern recognition system,” a technology resembling Nielsen’s computerized pattern recognition (CPR) method used in Monitor-Plus.

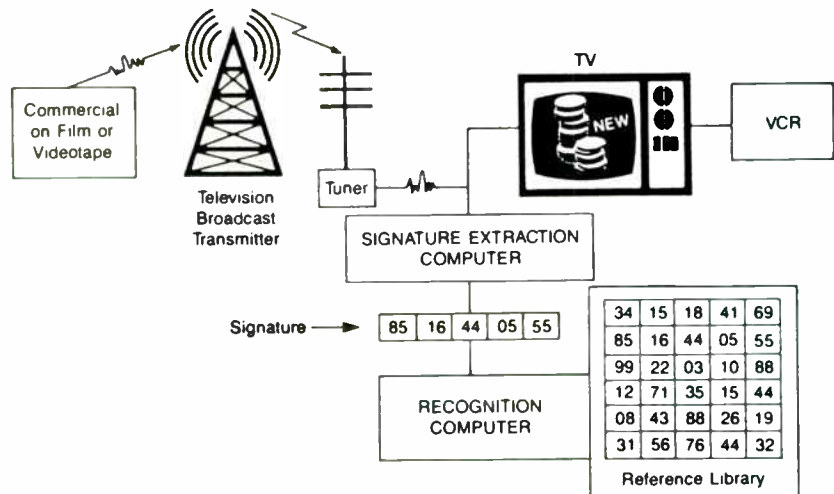
In the case of Monitor-Plus, CPR involves the digitizing of video and/or audio signals of commercials and comparing them with digitized signals of those commercials already stored in a computer. New commercials have to be identified manually—that is, by human beings. Monitor-Plus employs a patented method of reducing the large amounts of information in a video/audio signal, both before and after digitizing, so that the commercial’s electronic “fingerprint” can be more easily checked against the data bank.

Millions of commercials

Nielsen is still left with an immense number of commercial airings to monitor. When in full operation, Monitor-Plus will be checking literally millions of commercials a year. One estimate (by BAR) of 20 million, was called “conservative” by a Nielsen executive himself, who made the point, however, that the automated aspect of Monitor-Plus makes handling all those commercials practical.

That executive was John G. Lert, manager of Monitor-Plus and the in-

How Nielsen’s Monitor-Plus works



CPR—computerized pattern recognition—method used by Nielsen, compares digitized signal with bank of stored digitized signals



Paul Wilson with Ad Audit equipment



TeleScan monitors

Commercials encoded by Ad Audit, TeleScan use code on line 22, which, they say, is not part of the VBI, but is part of the TV picture itself

ventor of Nielsen's CPR technology. Lert, not an engineer, licensed the technology to Nielsen after starting work at the company in 1982.

Nielsen is now monitoring commercials in three markets, New York, Hartford-New Haven and Tampa-St. Petersburg. David W. Buckley, marketing manager of Monitor-Plus, says there are sample logs available, but that the operation "is not in a production mode." The work going on now, he explains, is "fine tuning."

Buckley reports that Nielsen has not actually begun actively marketing the system, though it has been presented to most of the top 50 agencies. At present, as Buckley explains it, Monitor-Plus is being described to the ad shops as a complete, comprehensive national service. This includes data on the TV, radio and cable networks and the 75 top markets. But Lert says the service would be "unbundled" later for subscribers who only want part of the service.

BAR gave the required 12-month notice of contract cancellation last spring when it became apparent Nielsen was going to be a competitor. While BAR has not stated it would absolutely refuse to supply Nielsen with information, BAR president Gerard Grady made clear his service would not provide Nielsen with data "detrimental to BAR." This will mean that BAR will cut off important ad activity data used for NTI, so Nielsen will have to activate the TV network side of Monitor-Plus by summer—which it intends to do.

The next step for Monitor-Plus is

sample reports on cable and radio networks. These are expected to be available during this summer. As for the local market reports, the current three will be expanded to 10 during the spring, then to 50 by the fall, with the rollout winding up with 75 markets by December 31.

Barter syndication data will be available separately within the local TV market reports. But there will also be barter network data available across all 75 markets. Nielsen has already asked for syndicator support in identifying barter spots.

While no one will dispute the argument that the Nielsen technique is more "advanced" than the BAR method, in which trained personnel laboriously review audio and video tapes in order to identify commercials, the key question remains: What's the advantage of CPR?

For one thing, according to Nielsen, Monitor-Plus is more accurate than checking done by humans. Two commercials may seem similar, yet be different. Humans can get careless or tired, but computers are tireless and highly accurate.

For another thing, goes the Nielsen argument, CPR is fast because it's automated. Lert says that when the system is operating, a subscriber will be able to access data on existing commercials—that is, not new commercials—within a day or two of their airing.

But Lert concedes that commercials newly-identified can delay release of the data as much as a week. He also concedes there will be occasional snafus in identifying new commercials.

"It's not 100 per cent accurate," he says, "but it's better than manual."

What about cost? Buckley says the rates will be "competitive relative to the amount of data provided." Adds Lert: "Per unit reported. Monitor-Plus is cheaper due to automation." In any case, according to Buckley, the agencies appear to accept the level of cost presented to them.

BAR reacts

The Nielsen challenge has spurred BAR to increase its monitoring efforts. Last year, BAR was monitoring three markets fulltime—New York, Los Angeles and Chicago. On January 1, Philadelphia and Dallas-Ft. Worth were added and Atlanta will be fulltime starting March 1. By the end of 1986, another 10 markets will be monitored, sign-on to sign-off. Another aspect of fulltime monitoring by BAR is checking via video tape instead of audio tape, the latter medium being used in those markets monitored one random week a month.

Grady points out that the 16 markets to be monitored fulltime represent 40 per cent of U.S. TV households and 50 per cent of spot TV billings. He said recently there would be "some" rate increase in 1987 but that up to now BAR has not imposed anything beyond a "normal" rate increase. "Going to 16 markets fulltime ups our database 70 per cent," explains Grady. "We're now monitoring over 700,000 commercials a month." This covers network and spot TV, the cable networks and network radio.

If Monitor-Plus does what it says it will do, Grady estimates that the system will be handling at least 20 million commercials, which, as noted, Lert himself considers low. Whatever the figure, Grady feels that Monitor-Plus will just be doing what BAR has been

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Programmer manages to survive with small subscriber base, highbrow appeal

Class act on cable: Bravo finding niche in tough pay market

When the pay cable service Bravo went on the air five years ago, its founders conceived the service as bringing something "unique and very special" to cable television. If its subscriber numbers over the past five years are any indication of how the service is faring, Bravo is certainly holding its own.

Owned jointly by Rainbow Programming Services Co. and CBS, Bravo was launched in December, 1980, with only 5,000 subscribers. Today, subscribers number more than 350,000 and Bravo is seen on some 240 cable systems.

The service features foreign and "fine arts" films, performing arts programs, and documentaries, all aimed at

a discerning audience.

Charles Dolan, Rainbow and Cablevision general partner and founding father of Bravo, at a Television Academy luncheon in November, called the service "viable and distinctive"—but not for everyone. He estimated the percentage of the audience who would be interested in having Bravo in the home at around 50 per cent. Of that, maybe 10–20 per cent of cable homes really want it enough to pay for it, he acknowledged. But that would be quite enough to make for a stunning business.

"If we had that 10–20 per cent of cable homes, instead of the 350,000 going on 400,000 homes, we would have

Marc Lustgarten



Bravo executives say the pay service not only preserves the 'narrowcast' approach, but has found an audience willing to pay for quality.

Jonathan Sehring



Robert Weisberg



3½ to 7 million subscribers. And by taking into account the growth of cable, the number would be up to five million subscribers and our gross revenues would be over \$100 million. We think by the end of the decade, it's going to be more like that than what it looks like today."

Where Bravo is today has less to do with the quality of the product than it does with a number of flaws in the marketplace, Dolan suggested. "Those imperfections either prevent us from getting into the home or enabling the home to make that decision."

What are those "imperfections"? One is lack of shelf space, which means many cable systems can't carry Bravo even if they wanted to. Also, according to Dolan, the margin requirements of the affiliates discourage "popular" pricing of the service, thus driving away many potential customers.

But Dolan, like other programming executives, sees changes currently going on in the cable industry as having a positive effect on Bravo, on American Movie Classics—Bravo's companion pay service also distributed by Rainbow—and other pay services. One such important change is the elimination of the Federal Communications Commission's "must-carry" rule, which conceivably could free up channel space on some systems.

Rate deregulation is seen by Dolan as a plus for the cable industry, and for Bravo as well, since it allows operators to more freely raise the price of basic service, putting less pressure on pay service margins.

Identity crisis

Bravo's road to success hasn't been without its ups and downs. Bravo first had to go through an identity crisis of sorts. It had to learn how to survive in the cable television jungle by carving out a unique niche, demonstrating a value not provided by broadcast television or "mainstream" pay services. The answer was to have a different look from bigger, broader-based competitors. While Bravo began as a purely cultural service focusing on performing arts, it later started to show first-run movies to the point where today films make up about 70 per cent of its programming. The other 30 per cent consists mostly of performing arts programs and specials, but with a strong component of documentaries related to the worlds of art, film and music.

"We realized we had to go on and offer more than cultural programming," says Robert Weisberg, Bravo's general manager, who is based in Woodbury, New York. "We made a distinct decision to go into first-run movies from around the world, thinking

Bravo viewers see complete versions of contemporary classics like 'Das Boot' and 'Heimat', both German films.

these films would complement the performing arts."

Bravo tried programming some movies in 1981, and they did quite well. In 1982 programmers increased the number of movies per year as a percentage of air time—15 per cent in 1981, 40 per cent in 1982, to 65 per cent in 1985.

The concept of showcasing first-run movies seems to have paid off for Bravo. As higher-brow services such as Arts, CBS Cable and The Entertainment Channel either merged with others or fell by the wayside, Bravo began to see an increase in subscriber satisfaction, its officials say. "Bravo viewers were more satisfied with a mix of movies plus performing arts, than just performing arts alone. While the foundation services were showing mainstream American movies, we were going after films directed by [Francois] Truffaut and starring [Marcello] Mastroianni and [Sir Lawrence] Olivier," says Weisberg.

Research conducted in 1985 by ASI and Beta Research shows that more than 80 per cent of the films shown on Bravo are unduplicated—a rate about twice as high as that of HBO, Showtime, the Movie Channel and Cinemax. Also, a high satisfaction rate of 70 per cent was recorded among Bravo subscribers, about 10 per cent higher than the other premium pay services, Bravo officials report.

Operator feedback

Bravo's cable operators seem pleased with the service. A typical comment comes from Dick Ehlenfeldt, director of consumer affairs for Group W of Chicago: "We're supportive of any good quality product that's made available to us that we can pass on to our subscribers. Bravo is certainly one of those services."

Bravo, like other pay services, expects to benefit from the number of new-builds coming on line in a few key markets in the next few years. New



Jurgen Prochnow, 'Das Boot'



Scene from 'Heimat'



Scene from 'Fanny and Alexander'



'Jazz Counterpoint'

York City, which recently turned on its first outer-borough subscribers, is expected to be a Bravo stronghold in coming years. That, and builds in other major cultural centers such as Chicago and Philadelphia, should go a long way toward contributing to subscriber growth, Bravo executives predict.

When Bravo will break into the black is another story. Rainbow Enterprises President Marc Lustgarten says that while Bravo is currently breaking even, he hopes to see the service move into profitability this year. While he wouldn't release any dollar figures on revenue growth, he did say that revenues for Bravo were expected to grow 30 per cent this year over last, and that subscribers were growing steadily, at a rate of about 150,000 to 200,000 a year.

Weisberg makes no bones about going after the upscale highbrow crowd. "We find a better penetration in major markets where the demographics are higher in terms of education and income levels. We found there are 68 markets throughout the United States where 20 per cent of the people have college educations—and that is a potentially better market for Bravo than markets where education levels are not so high."

But interestingly, it's been found that some of those markets don't neces-

sarily take to Bravo. For example, in Great Neck, Long Island, an upper middle-income suburb of New York City, Bravo's penetration rate is only 15 per cent. Grosse Pointe, Mich., a wealthy suburb of Detroit, has only a 7 per cent penetration rate. Bravo officials maintain that wealthy communities have not shown a lot of interest in cable and are not big buyers of pay, perhaps because they tend to view less television overall than other groups.

Jonathan Sehring, director of programming for Bravo, attributes slow cable growth in high-income areas to viewers' discriminating tastes. "High income people aren't satisfied with what's on broadcast TV or the major cable services. They have a very defined use of their time and for someone to use a television set, it would have to be worthwhile."

Combination packages

What seems to work best for Bravo is offering the service in a package with other services. Viacom in San Francisco tiers Bravo with Arts and Entertainment. The Learning Channel and the USA Network, the latter three being basic services on most systems. The package, which goes for \$6.99, has post-

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Stations emphasize new business development, create direct selling units

Local radio sales: up 10% in 1986

Local radio advertising billings should be up about 10 per cent in 1986 over last year, according to a cross section of station executives. But, more important than sales estimates, are a number of directions stations appear to be heading in their local sales efforts—directions aimed at ensuring local growth over the longterm. These include:

- Emphasis on developing new-to-radio advertisers through ambitious local sales development programs.
- Splitting of sales staffs into two parts—one to call on agencies and the other to concentrate on direct clients.
- Placing less and less reliance on ratings and, instead, selling the personality and/or environment of the station via special promotions, program sponsorship, etc.
- Overall positioning of radio salespeople as “business consultants” or “marketing experts” rather than just sellers of spots.

Typical of the concentration on new

business development is the activity at WTOP/WTKS(FM) Washington. The Outlet stations, according to Sarah Taylor, general sales manager, are putting “much greater concentration on new business development,” particularly through the generating of vendor money. “We’re looking to hire a person specifically responsible for that area,” Taylor says, “who will work with the entire sales staff to promote the proper contacts at the manufacturer level.”

New business development through vendor monies, she explains, “is not a quick hit, and salespeople tend to get frustrated.” The new staff member, she says, “will do initial contact and research and use the sales staff for presentation and close.”

A prime target, Taylor adds, is “the larger retailer who is spending most of his money in print.”

Vendor support is also a key element in the local sales development efforts of other stations and broadcasting groups.

At KDYL/KSFI(FM) Salt Lake City, vendor funding, according to Craig Hanson, general manager, is “a very vital part of our marketing concept. It’s very key to revenue growth.” The Utah stations, in fact, work very closely with their rep, Blair Radio, to develop retail promotions that will attract vendor support (see *Retail Report*, August 5, 1985).

Several segments

Hanson adds, however, that his stations look at the local/retail business in several segments. In addition to vendor incentives, there’s co-op, non-vendor-related promotions and regular agency presentations.

Another broadcaster committed to the use of vendor support to “create new-to-radio dollars” is Group W. Says Warren Maurer, vice president, AM Station Group: “All of our stations are planning to do it, but Pittsburgh [KDKA] has been extremely successful.” The Group W AM outlets are also “working co-op pretty hard, too. It takes a lot of work, and it’s complicated to handle.”

In order to zero in on new business, the Group W stations have established

direct sales units. “Ten years ago,” explains Maurer, “we had six people calling on advertising agencies. Today, we still have that unit and an equal number of people calling directly on customers—people who don’t have agencies.”

In Dallas-Ft. Worth, KMEZ AM-FM “just hired two people to go after local, direct business,” says Bob Frisch, general sales manager of the beautiful music outlets. “We’re going a lot more aggressively after local business,” adds Frisch, pointing out that the ultimate objective is “getting clients to decrease newspaper advertising and put radio into the mix.”

Another strong believer in local sales teams is Jerry Lyman, president of the RKO Radio division. Says Lyman: “We’re setting up legitimate retail sales departments with separate management, separate from agency teams.” These “direct business-oriented” teams, he says, “will be more like full-service marketing entities, rather than just selling spots on the radio. They may even recommend buys on competing stations.”

As an example, he points out that WGMS AM-FM Washington has developed a print support schedule for some of its local radio advertisers.

Concurring with Lyman’s philosophy, Jeffrey Spector, local sales manager at WXKS(FM) Boston, describes his sales staff as “more like business consultants. We talk about return on in

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Jerry Lyman, president, RKO Radio: “We’re setting up legitimate retail sales departments with separate management... They will be more like full-service marketing entities, rather than just selling spots on the radio.”



Warren Maurer, v.p., AM Station Group, Group W: “Ten years ago, we had six people calling on advertising agencies. Today, we still have that unit and an equal number of people calling directly on customers.”

Television/Radio Age

February 1986



*Atlanta, get ready
for a charge.*

The new KISS 104. Brought to Atlanta by Cleveland's WZAK, a proven performer to the tune of 10 straight Arbitrons as Ohio's No. 1 urban music station. Plug into the new KISS 104. You'll get a charge out of our experience.

93 FM WZAK

kiss 104
WEKS-FM

KISS 104/104 FM LaGrange/1080 AM Marietta
19 Atlanta Street, Marietta, GA 30061 (404) 428-9900
FM 93 WZAK/1729 Superior Ave., Suite 401
Cleveland, OH 44114 (216) 621-9300

Black TV households

ADI Rank	ADI market name	Pop in TVHH & group quarters	Pct of US
1	New York	1,037,600	11.32
2	Chicago	506,600	5.53
3	Philadelphia	383,500	4.19
4	Los Angeles	376,100	4.10
5	Washington	329,000	3.59
6	Detroit	314,400	3.43
7	Atlanta	235,800	2.57
8	Houston	230,800	2.52
9	Baltimore	189,700	2.07
10	Memphis	182,200	1.99
11	Dallas-Ft. Worth	178,800	1.95
12	Cleveland	169,300	1.85
13	New Orleans	168,100	1.83
14	San Francisco	167,200	1.82
15	Raleigh-Durham	164,400	1.79
16	Miami	143,000	1.56
17	Norfolk-Portsmouth-Newport News-Hampton	140,000	1.53
18	St. Louis	132,700	1.45
19	Birmingham	115,400	1.26
20	Shreveport-Texarkana	110,200	1.20
21	Charlotte	109,600	1.20
22	Jackson, MS	104,400	1.14
23	Richmond	102,400	1.12
24	Mobile-Pensacola	89,100	.97
25	Tampa-St. Petersburg	87,500	.95
26	Columbia, SC	85,200	.93
27	Jacksonville	83,500	.91
28	Greensboro-Winston Salem-High Point	80,600	.88
29	Greenville-Spartanburg-Asheville	79,300	.87
30	Orlando-Daytona Beach-Melbourne	75,800	.83

Source: Arbitron 1985-86 Ethnic Population Book.

and Beatrice—"They're leaders, with Crest being a Procter & Gamble brand. When the leaders make a key marketing decision, I'd expect Colgate and some of their other competitors to sit up and take notice and perhaps add a specialist agency in selling to black consumers to their string."

At Mingo-Jones, Caroline R. Jones, executive vice president and creative director, recalls that among the first general market advertisers to start targeting blacks specifically were liquor and later cigarette clients, who moved into publications edited for blacks when they found themselves locked out of radio and television. Then, more recently, she says, some of the "high-visibility" operations like fast food franchise restaurants followed the soft drink, beer and food advertisers who have been the staples among advertis-

ers on black- and urban-formatted radio.

Jones notes that, "It's often a case of growing one category at a time. One brand in a category will try the market, then their competitors follow after seeing the success of the category leader."

Jones notes that automobiles have been slow to advertise to blacks, and that, "There's some home entertainment products using black media, but not much yet. And mature brands that have gone about as far as they can advertising to the general market only, will look around, ask themselves where they can go for a sales increase and finally realize we're here."

Jones explains that this process usually depends upon "how the particular advertiser perceives the overall marketplace and the position he's reached in it up to now. But some continue to as-

sume that they reach black people with their general advertising. And we do see it. Some years back I remember seeing Florida's 'Come on down' tourism campaign. But black people would look in vain to find anyone who looked like them in all those fun places in the commercial. We could see the advertising, but we could also see that we weren't included among whoever else was being invited. So maybe a lot of other people went on down, but we blacks went elsewhere."

At Burrell Advertising, Chicago, vice president, media director Nick Howse says that though not all advertisers come to agencies that specialize in communicating to black consumers, "More do recognize the importance of both black and Hispanic consumers. Increased recognition of one group works to increase recognition of the other, and more advertisers today are asking their general market agencies to recommend ways to make an additional impact on both blacks and Hispanics."

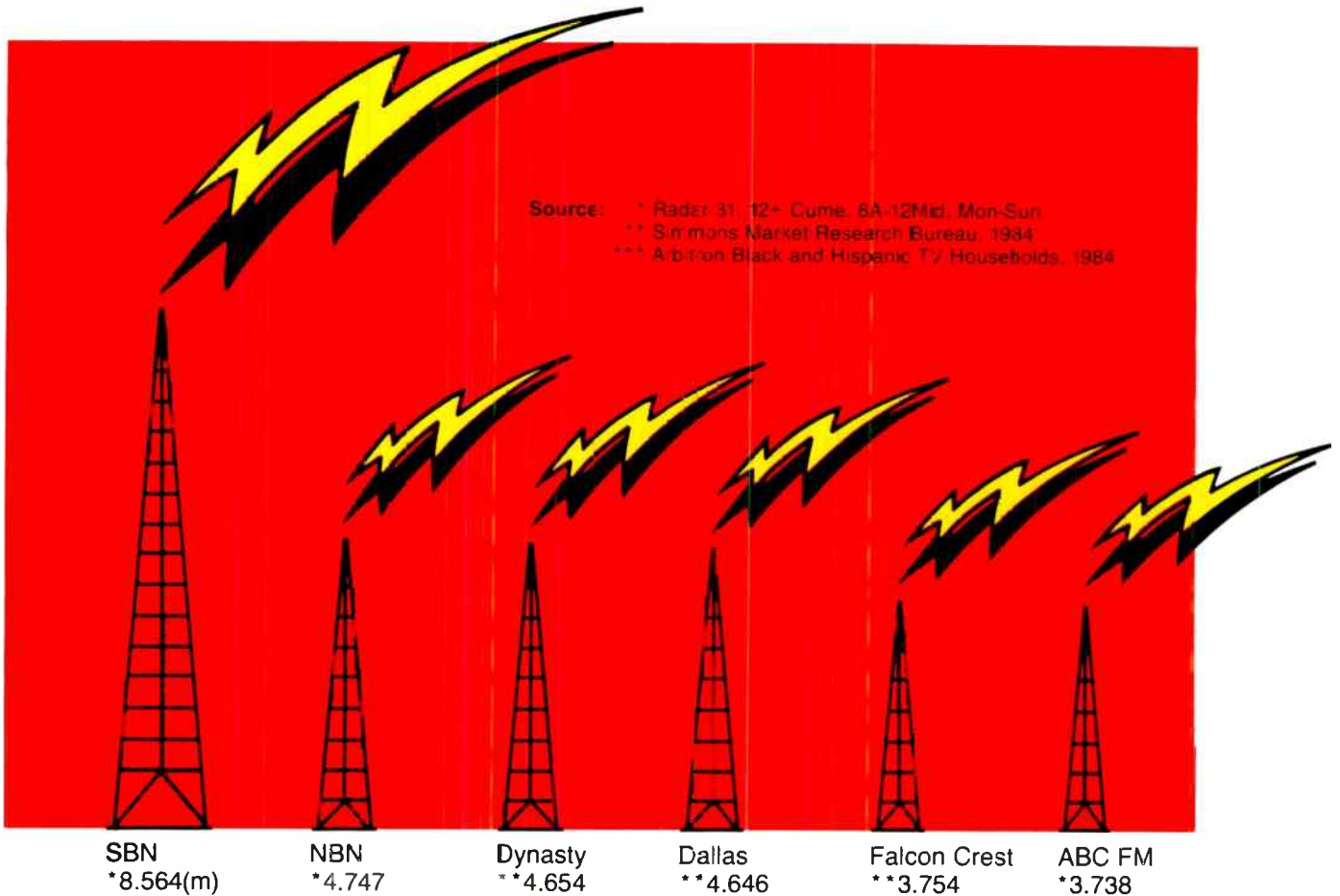
And, like Jones and Pettus, Howse, too, believes that one of the driving forces behind this is the success of those category leaders such as Sears Roebuck in the mass merchandising business and Budweiser and Miller in the brewing business: "Once the other brands saw the success Miller and Budweiser were having, Schlitz, Stroh's, Old Style, and a number of regional labels came in to join the leaders in greater efforts to market to black consumers. And retailers like J.C. Penney and Montgomery Ward joined Sears. I think more of the new money being invested in this market is coming from more entries in the categories whose leaders have already been using black-targeted media than from entirely new categories. It's a matter of success breeding imitation."

Product usage

Another driving force attracting some categories is the growing awareness of their higher incidence of use by blacks. For instance, breakouts of Simmons data by the World Institute of Black Communications show a use index of 178 (78 per cent higher than average) for bottled barbecue sauce among blacks, 153 for butter, and 167 for pancake syrup, as just three examples from a long list of groceries.

Zeroing in on middle and upper-income blacks earning \$20,000 or more, the June, 1985, issue of *Supermarket Business* showed breakouts from Mediamark Research, Inc. (MRI) that included an index of 135 for instant hot lunches, 39 per cent above average in purchase of hair coloring products, 41 per cent above average in purchase of

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Black women 18-49

ADI Rank	ADI market name	Pop in TVHH & group quarters	Pct of US
1	New York	852,600	11.85
2	Chicago	425,600	5.91
3	Los Angeles	300,200	4.17
4	Philadelphia	293,300	4.08
5	Washington	266,700	3.71
6	Detroit	231,400	3.22
7	Atlanta	195,600	2.72
8	Houston	191,900	2.67
9	Baltimore	155,200	2.16
10	Dallas-Ft. Worth	149,300	2.07
11	Memphis	140,300	1.95
12	Raleigh-Durham	133,300	1.85
13	New Orleans	132,900	1.85
14	Miami	126,600	1.76
15	Cleveland	123,800	1.72
16	San Francisco	122,900	1.71
17	Norfolk-Portsmouth-Newport News-Hampton	110,300	1.53
18	St. Louis	102,900	1.43
19	Charlotte	88,800	1.23
20	Richmond	84,200	1.17
21	Birmingham	82,000	1.14
22	Jackson, MS	81,800	1.14
23	Shreveport-Texarkana	76,500	1.06
24	Columbia, SC	73,500	1.02
25	Tampa-St. Petersburg	67,700	.94
26	Mobile-Pensacola	67,500	.94
27	Greensboro-Winston Salem-High Point	64,600	.90
28	Baton Rouge	61,400	.85
29	Greenville-Spartanburg-Asheville	60,700	.84
30	Jacksonville	60,300	.84

Source: Arbitron 1985-86 Ethnic Population Book.

frozen yogurt, 122 per cent above average in purchase of malt liquor and 150 per cent above average in purchase of yogurt drinks.

A special analysis by MRI for TV/RADIO AGE cross tabs total heavy users and black heavy users of selected product categories with TV and radio quintiles, radio formats and TV program types. For instance, among viewers of television feature films, MRI finds that blacks are 74 per cent above average in heavy usage of non-frozen orange juice. By comparison, all heavy users of non-frozen orange juice are 29 per cent above the norm.

Similarly, in radio, among listeners to black formatted radio stations, black heavy rice users have an index of 795. By comparison, all heavy rice users are 31 per cent below the norm. Among other formats, heavy rice users among

blacks show an index of 726 for urban contemporary stations while the index for jazz stations is 206. As another example, for black heavy users of cough syrup, the indices are 788 for black formatted stations, 415 for urban contemporary, 301 for variety formats and 123 for religious/gospel formats.

Besides feature films, other television program types doing well among black heavy users of various products include adventure/science fiction, general drama, variety shows and private detective/suspense/mystery/police shows.

Asked about changing lifestyles, Ron Franklin, vice president, director of research at Burrell Advertising, reports that Burrell has been following such black living patterns as frequency of eating out and the extent of auto use as opposed to relying on public transit.

One thing he's noticed from Burrell's ongoing research is "the increased influence of teenagers in the purchasing decision." Franklin warns that further study will be required to pinpoint the reasons for this, but that so far, he's speculating that this may be caused by such factors as the increase in the numbers of adult females seeking jobs outside the home, as more married women become part of a two-breadwinner family, and as more female heads of single-parent homes have become too busy earning an income to shop. The result may be, he suggests, that this has led to both groups delegating more of the family shopping to their oldest children.

Beyond buying the family groceries, adds Franklin, "Teenagers themselves are spending more on their own account for soft drinks. And there are indications, though we'll have to double-check this further, that black teens are spending more in quick-service, take-out restaurants, and that black teenage girls are spending more on hosiery than they used to."

Take-out food

On the other hand, Franklin also finds that blacks as a group, regardless of age, may be cutting back on the degree to which they patronize quick-service, take-out restaurants, "although they still do this to a greater extent than the general population."

Franklin says he's not sure yet about the reasons behind this cutback, but speculates that "It may be part of a growing trend to stay home." And because of this, Franklin suggests that, "People in the entertainment business may have to come up with more innovative ways to lure people back out of the home."

Among the factors helping them there, Franklin points to "higher prices for out-of-home entertainment at the same time that the home TV set offers viewers a wider choice of programs; frozen dinners now being offered in a greater variety, which means more choice in convenience dining at home; and now we can even have microwave popcorn at home."

Franklin observes that the automotive market is affected by where people live. In the largest cities, he explains, with adequate public transit, "just parking a car can be a problem. So a young person coming from a small town for a higher paying job in a major urban center may get rid of the car. On the other hand, there's a continuing movement of black people in the other direction, from central cities back to smaller towns—though in some cases this movement has reached such pro-

portions in recent years that what used to be relatively small cities like Charlotte or Jackson, Miss., may no longer qualify as 'small'. But in these cities, there is more automotive buying. And increasingly, women are exerting more purchasing influence in this automotive category that was formerly dominated almost exclusively by men."

Again, Franklin says he's not sure of the reasons without further investigation, but makes a "fairly educated guess" that it's the women who have become the second breadwinner in two-income households and the women who head single-parent households who are taking over the purchase decision in some cases, or having more input into the purchase decision in others. Further, believes Franklin, this development in turn may be leading to a change in vehicle preference.

He explains that because black families are larger, "Blacks have traditionally gravitated to the one big, all-purpose car. But now, with more two-breadwinner families, in both smaller southern cities and in the major markets, we're seeing more two-car black households. One of those two cars will often be a van, like the new AeroStar, to haul a large family around, and the other will often be a small, personal, go-fer car."

Franklin predicts that more vans could be "part of the wave of the future for many black families, along with a

continuing tendency to stay at home for both eating and for visual entertainment, and continued movement out of the major urban centers, back to their roots in smaller southern cities, where most blacks now living in the Chicagos, Detroit and New Yorks still have family ties."

He also believes that the carry-out trend will continue, especially among younger blacks, "with people picking up from nearby quick-service restaurants and taking it home to eat in front of the television set. So in general, my recommendation is, that if a company wants to sell it to black people, make it portable, so we can carry it out."

On the downside, income averages for blacks continue to lag that of whites. The most recent Department of Commerce figures on money income is culled from advance data from the Census Bureau's *March 1985 Current Population Survey*. This reports 1984 black family median income of \$15,432, compared to median white family income of \$27,690. Black median household income in 1984 was \$13,471, the difference being that households can be a group of related or unrelated persons living together, while to be interpreted as a family, all members of the group must be related by blood, marriage or adoption.

The good news is that the black family income of \$15,432 for 1984 is up from the \$14,506 figure for 1983, at

which time the median for total U.S. population was \$24,580.

The not-so-good news comes from *The State of Black America, 1986*, just released by the National Urban League. In this volume, David Swinton, director, Southern Center for Studies in Public Policy at Clark College, says that the \$15,432 median family income figure for blacks in 1984, while up \$800 from the levels it had reached at the depths of the 1982 recession, was up only another \$240 from the 1983 level. Moreover, median family income in constant dollars was \$540 lower than it had been at the beginning of the Reagan Administration in the recession year of 1980.

Swinton states, "Compared to the real purchasing power available to the black community in 1978, the peak year for black family income, the purchasing power attained after two years of the Reagan recovery was almost \$2,000 less. Indeed, black family income in 1984 in constant dollars was almost \$1,500 less than it had been 15 years earlier in 1970." However, there is also evidence of a long term decline in real purchasing power among whites.

Swinton says that the net impact of this racial inequality "is revealed by the fact that although blacks were 12.4 per cent of U.S. families in 1984, they received only 7.6 per cent of family income. In 1984 the median black family had about 56¢ to spend for every dollar

Analysis of black product usage

(Index: 100)

Radio formats	Black heavy users deodorant	Black heavy users nail polish (women)	Black heavy users bath/shower additives	Black heavy users of mints	Black heavy users hair color prods.	Black heavy users hair conditioners	Black heavy users of rice	Black heavy users hand/body cream
AOR	108	60	49	44	69	99	58	70
Big band	34	73	93	75	47	27	15	77
Black	847	927	823	743	808	998	795	806
Beautiful music	45	43	79	48	99	60	30	55
Classical	90	14	50	26	99	51	23	25
CHR	119	146	103	156	135	121	102	106
Country	61	43	55	35	81	30	58	45
Urban contemporary	724	731	621	531	518	712	726	501
Jazz	235	223	223	220	67	357	206	235
Adult contemporary	82	77	72	80	64	111	66	73
News	64	90	83	94	149	57	51	74
Oldies	86	89	69	43	87	0	54	51
Religious/gospel	177	110	77	133	14	166	62	142
Spanish	0	0	0	0	0	0	0	11
News/talk	41	31	56	47	46	59	37	56
Variety	403	253	199	275	245	424	87	211

Source: MRI 1985 Doublebase.

To read this table, use the following formula: Among listeners to AOR radio, MRI finds blacks 8 per cent above average in heavy usage of deodorants (see first entry, first column).

white families had to spend. This was 2¢ less per dollar than blacks had in 1980, and almost 6¢ less than blacks had in 1970 in comparison to whites."

Poorest hit hardest

Swinton breaks this down to report that income depression among blacks has been most severe for those with lowest incomes. Compared to 1980, he says, the poorest 20 per cent of black families had 22 per cent less purchasing power in 1984 than in 1980. The second poorest quintile had 15 per cent less income, while the third poorest quintile had 4 per cent less income. The income of the top 20 per cent however, was practically unchanged, while the income of the top 5 per cent increased by about 9 per cent.

Also in this latest edition of *The State of Black America*, John E. Jacob, president of the National Urban League, observes that after two years of recovery from the most recent recession, whites are getting back on their feet, "while much of Black America is still struggling just to start rising off the floor. Unemployment at the end of 1985 was down to 5.9 per cent in White America, while in Black America it was 14.9 per cent. Similar figures for 1984 put white unemployment at 6.5 per cent and black unemployment at 16 per cent."

Jacob also points to the longterm nature of ongoing changes in the U.S. economy that are having their most negative effects on those sectors of the total economy upon which blacks have depended heavily as a source of jobs. He notes that since 1980, America has lost 2.5 million factory jobs, that 200,000 jobs in the auto industry have disappeared, another 200,000 in textiles "and 200,000 more jobs in electronics have gone forever. A disproportionate number of those jobs, particularly in the unskilled and semi-skilled categories, were held by black males who without retraining—and there are precious few efforts taking place—have become superfluous in the labor market."

The shinier side of this coin is the black middle class, though its gains, too, weren't as impressive in 1985 as in some earlier years. Also, in the new *State of Black America*, Robert B. Hill, visiting professor of sociology at the University of Pennsylvania points out that while the number of professional and technical workers increased by 34 per cent among whites between 1972 and 1980, "it soared by 55 per cent among blacks" (though of course from a much smaller base). Similarly, continues Hill, the number of managers and administrators rose twice as fast

among blacks—69 per cent— than the 34 per cent recorded for whites over that period. And at 32 per cent, the number of crafts workers also increased twice as fast among blacks as the 14 per cent reported for whites between 1972 and 1980.

On the other hand, says Hill, "Despite these important advances by blacks into higher-level occupations, it is still the case that much smaller proportions of black workers are in those jobs relative to white workers. For example, 53 per cent, or over half of all white male workers were in professional, managerial or craft jobs in 1980, compared to 31 per cent, or less than one third of black men, one fourth of white women and one fifth, or 19 per cent of black women."

Hill explains that an important source of growth for the black middle class has been the public sector. Between 1970 and 1980, the number of blacks in government jobs jumped from 1.6 million to 2.5 million, raising their proportion among all black workers from 21 per cent to 27 per cent. Among white workers, the proportion in government jobs edged up from 16 per cent to 17 per cent over that decade. He also notes that only about one-fourth of black public employees work for the federal government, with half working for county and city governments, and the remaining one fourth working for state government.

Black-owned businesses

Progress has also been charted for black entrepreneurship. *The State of Black America* reports Census Bureau figures indicating that the number of black-owned businesses increased by 47 per cent, or more than 100,000 between 1977 and 1982. The first report from the 1982 Survey of Minority-Owned Business Enterprises shows a total of 339,239 black-owned businesses, up from 231,203 in 1977. The report shows gross receipts for black firms rising from \$8.6 billion in 1977 to \$12.4 billion in 1982. Nearly half had receipts under \$5,000, while 1,129 companies earned receipts of \$1 million or more.

Meanwhile, the January, 1986, issue of *Black Enterprise* magazine reports the proceedings of its Board of Economists. Earl G. Graves, publisher of the magazine and founder of the Minority Business Information Institute, describes the Board's prognosis as, "not glowing. We still seem to be losing ground in our quest for real economic parity."

The Board found that "In an economy undergoing minimal growth and structural aberrations, blacks will feel the brunt of some devastating jolts.

This 'growth recession,' a period in which the economy grows at a rate less than that required to prevent unemployment from rising, may have a negative impact on the employment of blacks and the stability of black families."

One Board member, Andrew Brimmer, a former governor of the Federal Reserve Board, and now a consultant based in Washington, commented that "In an economy of stagnation, blacks make no improvement relative to the rest of society, and they are in danger of having their achievement to date undercut."

And just as the National Urban League points to budget cuts in federal programs for housing, education and job training as brakes on black progress, *Black Enterprise* points to budget cuts at the Small Business Administration that will put a crimp in opportunities for black businesses. That includes probably zero growth for the Minority Enterprise Small Business Investment Corp. program which has been providing "scarce startup capital to black business."

And the National Urban League's *The State of Black America* predicts that Congress' Gramm-Rudman budget deficit bill, with its mandated cuts in domestic programs and the military, "will in all probability produce further attempts to cut or end social programs, especially with the massive federal deficit likely to grow beyond current projections The Congress is determined to lower the deficit and the Administration is equally determined to continue increases in military spending. Since neither side is willing to raise taxes, that means programs for the poor and domestic programs in general will be the targets for budget cutting."

Nationally syndicated columnist Carl T. Rowan reports that Abraham & Straus department stores has joined Career Opportunities for Brooklyn Youth "to prove that there is a simple solution" to problems like massive youth unemployment: "Give jobs to inner-city youngsters."

Rowan says that when A&S found jobs going begging at its store in Paramus, N.J., the store, working with COBY, transported 80 unemployed Brooklyn youngsters to fill those jobs, and that store executives said that 78 of the 80 "did a fantastic job"—a percentage that's unheard of in most employment circles.

The program was later expanded with the help of a \$40,000 grant from the New York City Youth Bureau, reports Rowan, and during the pre-Christmas rush 160 youngsters held jobs at A&S stores in four communities. □

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'Quiet Storm' format out of Washington spreads across country; urban sound hot

Variety of formats directed by stations to black audiences

Ten years ago WHUR(FM) Washington started something big—Quiet Storm. But the format took almost a decade to get big. It never got very far beyond Washington until the last couple of years, but now, suddenly it's everywhere, as more black-formatted radio stations adopt it to try for a comeback against dominant urban contemporary stations in their markets.

A few of these stations feature Quiet Storm around the clock. Others "day-part" their formats, with traditional gospel or mixes of gospel and inspirational music heard during some day-parts, the urban beat starting up in the afternoons after school. Then, at night, they switch to this new soft urban Quiet Storm, or "for lovers only" sound.

To Pat Stevenson, vice president, media at J. P. Martin Associates, New York, the new variety of formats is an indication that "More broadcasters today recognize that black listeners, too, have different listening preferences. So the stations are now moving to satisfy these differences with different format

patterns. And I think that as time rolls along, we'll see more format variations offered by black-programmed radio stations."

And though the degree to which new ad dollars specifically seeking out black consumers are increasing is a matter for argument, the increase has been enough to attract some interesting new entries into ownership and management of black and urban formatted stations. Among those joining the ranks in recent years have been such widely diverse companies as the National Broadcasting Co. (WKYS(FM) Washington) and the publisher of magazines edited for blacks who also produces syndicated programs for television: Johnson Publishing Co., whose WLNR(FM) Chicago does Quiet Storm around the clock.

Ray Brown, vice president, media at Mingo-Jones, says that while his agency uses plenty of print edited for black readers, broadcast "is the primary medium, and radio has always been a strong medium for reaching black consumers."

Brown observes that black-formatted radio "builds audience quickly. Black listeners consume radio faster than most non-blacks, so stations get a lot of listener turnover and come large audiences faster than most other formats. That adds up to broader reach sooner."

At Burrell Advertising in Chicago, vice president, media director Nick Howse agrees that there is "growing competition among black and urban formatted stations for listeners, and the stations will do what they have to in programming and in audience promotions to maintain audience size and keep them listening."

In describing the Quiet Storm, or "for lovers only" format that more stations now program, mostly in late evening, Howse says it "gets away from the hard-driving, hip-hop and rap sounds programmed during the day, to switch to a mellower, softer sound with more ballads. The fact that the first of the baby boomers are now reaching their 40s is as true of blacks as it is of the general market, and these stations are now making the effort to reach this growing, 35-plus black adult segment, many at the peak of their earnings."

'Soft urban'

J. P. Martin's Stevenson describes the sound as "soft urban. It's not easy-listening, beautiful music like WPAT New York. But it's no loud rap, either. In New York, WBLS(FM) has expanded the number of hours it does Quiet Storm and Johnson Publishing's new WLNR in Chicago, plays it all day."

Meanwhile, the urban contemporary format continues, it's said, to rack up the ratings. Radio management consultant Dean Landsman calls 1985 "The year of maturity for urban con-

WVEE Atlanta concert



Competition for black listeners has become very intense in both the Atlanta and Dallas-Ft. Worth markets.

KDLZ Dallas personalities and Natalie Cole, c.



temporary radio," because, he says, "They're run today just as scientifically and professionally as album rock and top 40. Top 40 started from amateurish beginnings, too, with a bunch of hippies playing guitars. But then station operators learned how to research their listeners, brought in consultants, and today program some of the most successful stations in the country.

"Today, urban contemporary radio is run the same way in more and more markets, and with equal success. But it's not marketed as 'black radio,' because that has an image of old-line jive that doesn't work anymore the way it used to."

Today, says Landsmar, "Again like top 40, even if a client may not happen to love the sound personally, he can still recognize when urban contemporary is done professionally, and station sales people can show him how well it delivers."

And consultants for urban contemporary stations, just as they do for top 40 and for AOR, he adds, "do focus groups, do statistical analyses of the Arbitron reports, and conduct random intercept (of consumers) studies at shopping malls. And we do telephone research; 'Do you like the music on WAAA?' 'Do you like the air personalities?' 'What, if anything, *don't* you like about some of them?' 'Do you like the station's promotions?'"

Crossover appeal

Mingo-Jones' Brown recalls that at one time black radio formats with their heavy emphasis on rhythm and blues and/or gospel, "were strictly for black listeners only. But today, more listeners, and particularly younger listeners, black, Caucasian and Hispanic, are sophisticated enough to appreciate and enjoy crossover music by both black and non-black artists. This is why more urban contemporary stations have become very successful mixing the groups they play, with the common denominator across listeners of all racial backgrounds being enjoyment of contemporary music. These stations' ratings keep going up because they not only keep their black listeners, but add plenty of non-blacks along with them."

Caroline Jones, executive vice president and creative director of Mingo-Jones, observes that cross-over music has been so well accepted "that one of the fastest growing me-too trends in TV commercials is black music from the '50s combined with the video look of the '80s and futuristic '90s." Case in point is the current Chevrolet television spot using the one black performer doing the *Shout* number by the black group at the fraternity toga party in *Animal House*.

"I'd guess that probably 10 per cent more stations are doing some form of inspirational this year, adapted to what the listeners in their markets like, based on the stations' own surveys."



Mel Williams
General sales manager
WWRL New York

Jones recalls the tearing of hair and gnashing of teeth in the late '60s or early '70's, "the day WBLS played the Righteous Brothers by mistake, not realizing they were a white group. Some people raised the roof, even though it was really a good thing. Then later, when WABC played its first record by a black group, it was considered so unusual it made the papers. But today, at least among the young, both black and white youngsters like the same music, no matter what color the group or artist is, and today, more advertisers recognize this and go along with it."

WHUR(FM) Washington is credited with having started Quiet Storm on weekends back in 1976. Program director Jesse Fax says the idea was to attract the 25-to-40 age group while hanging on to its younger listeners during the week. But then, when the station started pulling down Number 1 shares on weekends, WHUR expanded Quiet Storm to 7 p.m. to midnight, Mondays through Fridays, and has been watching its audience grow ever since.

More recently, when WHUR's original Quiet Storm personality went over to the competition, WHUR signed Mansy Pullen and added a similar sounding *Softones* from 9 a.m. to 3 p.m. in October. Fax says the format features such artists and groups as Luther Vandross, Stevie Wonder, Marvin Gaye and Frankie, Beverly and Maze.

Also in Washington, NBC-owned WKYS(FM) switched from disco to urban contemporary in 1979, and vice president, general manager Bart Walsh calls business "sensational." He says ad volume has climbed every year since, and that 1985 was 20 to 22 per cent ahead of 1984, and that going urban contemporary "was the smartest move we ever made."

The most recent Arbitrons show

WHUR(FM) Number 1 in the D.C. market with an 8.6, and WKYS(FM) the fourth station in the market with a 7.0, all persons 12-plus, Monday-Sunday, 6 a.m.-midnight, metro area.

Similarly, in Chicago WGCI(FM) came up in third place in the market with a 5.3, WJLB(FM) captured second place in Detroit with a 6.9, KSOL(FM) San Francisco pulled a 4.5 to win third place in the Bay Area, KKDA(FM) Dallas-Fort Worth took second place in the market with an 8.7, and, in New York, WRKS(FM) scored 5.5, tying for second place with WHTZ(FM); WBLS(FM) hit fourth place in the Big Apple with a 4.7.

Marv Dyson, president and general manager of WGCI AM-FM Chicago, and a former member of Arbitron's Radio Advisory Council, sees success as "Not anything that the ratings services have been doing differently. It's just that urban formats have so many listeners now from all segments of the market that it no longer matters what the rating services do, or don't do."

Rate parity

Five or six years ago, a common complaint heard from black formatted stations—besides what the ratings services were doing to them—was that their rates had a long way to go to catch up to what general market stations with comparable audiences were getting. But today, at an urban contemporary station like WKYS(FM) Washington, Walsh says rates "caught up with the general market three or four years ago." The other trend at general market stations, he observes, is that "More of them play more of our product every year. I guess that's what some people might call the sincerest form of flattery."

Johnson Publishing Co., which al-

ready owned WJPC Chicago, bought WLNR(FM) in May 1985 and in August switched to "Soft Touch," which general sales manager Gregory Brown says "is not quite so laid back as Quiet Storm, which is almost all love songs."

Brown says that generally in the Chicago market, "it takes three or four Arbitrons to show solid listener build up. But our response from both listeners and from advertisers who want to come with us has been so strong, we knew we were on the way up."

At WGCI, Dyson says he's seen "no noticeable effect on our audience" from new formats in Chicago, and reports that his stations raised rates about 30 per cent in 1985.

'Alternative sound'

In New York WBLS(FM) started Quiet Storm in October 1984 as the evening and late night component of its format, with the goal of attracting "the core group of 25-54 listeners who grew up with us" when the station was on top, but a listener group "who are now older and looking for an alternative sound on radio," says Charles Warfield, vice president and general manager. The result, says Warfield, has been a rise from Number 17 station in the market in 1984 to Number 5 in the most recent Arbitron among all listeners 12-plus. And besides attracting enough listeners in the station's target group "to reach Number 1 among 25-54s," Warfield says WBLS has "been able to talk to and win over advertisers that we couldn't get to before—some airlines, a Cadillac dealer and a Volvo dealer. And we've been able to raise rates."

At the same time, at WRKS(FM) New York, local sales manager Joel Hollander calls 1985 "a very strong year for us," and reports 1986 "off to a fine start." Last year, he says, the station added new advertisers in the food, automotive and airline categories, "and our account list is still growing." The station's urban sound has remained consistent over the past four years, and so, he adds, "has been our five or six share among New York market listeners 12-plus."

At WWRL New York, general sales manager Mel Williams points out that the station's inspirational format "has worked well, and based on various conversations and a number of calls we've had from station people in other markets, I'd guess that probably 10 per cent more stations are doing some form of inspirational this year, adapted to what the listeners in their markets like, based on the stations' own surveys."

Williams says that in New York, on WWRL, it's continued to build audience for the station: "Since we started inspi-

Winner of WJLB's 'Motor City Mix'



WJLB(FM) Detroit is very active in community-oriented promotions mounted jointly with advertisers.

ration, our national ad revenue increases have been consistent each year with industry averages. But that's been the icing. Our cake is local advertising. We're looking for a 15 per cent increase, fiscal '85 over fiscal '84."

In Dallas-Fort Worth, just after Thanksgiving '85 KNOK(FM) did a complete changeover to try to catch up with market leader KKDA(FM). KNOK both changed format to Quiet Storm and got itself a new set of call letters, KDLZ(FM). General manager Gary Lewis says the station's research "told us that our listeners were ready for radio that would soften up its music and provide more variety. So we fired the last man who played a rap record and became an urban mass appeal station—to appeal to the people already here in this growth market, plus the 5,000 new people who still pour in every week, looking for a radio station to call home."

Balanced mix

Lewis says KDLZ aimed its new sound "at the 25-to-34s and 25-to-49s who grew up on music they don't find anymore anywhere else on their radio dial—a balance of old and new, and a return to d.j.s introducing each selection. We do it around the clock and we include crossover white artists."

It started on KDLZ on January 21, the day after Martin Luther King's Birthday, when the station opened its mikes at 5:30 a.m. with *Storm at Sun-up*, anchored by two women for "a first in the market, and maybe the country," Michelle Madison and Lonnie Taylor.

One result, says Lewis, "is that a new group of advertisers are now ready to talk to us, now that our audience has

fewer teens and more 25-34 adults. This softer urban sound is a lifestyle concept, and we were able to sign McDonald's and Coca Cola, who've always bought on numbers, even before the first book came out."

Turning on Atlanta

In Atlanta, Transworld Broadcasting, (WZAK(FM) Cleveland) recently went up against dominant WAOK and WVEE(FM) with its new WEKS AM-FM. Just as humor can work well for black-targeted advertising, it can work in selling time, too.

Local sales manager Marvin Whaley recalls that right after Transworld bought *Music of Your Life* station WJOY and turned it into WEKS, "Before the printer could even get our new business cards delivered, we sent our salesladies into the radio and record stores and into the audio departments of the department stores in town to give our retail friends a bit of drama. The first thing our ladies did was turn on all the radios in the stores to us. Then, when people asked what they thought they were doing, they pulled out their lipsticks and little note pads and said, 'This is the new sound of our new KISS radio station,' kissed the note pad with their fresh lipstick, and said, 'Here's a kiss from me to you, with my name and phone number for when you want to start advertising with us.'"

Result of such stunts, plus the station's new sound, says Whaley, is that "People know we're here. It won't be easy, because WAOK and WVEE have been at it a long time and own the market. But they know we're here, too."

Against the new Transworld entry, WAOK block programs gospel in the

morning, a gospel and inspirational mix until noon, urban in the afternoon and music from various Atlanta discos at night. WVEE(FM) airs an urban sound until 10 p.m., then goes to Quiet Storm from 10 p.m. to 2 a.m.

George Reed, general sales manager at WAOK and WVEE(FM), says 1985 was "a super year for us, and the business came in from across all product and service categories. In the past, a few categories like airlines and banks had been problem accounts for black and urban-formatted stations, but they're no longer the problem they used to be, as more categories come to recognize the buying power of black audiences. So today we have both a wider variety of advertisers and larger budgets from advertisers who have been with us for awhile."

Some hold outs

Back in Cleveland, Mike Hilber, general sales manager for WZAK(FM) says business has been "very good, except for a few hold out categories. Locally, the shopping malls haven't spent a cent. Nationally, Delta is the only airline that realizes that air travel is no longer a luxury and is no longer limited to business trips. So Delta is with us, but the other air lines continue to leave one out of seven Americans out of their radio advertising."

The hold outs, adds Hilber, "mean that we continue to have to be extra creative in our selling." He cites the case of a race track that held out "because they're fairly far outside Cleveland, and the bridges between Cleveland and the track were out for awhile. The track's management figured our listeners had no way to get out to the track and even doubted that most of them could find their way out there."

WZAK's solution was to sponsor a free concert at the track to see who showed up. Hilber says the night of the concert was SRO: "It looked like half

Last year WRKS(FM) New York added new advertisers in the food, automotive and airline categories.

the population of Cleveland found its way out there. And since then, our friends at the track have been regular advertisers."

Another facet of the station's "creative selling," continues Hilber, is that "We've become very research oriented. Advertisers don't expect the local rock stations to prove their listeners eat pizza, but they want us to prove it. We've found MRI to be a big help because they've localized what Simmons does nationally to zero in on the Cleveland ADI for us. Just one of the indices MRI turned up was a 297 for refrigerators. That means our listeners buy refrigerators at a 197 per cent higher level than the national average for all consumers."

WZAK calls its 10 p.m. to 2 a.m. version of Quiet Storm "For Lovers Only," and Hilber says they "Market it like crazy." Host Geoffrey Charles calls himself "The Lover," sends out tee shirts with hearts on them, and Hilber says the show "sells well despite the initial resistance of advertisers who think everyone stops listening to radio and starts watching TV from 8 p.m. on.



WRKS contest, co-sponsored with Pepsi

And to the daypart shavers who want to cut out at 10 or 11 p.m. we say 'Many thanks: that's more avails for all the other advertisers lined up to get on 'Lovers.' Most of them change their tune pretty fast."

In Detroit, the latest Arbitrons showed WJLB(FM) as the Number 2 station in the market with a 6.9 share. As a result, general sales manager Shel Leshner says ad volume is up, "and our revenue increases last year were even better than the year before."

As just one example of the type of joint community-oriented promotions that black and urban-formatted radio stations create with their advertisers, WJLB and Detroit's Black McDonald's Owners Association sponsored a School Spirit Contest over a five week period during which 26 schools submitted a total of over 468,000 votes. The top three schools with most mentions were awarded over \$5,000 in total prize money to be used by their school activity funds.

In San Francisco KSOL(FM) went to a 24-hour urban contemporary sound seven years ago, turned up Number 3 in

'Essence, The Television Program', now on 55 stations, features celebrities, athletes and newsmakers as guests.

Quincy Jones with host Susan L. Taylor





Host Don Cornelius

**'Soul Train',
Tribune's musical
variety TV show,
is now in 90
markets, usually
airing on Saturdays
between 11 a.m.
and 4 p.m.**

the market's latest Arbitron with a 4.5, and a spokeswoman describes business as "excellent, growing every year since we adopted urban. Most is local, but we get our share of national ad volume too."

While most of KSOL's joint promotions with advertisers involve listener giveaways, the station's community involvement includes a program with the schools in Oakland to encourage students to sign up for summer jobs.

Last February WHYZ Greenville-Spartanburg launched an urban contemporary format geared "more to adults than the usual variety," that's given the station a fairly hefty ratings boost. Music is dayparted so that the big teenage attractions don't start spinning until after school is out in the late afternoon, then Monday to Friday at 5 p.m., *Five O'Clock Flashback* features music of the '60s and '70s "for listeners who were teenagers or in their early 20s then, but who are now in their 30s and 40s, and in their peak earning years, says Tom Hooper, president and general manager.

He says the announcers "present our music in an adult way—not as cool or hip—and present themselves as adults: Andre Carson, Janice Henderson and Michael Taylor—not as 'M.T.' or some kind of off-the-wall nick name. And our news is presented in a serious way to maintain credibility among adults."

Hooper also reports ad volume up: "not as much as our ratings, and not as much as I'd like, but the advertisers we have are steady and consistent, and pleased with our new format."

Network radio

George Edwards, president and general manager of the National Black Network, observes that, "Unfortunately the success of general market network radio and all of its bullish forecasts for continuing revenue gains do not reflect the situation of black network radio. Those advertisers who have been with

us for sometime are now using more network radio, but we don't see many new advertisers coming our way."

Edwards notes that the airlines continue to concentrate their radio budgets in spot and says that one group of categories "most conspicuous by their absence is anything imported from Japan." He finds this "odd, to say the least, considering the numbers of blacks who drive Japanese made cars, and the fact that it's so hard to find a black youngster who isn't carrying a radio with him, or who doesn't have a walkman plugged into his ears. And yet the Japanese are among the leading manufacturers of electronic entertainment equipment."

Accordingly, Edwards says that since the agencies for these and some other categories "seem oblivious to the existence of our listeners," his sales staff plans to make more calls direct to their clients this year.

On a brighter note, Edwards adds that among the automobiles, "Ford has been the exception," with Burrell assigned to handle black consumer advertising for Fords and Uniworld assigned Ford's Lincoln-Mercury advertising to blacks. This, explains Edwards, "resulted from Ford's two year study of the market potential of black automobile buyers. Now that the study's conclusions turned up positive, Ford has put its money where its research is."

Edwards hopes that, as a result, "General Motors won't be too far behind. But to date, Chevrolet schedules on NBN have been sporadic at best, Buick has been in and out with an effort that does not seem too serious, Chrysler has done nothing in the past couple of years, and American Motors is not on network radio."

All things considered, concludes Edwards, "Our challenge is to educate many more of the advertisers who have been using general market network radio so successfully that they can reap similar additional bottom line benefits

with the addition of black-programmed network radio."

On the other hand, Grady Crumpley, eastern regional sales manager of the Sheridan Broadcasting Network, reports 1985 business almost 17 per cent ahead of 1984. Some, he says is existing advertisers investing more to reach the minority community, "and some is new money, from advertisers new to this market." He adds that 1986 "should turn out even better because both Sheridan and the National Black Network are going to focus this year on bringing new categories to network radio."

This will not include airlines, says Crumpley, "because they almost always concentrate on spot radio, but the automotives, cosmetics and other categories that show high indices of use among minority consumers, and companies like Procter & Gamble who are starting to invest more in network radio.

There are also new growth categories like the wine coolers. We had one with us last year, and this year I'm anticipating addition of two or three more wine coolers to our advertiser list."

Crumpley says that Sheridan has been able to increase rates "among advertisers who have been with us and who already know how well network radio can deliver for them. With new prospects, rates depend on what kind of numbers we come up with in RADAR. To advertisers totally new to the market, we go in offering a token rate. Then it's up to us to make sure we deliver what we promise. When we do, rates can move up from there with the advertiser's renewed schedule."

Kevin Trower, Sheridan's director of affiliate relations, reports that Sheridan today has 120 affiliates, and that those that have been with the network since January 1983 or before started transmitting via satellite at that time, with Sheridan paying for the ground receiving dishes. And each new affiliate that doesn't already have a dish, gets one, courtesy of the network.

Longform programs

Meanwhile, Sheridan has just started three new longform programs in addition to *Stars All Night*, now on 40 stations. These are *Beat of the World*, Monday-Friday, 10 a.m. to 3 p.m. and 7 p.m. to 6 a.m., Eastern Time, starting on 10 stations February 3, and expected to add more stations; *Night Flight*, 9 p.m. to midnight, offering Quiet Storm type ballads plus some medium tempo tunes, "plus a little light jazz fusion;" and SBN's *Gospel Across America*, 6 a.m. to 3 p.m. Eastern Time, starting with 15 affiliates.

Each of these shows, says Trower, "is

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BLACK BROADCAST: THE STATIONS

a complete program service, with a live celebrity guest host, 800 numbers so listeners can call in, toll-free, to request selections, chat with our live host and participate in the promotions for a chance to win the prizes we give away." Ten minutes of local commercial time is available each hour on each of these programs and Trower says that during January and February, Sheridan expects to add 15 to 30 more affiliates.

Back at National Black Network, Edwards says management is now looking over engineering proposals from several bidders for earth receiving dishes for affiliates, and that at press-time, chances were that NBN will be adopting an analog rather than digital system. And, like Sheridan and Mutual, NBN, too, will be paying for the equipment for its affiliates. Edwards also says that once the decision is made on which supplier to go with, "We can start converting and be operational via satellite within three months of a 'go'."

And once operational, he says the system will "give us the much-improved reception quality to offer long-form concerts and other types of musical programming that our present voice-grade-only land lines would never permit." And this, he says, will put NBN in position to offer advertisers more commercial availabilities and "represents a new opportunity for additional revenue potential."

NBN, he adds, is also evaluating the potential of offering regional concerts in order to better satisfy regional musi-

cal preferences. What listeners on the West Coast or in the Midwest call 'urban' or 'Quiet Storm' or 'inspirational,' he says, can include selections quite different from what a program director for an East Coast or Southeastern station might recommend.

Another area NBN is considering, he adds, is various possible lengths for a possibly separate FM news feed. The idea, he explains, is to "create a separate, contemporized version of our regular news service, with a narrower emphasis on those issues of primary interest to the 25-49 group." NBN's current standard news reports, he says, cover a wider range of news most relevant to NBN listeners.

Sales advice

Richard Kaufman, president of Radio Sales Dynamics and editor and publisher of the new Sound Sales Trainer news letter, and who runs sales training seminars for radio station management and staffers, is convinced that many black and urban-formatted stations could boost sales if they would "do less scatter selling, asking every account in sight for 12 per cent of their ad budget, because black consumers make up 12 per cent of their brand sales, and concentrate instead on those categories where black listeners account for 40 and 50 and 60 per cent of brand sales, far above the proportion represented by blacks' percentage of total population."

Kaufman points to such categories as baby food, disposable diapers and frozen vegetables. "The research has already been done," he says. "There's a long list of these categories printed in the back of the CEBA Awards book. They're also in reports from Simmons and from MRI." (See lead black consumer market story.)

He also urges sales managers of black and urban formatted stations to "call directly on the companies who make and market these categories. By targeting brand managers responsible for sales of products in these categories—those whose heaviest users match the listener profiles of black and urban formatted radio stations, it's only natural—almost automatic—that your new advertiser will enjoy significant results and will become a top candidate for renewed schedules. These clients' commercials will sound better on black and urban stations because their listeners are interested in these products. It's more effective use of your sales staffers' time to have them concentrate on those categories that are most likely to come back to your station for repeat business."

More syndication

On the television side, BBDO's Special Markets Unit in September released results of an in-depth study of prime-time viewing preferences of blacks. Most popular 1984-'85 show overall in black households (as in white households) was *The Cosby Show*, with a 38.2 rating. But the second most watched

Johnson Publishing resumed its 'Ebony/Jet Showcase' TV series in September after a hiatus.

Co-host Greg Gumbel with Bill Cosby

Co-host Deborah Crable, r., with Natalie Cole



In 1985
MORE Radio Stations
Ran MORE Ads In
Television/ Radio Age
Than In
Any Other Publication*

* 1/6th page or better

The 'American Black Achievement' TV specials honor black achievers from the worlds of business, public service, religion, fine arts and sports.



Air Atlanta's Michael R. Hollis



Congressman William Gray III

show among blacks was *Dynasty*, which pulled down a 35.5.

Of the primetime '85-'86 season shows BBDO Special Markets predicted would rank among the top 10 in black households, only four—*Cosby*, *The A Team*, *Gimme a Break* and *Webster*—center on black characters.

Among black women 18 and up, *Cosby* was again the most-watched program, earning a 29.3 rating. Next most favored programs among black women were, in order, *Dynasty*, *Hotel*, *Family Ties* and *Knots Landing*.

Among black men 18-plus, *Cosby* was the favorite with a 19.0 rating, followed by *The A Team* with an 18.5 and *Benson's* 17.8.

Meanwhile, syndicated programming geared to black viewers is in more markets than ever. *Soul Train*, the musical variety hour hosted by Don Cornelius and now in its 15th year, has been around long enough so that Chicago Bears running back Walter Payton won *Soul Train's* dance contest long before joining the chorus line of the Super Bowl Shuffle.

The show is now in 90 markets, up from 75 last year, and is usually slotted on Saturdays, somewhere between 11 a.m. and 4 p.m. in most markets. *Soul Train's* distributor, Tribune Entertainment, says that for the past 10 years the show has enjoyed 70 to 80 per cent clearance of total U.S. TV households, featuring such guest artists as Diana Ross, Sheena Easton, Stevie Wonder, Hall & Oates, Curtis Mayfield, Gladys Knight & the Pips, Smokey Robinson and Michael Jackson.

Essence, *The Television Program*, is now on 55 stations, up from 39 last year. The half-hour magazine, produced by Essence Communications, Inc., publishers of the black lifestyle

magazine, *Essence*, "is for men as well as for women," and features athletic stars as well as newsmakers and celebrities from the worlds of show business and music. Subjects discussed on recent outings include the impact of "negative music lyrics" on youth, the penal system, AIDS, why gay men marry women, and apartheid, featuring such figures as Bishop Desmond Tutu of South Africa and Angela Davis, comparing the liberation struggle there to the fight for civil rights in America.

New advertisers for the 1985-'86 season were General Foods, General Motors and Burger King.

One-subject specials

And now the producers are working on plans for a series of one-subject specials revolving around a single celebrity, with the first one featuring Ella Fitzgerald. First refusal rights on these specials would go to stations already carrying the weekly *Essence* show.

Meanwhile, Johnson Publishing Co. resumed its *Ebony/Jet Showcase* half hour weekly series in September after a hiatus since *Ebony/Jet Celebrity Showcase* was discontinued in 1983. A spokeswoman says the show, now in 63 markets, "is entirely different, with a wider scope than *Celebrity Showcase*." Today, the series features guests from the arts, sports, "and all other areas of achievement, so that the show's new format is closer to the kinds of people we feature in *Ebony* and *Jet* magazines. Hosts are Deborah Crable and Greg Gumbel, brother of *Today's* Bryant Gumbel. In most markets, *Showcase* is aired on weekends, in various time slots. In some markets it's run afternoons, and in others it appears in the evening.

Raymond Horn Productions, syndicator of *Essence*, *The Television Program*, also represents Uniworld Producers' *America's Black Forum*, a weekly news and public affairs half hour currently on 30 stations, plus cable's Black Entertainment Television.

Johnson Publishing Co. has also recently completed its seventh annual *American Black Achievement Awards*, and this year will be taping the eighth in the fall, for fall 1986 or winter 1987 airing. The 90-minute television special is syndicated in more than 80 markets, including all of the top 20 and reflects the full spectrum of black activity, with achievers from the worlds of business, public service, religion and fine arts honored, as well as world-class performers in the areas of sports, dramatic arts and music.

Cable network

On cable, Black Entertainment Television now reaches some 12 million households via 530 cable systems nationwide. James Ebron, vice president, network sales, expects BET to be in a position to reach 14 million cable homes by year's end. He describes the programming as "like that of an over-the-air network, in that it's a combination of entertainment and information, with a heavy schedule of black college sports on Saturdays and gospel music on Sunday."

BET's informational programming includes Dr. Flowers' advice on personal problems, "akin to what we'd see on NBC if they scheduled Dr. Joyce Brothers," and the entertainment portions of the 24 hour, seven-days-a-week format include "video soul music, heavy on R&B acts showcasing artists we don't see on MTV." □

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CLIENTS IN THE
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SELL TO THE BLACK/URBAN
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Black Entertainment Television (BET) is a distinctive blend of today's hottest videos, action-packed sports, exciting sitcoms, provocative talk shows, movie classics from black Hollywood and much, much more.

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Viewpoints

James E. Duffy



President/communications, ABC Television, in a speech before the International Radio and Television Society's Faculty-Industry College Conference in Rye, N.Y.

Understanding of TV's role can help it serve society

Back in the late 1970s, many people were alarmed by the steady decline in Scholastic Aptitude Test scores among high school students since the mid-1960s. For many critics, the problem was obvious: The brains of a generation raised on *Mr. Ed* and *Batman* had, they said, petrified. Television, for many critics was responsible for the declining test scores.

And then a funny thing happened: In 1982 SAT scores halted their decline. They have been rising ever since. Are our children watching less television? On the contrary, television use in the average American home is rising. Was it because Mr. T is smarter than Mr. Ed?

But no one, least of all the critics who had found the connection between television and declining test scores in the first place, was about to suggest that television was the cause of rising SAT scores.

Criticism is not easy for anyone to take, but in television, you have to get used to it. I don't mean to imply that criticism is bad for television or for any of us in the communications business. I don't know anyone in broadcasting who would wish for all criticism to suddenly cease. We all know that criticism is valid feedback . . . like praise: a way of keeping in touch, knowing what people think, often vital information in improving our service. But in the case of criticism of television there is often a great deal more heat than light.

Attitudes toward television

There are critics who see television as a kind of unnatural monster, bent on wreaking havoc with the civilized world. Some see television as decadent because we serve a mass audience. Others see us as subversive because we cover the bad news. Some see us as unpatriotic because we are critical, some immoral because we don't censor everything. The list goes on and on.

Criticism of this kind, to put the point simply, is

not useful. It ignores the fact that television is not simply a passing fad, it is a tremendously powerful and dynamic communication medium that will continue to play an important part in our society. The important question for all of us is: How can we make the very best use of television?

We need constructive criticism—criticism that is informed by an understanding of our television system, what it is, what it can and cannot do and why. There are honest misperceptions and misunderstandings. Many misperceptions haunt the criticism I refer to now. For instance, many people believe we will broadcast any commercial at all, as long as the money is there to pay for it. On the contrary, we screen every commercial submitted to us for taste and accuracy of claims. In fact, out of 50,000 commercials submitted for our review in the average year, we reject nearly one-third.

'Communications revolution'

We've heard a lot about the "communications revolution," but the real revolution is not in a smaller silicon chip or a new remote control for your television, but the attitude we take toward technological developments and how we use them for worthwhile ends. Some of the best thinking on this subject is coming out of communications and library sciences departments at our colleges and universities; we're seeing people who understand the medium of television who want to work with us—and we are sincere about this—to constantly improve the medium of television.

One recent trend that is central to this positive attitude toward American television that I'm very optimistic about is the growth and dynamism of public service. I'm not about to suggest that public service is anything new—it's been around for decades, mainly in the form of PSAs or station editorials. But today we are seeing a renewed commitment to the concept of public service at all levels of our television system, including the network, the station group and the individual station.

Part of the reason for this renewed interest is practical: The days are long past when a station or network could simply exist as a conduit for programs, sending out a signal and nothing more. Owners and managers realize that to survive, to remain distinctive among the media, their stations must build a positive community identity. And today, with the competitiveness of the modern technological age—cable television and new distribution systems, satellite transmission, miniaturization, fiber optics, stereo, VCRs, and others—this distinctive edge is all the more significant.

But there is another reason for this increase in public service: an improved attitude toward television in all concerns of our society, including educators, social agencies, and many others concerned with service to the public.

For years, these groups viewed television's power to reach virtually an entire community—or country—with mistrust. But now broadcasters and public service groups are agreeing on ways to make the best use of this powerful medium.

Programming/Production

Disney plans first-run series for affils

Having come off what it considers to have been a highly successful NATPE convention in New Orleans, in which it launched its initial first-run animation series for syndication, *Duck Tales*, Walt Disney Domestic Television is preparing to move into additional first-run areas. Robert Jacquemin, senior vice president of the operating unit of the motion pictures and television division of Walt Disney Pictures, says, in an interview, that negotiations are in progress for productions on at least three first-run series. Interestingly, one or two of the projects will be live-action and directed towards the affiliate marketplace, he notes.

At this point, there are about a half-dozen projects in the development stage, from which a few will be selected, with one of the series possibly going into production for release this coming fall, according to Jacquemin. In any case, the plan will be to get them on the tube for the fall, 1987.

Regarding the affiliate direction, Jacquemin says he sees this as a logical extension of Disney's plans, as is the move into live-action first-run syndication fare. He points out that using Disney material as the initial step by the division is a logical thrust into syndication, with emphasis on attracting indies. *The Wonderful World of Disney*, a package of off-network titles, is being picked up primarily by indies, while *Magic-I*, feature film package, is being acquired by indies and affiliates as well, Jacquemin notes.

'Duck Tales' update. Jacquemin continues that the decision to go forward with *Duck Tales* as a strip series for fall, 1987, was made at the convention, based on the high interest expressed by stations. *Tales*, he says, closed 40 per cent of the country at the convention, without a pilot and "just because of the Disney name." As to *World* and *Magic-I*, he says that "we hit a home run at the convention on both. We are now in 60 per cent of the country, including clearances in 15 of the top 20 markets, in only three months off the street."

Jacquemin sees the trend in animation as moving towards high-character development, as opposed to the heavy violence, heavy metal forms of syndication animation product at present on stations. "There will be a trend towards stronger character development and plot as against the heavy violence and action. The Disney characters being brought into syndication, such as *Duck Tales*, affords us the opportunity of

getting into a high-adventure setting but without going into the level of violence that is predominant on the air today. Also, we expect to inject a lot of comedy into our shows, so comedy and high-adventure and strong character development is what we are looking to combine."

He is bullish on these types of shows because they traditionally have a longer life cycle than the high-tech, violent kid series. "The stronger the development of the character, the longer the life cycle. Just look at Mickey Mouse, Donald Duck, Bugs Bunny and Woody Woodpecker. They have all withstood the test of time." The top animation shows of last year have lost ground in ratings this year, he points out, and have been replaced in top rankings by other non-character, metal shows. And, he believes, these newcomers will be replaced in the 1986-87 season.



Robert Jacquemin

Meanwhile, both the *Wonderful World* and *Magic-I* packages will have followups down the road, with editing on additional titles already underway. However, no timetable has been set on new releases of the product, says Jacquemin. At this point, the division is waiting to see how the initial two packages are received in ratings before it goes ahead with scheduling additional future releases of both.

On the marketing end, *Duck Tales* will go the barter route, says Jacquemin. He believes the trend in barter marketing will continue. "We haven't seen any real willingness on the stations' part to fund an untried or new concept on a cash basis, especially when it costs \$300,000 per show. However, I would love cash. It makes the deals much simpler, but I haven't seen stations being able to generate the type of license fees that it will take for the project.

"But now, competition being what it is, the trend will stay barter, or move

from barter into cash, based on the show's track record." This was done with *He-Man and Masters of the Universe*, once it was proven to be a successful show, he says.

Syndication shorts

D. L. Taffner/Ltd. has sold *The Ropers* to 27 stations, bringing the total lineup to 76. Among the new stations are KOVR-TV Sacramento-Stockton, WBRE-TV Wilkes-Barre-Scranton, WMAZ-TV Macon, KLAS-TV Las Vegas, WSTM-TV Syracuse, WETM-TV Elmira, and KOKH-TV Oklahoma City. Also at Taffner, *Check It Out!* has been sold to Metromedia stations in New York, Los Angeles, Chicago, Dallas and Houston. With the Metromedia outlets, clearances total more than 60 per cent of the country. It airs currently on USA Network and enjoys a 2.6 Nielsen rating, according to Taffner. The show also runs on the CTV Network.

LBS Communications will sell the national advertising for *The Magic Lego Box*, first-run animation half-hour kids TV special produced by DIC Enterprises. The special, which will air in September and December, 1986, windows, will carry a barter split of two minutes for network and four for local in each telecast. Also at LBS, the two-hour pre-Academy Awards special, *Your Choice for the Film Awards*, will be telecast in a March 8-23 primetime window. A coverage of 75 per cent of the U.S. is predicted by LBS. Barter split is 10 minutes for national and 14 for local in each two-hour show, which will air twice in the window.

In addition, LBS has acquired *Footsteps of Giants*, one-hour primetime special celebrating the 25th anniversary of Alan Shepard's May 5, 1961, completion of the first manned space flight. The barter syndication window is in June, on a two-run basis, with the first in primetime and the second on a weekend. Five minutes are for national, seven for local.

Fremantle International has signed contracts with 10 countries for three series, including *The Campbells*, CTV-Scottish TV co-production, 10 specials including NBC's two-hour *All-Star Salute to Martin Luther King*, 13 features and 13 animation specials. Televisa Mexico bought *King* and 10 made-for-TV movies, and the *Magic With David Copperfield* special, which will air this month on CBS. TV Globo bought *Copperfield* and a series of 50 half-hour circus shows, and the *Campbells* and *The Tripods* were bought by Ecuador, Barbados, Trinidad and Colombia.

The 1986 International British Record Industry Awards, two-hour special has been sold in 80 per cent of the

U.S. TV markets. The program, being distributed by TEN, is airing through March 15. Lineup includes four Metro-media stations—WNEW-TV New York, KTTV(TV) Los Angeles, WFLD-TV Chicago, and WTTG-TV Washington, as well as KTVU(TV) San Francisco.

Even before *Sins*' U.S. network premiere on CBS a few weeks ago, **Worldvision Enterprises** pre-sold the seven-hour mini-series, featuring Joan Collins, in major international markets. These include sales in Canada, France, Italy, Belgium, Brazil, Germany, Mexico, Puerto Rico, Spain and Venezuela. In addition, Worldvision's home video division, Worldvision Home Video, pre-sold *Sins* in Norway, Finland, Sweden, Denmark and Iceland.

Blair Entertainment sold *Strike It Rich* to 14 stations, bringing the total markets sold to 22. The 14 markets include WCBS-TV New York, KMOX-TV St. Louis, WRTV(TV) Indianapolis, KTSP-TV Phoenix, WTVF-TV Nashville, WVUE-TV New Orleans, WDAU-TV Wilkes-Barre-Scranton and WGHP-TV Greensboro-Winston Salem-High Point. The game show debuts in September, with Joe Garagiola as host.

The Local Program Network has moved into the international TV arena by selling its *1 on 1 Exclusive* news service to the Global TV Network of

Canada. The service is seen on 50 U.S. stations and is starting its second year. Six markets have been added to the LPN's three TV news services. *1 on 1*, *Cover Story* and *Story Source*. These are WGRZ-TV Buffalo, WHEC-TV Rochester, N.Y., KGTV(TV) San Diego, WCBD-TV Charleston, S.C., KVBC-TV Las Vegas and KCOY-TV Santa Barbara-Santa Maria-San Luis Obispo.

Weiss Global Enterprises has made new sales on several of its properties. KNXV-TV Phoenix has bought *Make Room for Daddy*, for a market total of 37 airing the 161-episode show; WDVI-TV Wilmington, Del., a new station, bought 58 feature films. Product to be aired include *Galaxy 16* and *Golden Showmanship Group* and selections from the company's Impact Group. Also at Weiss, it concluded a deal for worldwide rights, including television, to *I Married Joan* series, starring the late comedienne Joan Davis. Jim Backus co-starred.

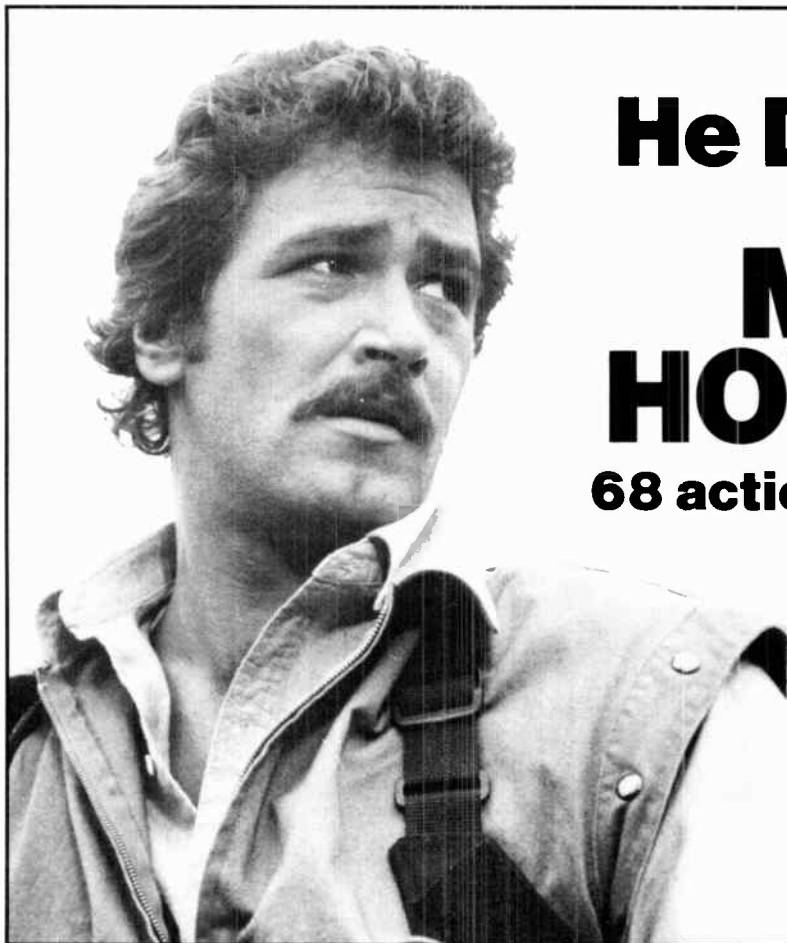
The Behrens Co. has sold *Young Universe*, news show for young people, to stations representing more than 60 per cent of the U.S. New stations added for the weekly half hours are KUSA-TV Denver, KOMO-TV Seattle-Tacoma, WPLG(TV) Miami and KXAS-TV Dallas-Fort Worth. Behrens also concluded a deal with the Spanish-language SIN Network for a special Spanish-lan-

guage edition of *Young Universe* to be distributed to the Spanish-speaking countries.

Drinking and driving is on the mind of **S.P.R. News Source**, Mound, Minn., which is distributing for cash *D.W.I. —Deadliest Weapon in America*, produced by Gannett Broadcast Group. The hour show includes a five-part miniseries and a viewer's guide. Station clearances include KTTV(TV) Los Angeles, for a total of 40.

MCA movies hot sales


MCA TV's newly offered Universal Pictures Debut Network II, released for a September 1987 start, has been sold in 70 per cent of the country, including all six Tribune television stations, as well as stations in the Gaylord, Scripps Howard, Cox and Malrite groups, according to the company. The Debut Network II is the follow-up to the success of the original Debut Network's broadcast showings. Each month since September stations have been airing a major first-run movie, which has not had network exposure. Titles in the Debut Network II include *The Breakfast Club*, *Brewster's Millions*, *Creator*, *Dune*, *Fletch*, *Mask*, *Mass Appeal* and *Stick*. Ten first-run movies will be added from future releases.



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Warner Bros. Television Distribution
A Warner Communications Company

Programming/Production

(continued)

New Century bid

New Century Telecommunications is setting the stage for becoming a challenging alternative to major syndicators of first-run theatrical and miniseries product. The company, which is a division of New Century Productions, a film and TV production affiliate of SLM, a financing company, is headed by Robert Morin, who says he has a mandate to become a major syndicator of movies and miniseries. Plans call for product to come from both New Century Productions and from outside acquisitions of first-run shows.

The first acquisition by New Century was the Janus Library of 233 films, consisting primarily of British stock including *Great Expectations*, *Kind Hearts and Coronets*, *The Lady Vanishes* and *39 Steps*, which at present is the nucleus of New Century's syndicated product.

However, in an interview, Morin says this foundation is changing daily, "We are acquiring product on a daily basis for worldwide distribution and over the past few weeks the company has bought 20 features, these include *The Grey Fox* and *Hercules*." Under Morin's mandate the company will seek to buy all worldwide rights, when possible. In certain territories, video cassette rights are involved as well.

Morin believes that obtaining worldwide rights to properties is a very important element in the company's future. "The rights are important because this is how a company is built."

At the moment, New Century has no sales office presence overseas, with the company operating out of its base in New York and Los Angeles. However, the company travels constantly to all the festivals abroad, including Monte Carlo, both showing and acquiring product. "We are constantly buying product and looking for big product. I'm not interested in buying leftover product that is offered at a bargain price," asserts Morin.

Morin says he's more interested in acquiring theatricals rather than made-for-TV movies. Made-for-TV's, he says, seem to do well for a few runs, but a good theatrical "goes on and on. *African Queen*, for example, has probably run 250 times in New York."

Film buys. Morin says he expects to find excellent films from independent producers. "We expect to be an aggressively viable alternative to the major syndication companies. If we see a film made in England that we like, we will acquire the theatrical rights and consequently use the films for TV distribu-

tion." Based on both its own theatricals and those acquired fresh from indie producers, Morin sees the company delivering 12-15 films per year, beginning with mid-summer, which eventually will be available for syndication. Morin says he's not looking to sell his pictures to the networks. He notes that he can get more money ultimately by bypassing the networks, thereby not suffer from over exposure and not be concerned that networks are not willing to pay for films in the price range they paid in the past.

Also, indies will buy all the films in one package, while the networks may buy only one title, he says, and only after "a thousand people have looked at the picture."

At this point, New Century sells its product on a cash basis, and this is not seen as changing in the foreseeable future. One show, an animation half-hour, may go barter, but via an outside syndicator.

Co-productions. On the co-production end, New Century is in ventures with Alliance Films of Canada. One involves a four-hour miniseries, *Vengeance*, with an international cast including Michael



Robert Morin

York. Michael Anderson, who directed films such as *Around the World in 80 Days*, will direct *Vengeance*, story about the terrorist raid during the Munich Olympics. Also on tap with Alliance are three other miniseries and an open-ended number of features for theatrical release.

Three in-house theatricals are in production, with one being shot in Tucson. Another theatrical is close to start-up, called *Turbo Wraith*, a youth-oriented film starring Randy Quaid and the sons of three famous actors, John Cassavettes, Martin Sheen and Ryan O'Neal.

All the miniseries will play Home Box Office initially in the U.S., according to present plans. However, Morin notes, that an initial release via commercial TV syndication is possible, "if anything goes wrong on the pay cable end. The interest we have had from big

station groups has been very satisfactory." HBO has two years, after receiving miniseries, for airplay. On the foreign end, markets can pick up the shows for use immediately after production.

Film end. On the film end, in some cases it's conceivable that, while the initial selling thrust will be for pay cable, the company may produce a film in Canada without any pre-sell in the U.S., and which may go directly into a syndicated package as a first-run theatrical, "if the financing and subject matter is right or if HBO turns the film down. We are strong enough financially to make the picture anyhow."

At this stage, Morin notes, the company is not exploring types of vehicles other than miniseries and movies. "We are thinking of series but we are not ready. We have a limited amount of time, and it's taken up with the other projects." At this point too, New Century is not tooling up for developing or producing product for any of the networks, Morin says, "It's a 250 to 1 shot to begin with, and extremely time-consuming."

"Other companies, such as 20th Century Fox are better equipped to develop and produce for the networks. However, this doesn't mean that if the right thing comes along, which has already been developed, I wouldn't go forward on a network deal, but I am not going to be in the development business."

Finance company. SLM is a huge financing company, which has been involved with tax shelter deals with 20th Fox, MGM/UA and other studios, and funded films such as *Romancing the Stone*, *Rhinestone*, *Commando* and *Cocoon*.

Warner Bros. sales high

On the heels of the most successful sales year in the history of Warner Bros. Television Distribution, with a record-breaking \$365,255,459 in 1985 worldwide sales, WB-TV Distribution again established a new monthly high of \$85,420,528 in January, 1986. The new record surpasses the previous monthly high, for worldwide sales of \$70,462,030, recorded in January, 1985. Charles McGregor, president of WB-TV Distribution, reports that all product categories, in both domestic and international, contributed to the record-breaking figure, with particular emphasis on domestic feature sales.

DuPont-Columbia prizes

Nightline, from ABC News, won the first Gold Baton award of the Alfred I.

duPont-Columbia University Awards in broadcast journalism for its five nights of live reports from South Africa. All told, 11 programs from across the nation, including DesertWest News, Flagstaff, Ariz., won silver batons, and citations were presented to two programs. DesertWest News also won the trustees prize of \$10,000 for best independent production. The 44th annual awards for the best in broadcast journalism of the 1984-85 broadcast year were announced during ceremonies at the University, and were broadcast nationally by PBS stations. Dan Rather, anchor and managing editor of *The CBS Evening News*, was master of ceremonies.

The Gold Baton Award honors the program judged to have made the greatest contribution to the public's understanding of important issues or news events.

Following are winners of the duPont-Columbia University awards:

Gold Baton: ABC News for "Nightline: South Africa"

Trustees' Prize for independent productions: DesertWest News, Flagstaff, Ariz., for a series of reports on the American sanctuary movement.

Silver Batons: CBS News for "The CBS Evening News: Afghanistan: Operation Blackout"; NBC News for *The Real 'Star Wars'—Defense in Space*; PBS for *The Brain*; WCAU-TV, Philadelphia, for *Coverage of MOVE Siege*; WDM-TV, Washington, for *Investigation of Dr. Milan Vuitch*.

Also, WCCO-TV, Minneapolis-St. Paul for *The Moore Report*; Nancy Montoya and KGUN-TV Tucson, for outstanding reporting; Chris-Craft Television Productions and Churchill Films for *Down for the Count—An Inside Look at Boxing*; Cable News Network and IMAGO, Ltd., for *Iran: In the Name of God*; DesertWest News, Flagstaff, Ariz., for a series of reports on the American sanctuary movement; and KNX Los Angeles for *Assignment '84/'85*.

Citations: WSMV-TV Nashville, for *Choice Cuts*; and KWWL-TV Waterloo, Iowa, for *A Town Meeting: Iowa's Future*.

Blairspan Spanish focus

BlairSpan, John Blair & Co.'s Spanish-language syndication subsidiary, has earmarked a \$10 million budget to produce new programming this year for the Hispanic TV market worldwide. The budget provides for three major novellas as well as various coproduction investments in sitcoms and music/variety series. Central to the investment is a continuation of creative development and production agreements

with BlairSpan's major producers, Paquito Cordero and Angel del Carro, according to Lennart Ringquist, president of BlairSpan. Del Carro is executive producer of all novellas produced at BlairSpan's Telemundo Studios in San Juan since 1981. He recently completed *Tanairi*, series of 16 hours. His new multiyear exclusive contract begins immediately with the start-up of the first of three novellas he will produce this year.

BlairSpan at present is distributing five of Cordero's series recently produced in San Juan: two sitcoms and three music variety series. BlairSpan was launched in 1985 and is currently distributing worldwide more than 2,000 hours of Spanish-language programming.

NBC tops Golden Globes

NBC won seven Golden Globe Awards, with both *The Golden Girls* and *Miami Vice* taking double honors. *Girls* won in the best TV series—musical or comedy category, and Estelle Getty, Sophia in the series, won an award for best performance by an actress in a TV series. *Vice* star Don Johnson took the best performance by an actor in a TV series—drama, while Edward James, also in *Miami Vice*, grabbed the best supporting actor in a series, miniseries, made-for-TV movie award.

Other NBC winners were Bill Cosby, star of *The Cosby Show*, who was cited for best performance by an actor in a TV series, musical or comedy; Liza Minnelli, for best performance by an actress in a miniseries or made-for-TV movie, in *A Time to Live*; and Sylvia Sydney, as best supporting actress in a series, miniseries, or made-for-TV movie, in *An Early Frost*. The movie will be rebroadcast on NBC in April.

Other network winners were, CBS—best TV series—drama, *Murder, She Wrote*; best performance by an actress in a TV series—drama, Sharon Gless, *Cagney and Lacey*; best performance by an actor in a miniseries or made-for-TV movie, Dustin Hoffman,

in *Death of a Salesman*, PBS won for miniseries or made-for-TV movie, *The Jewel in the Crown*. ABC tied in the best performance by an actress in a TV series, musical or comedy, with NBC, with honors going to Cybill Shepherd for *Moonlighting*.

Zooming in on people

Lou Friedland, vice president of MCA Inc., and chairman of MCA TV, has retired, but will remain with MCA as a consultant. Friedland joined MCA in 1952 and was vice president of MCA TV from 1953-1973, later became president, and most recently was chairman of the board at MCA TV. Since 1968, Friedland has been a vice president as well. Friedland was heavily involved in syndication and is credited for leading the industry in innovative marketing practices.

At MCA Inc., **Don Menchel**, president of MCA TV, has been named a vice president of the parent company. Menchel joined MCA TV in 1975 as vice president and director of sales, and was subsequently named executive vice president in 1977 and president in 1978. Before joining MCA, Menchel was director of marketing at Time-Life, and earlier was with TelCom.



Don Menchel

Richard Dorfman has been appointed director, advertiser sales, **Viacom Enterprises**. Dorfman comes to Viacom from the Arts and Entertainment

ACADEMY AWARD WINNERS
 Best Actor, Jose Ferrer, *CYRANO DE BERGERAC*
 Best Actor, Charles Laughton, *PRIVATE LIFE OF HENRY VIII*

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Programming/Production

(continued)

cable network where he was an account executive in advertiser sales. Before that, Dorfman was director of worldwide sales at International Management Group (Trans World International) for major sporting events. He has also been director, broadcasting, and vice president, NBA Entertainment for the National Basketball Association.



Richard Dorfman

Michael Donohew has been appointed senior vice president, worldwide product acquisitions at **Lorimar Productions**. Before joining Lorimar, Donohew spent two years as vice president of worldwide acquisition and development for Warner Home Video and eight years as vice president of theatrical business affairs at Warner Bros.

Edward S. Masket has been named executive vice president, administration, **Universal Television**. He joined Universal in January, 1982, as senior vice president administration, following 13 years with Columbia Pictures Television.

Wendy Phillips has joined **Genesis Entertainment**, a division of Gannaway Enterprises, as vice president/general sales manager, barter. Phillips had been vice president/general sales manager, barter division, at King World Enterprises.

Jacquelyn Gail Snyder has been named director of business affairs at **Twentieth Century Fox Television**. She most recently was director of business affairs at Metromedia Producers Corp., and prior to that, was a program attorney at ABC Television.

Michael Weiser has been appointed vice-president, director of station clearances at **Blair Entertainment**. Before joining Blair, Weiser was vice president and general manager at King World Enterprises since 1985. Before that, Weiser was director of station sales at Television Program Enterprises from 1980-1984. From 1978-1980, Weiser was a network buy-

er at BBDO, ad agency.



Michael Weiser

Robert A. Cook has been named vice president, marketing and sales at **World Events Productions**. Cook had been vice president and general manager at KECH-TV Portland, Ore. He was instrumental in converting the station from an STV outlet to a commercial operation. Also, Cook was director of marketing, West, for INTV for three years.



Robert A. Cook

Anne Lieberman has been appointed director of programming, a new position, at **DIC Enterprises**. Lieberman had been director of programming, West Coast, with LBS Communications. Before that, she was associate director of syndicated programs at Twentieth Century Fox Television.



Anne Lieberman

Zamira Portnoy, formerly with ABC Motion Pictures, has been named di-

rector of business affairs at **Ruby-Spears Enterprises**, a division of Taft Entertainment.

ABC radio lines

The ABC radio networks have replaced land-lines with satellite transmission, but ABC has come back to earth for a fiber optic link leased from AT&T between New York and Washington. Regular use began last month with *The World News This Morning*, allowing ABC Radio's two major studio production centers to send simultaneous multiple audio, voice and data channels. The fiber channel includes three 15kHz program audio channels in both directions, one 7.5kHz program channel in both directions, one voice cue line, and three 9600 baud data lines. Tautron TDM-153 multiplexers and program channel units are used at ABC's terminals which connect to the AT&T lines.

Chris Craft automation

All seven Chris Craft/United Television stations may be automated with Sony Betacart multicassette systems, based on results at KUTP-TV, a new station in Phoenix. The station is using two Betacarts to program virtually all its programs and commercial spots. An IBM PC, running software developed by Chris Craft/United, interfaces with the Sony protocol of the Betacart system to automate the station's programming. The group owner has also bought one Betacart system for KTVX(TV), Salt Lake City.

WNYC-TV, WT in deal

WNYC-TV, the New York City-owned channel that leases part of its non-prime time schedule to commercial broadcasters, has signed a new contract with World Television Corp., which will air Chinese-language entertainment and news. It also renewed contracts with Fuji California Inc. and U.S. Nippon Communications Network, both of which air Japanese-language entertainment and news. Revenues for 1986 are anticipated at \$2.6 million, up from \$1.6 million in 1985.

Publicist event planning

Television industry events can now be listed in an ongoing calendar of the Academy of Television Arts and Sciences. Doug Duitsman, chairman of the Academy's new Television Publicity Executives Committee, noted that the calendar allows "publicists to plan events without conflicting with others already scheduled.

Commercials

Electronic music: beyond fad stage

Luxuriating in her new 2,500-square-foot electronic recording facility, Ciani/Musica's Suzanne Ciani is banking on electronic music playing an increasingly major role in commercials. She reports that about 75 per cent of the work her 10-year-old firm does in commercials is electronic now, where a year ago it was about 50 per cent.

The more than \$500,000 worth of sophisticated equipment in the new facility on lower Madison Avenue in New York is testimony to the fact that electronics can now provide a wider range of sounds and effects: "It has to do with the capabilities of our instruments to sound like the real thing. Electronic music doesn't necessarily sound electronic any more. It used to be just for

ists in the sound design area.

Ciani notes a growing number of musicians are becoming electronically oriented, most of them using a keyboard to play a range of instruments: "In the '60s and '70s, the guitar was *the* instrument. Now it's the keyboard. Synthesizers have gotten terribly inexpensive; kids can get them for a few hundred dollars, and they're growing up on these things." In a session, the studio might have six or seven musicians performing on electronic equipment.

Ciani, who composed the score for the Lily Tomlin movie, *The Incredible Shrinking Woman*, and has produced, composed, arranged and performed for her second record album—this one coming up for RCA in April—still looks



Suzanne Ciani makes herself at home in her new studio facilities on lower Madison Avenue.

the unusual spot. Now it lends itself to all types of music."

She notes her studio can produce a full symphonic score electronically, but if a saxophone solo is wanted from a particular performer, for example, this can be recorded. An outside studio is used if a full live orchestra is needed.

The effervescent musical entrepreneur has never worked for anyone else, freelancing on the West Coast after receiving an M.A. in music composition from the University of California at Berkeley and studying computer music at Stanford University. At C/M, along with herself and vice president/creative director Mitch Farber, there are four other creative people—all special-

ists in the sound design area. Ciani notes a growing number of musicians are becoming electronically oriented, most of them using a keyboard to play a range of instruments: "In the '60s and '70s, the guitar was *the* instrument. Now it's the keyboard. Synthesizers have gotten terribly inexpensive; kids can get them for a few hundred dollars, and they're growing up on these things." In a session, the studio might have six or seven musicians performing on electronic equipment. Ciani, who composed the score for the Lily Tomlin movie, *The Incredible Shrinking Woman*, and has produced, composed, arranged and performed for her second record album—this one coming up for RCA in April—still looks

to commercials as the steady source of revenues, which she says have nearly doubled in each of the company's 10 years of existence. Recent commercials have been for Pepsi Free and AT&T. In the Pepsi commercials, some of the work was actually sound design and enhancement, vs. music per se—for example, a musical treatment of the sounds of a seagull or a buoy being hit by a fishing reel: "If they just did sound effects, you wouldn't have the sensation of being there. A splash can be layered up maybe six times to make it lower or deeper or last longer."

In the AT&T spots, the feeling of a telephone company facility was delivered with music that doesn't sound like

any particular instrument but conveys a "buzzing happiness" that gives the feel of a telephone, using mostly the TX-16 and Synclavier in the facility. Ciani says about 40 per cent of C/M's work is in the jingles area and 60 per cent underscores and sound design.

To offer full service from composition to final production, the new studio is divided into five work stations. The first involves the Synclavier—"the Rolls Royce of synthesizers"—a high powered computer that generates and samples sounds. It can create such sounds as splashes or a spoon hitting a glass, as well as combining sounds. Next, the Yamaha DX and TX family of instruments uses the FM approach to designing sounds and, for example, can offer a different string sound than the Synclavier.

A master keyboard controls all the synthesizers in the studio and includes rack-mounted synthesizers such as Voyetra, Planet X and Jupiter. Another work station has rhythm machines and equipment for syncing up this percussion section. Finally, a processing station includes the likes of vocoding (applying a voice onto an instrument) and harmonizing. In addition to all this, the studio has a custom-designed MIDI (musical instrument digital interface) system that lets one instrument "talk to another."

Aside from these five stations, there is a client lounge, from where clients can observe performances without disturbing them and a separate piano and vocal booth including both a digital piano and a combination acoustic and digital piano. A second 24-track studio, the B studio, has its own control console and can be used for pre-production.

Ciani discloses she is able to get first crack at state-of-the-art equipment as well as a price break because she and her people work with the manufacturers, providing feedback when the equipment is at the prototype stage.

She hopes to expand her creative staff by another two or three persons, giving clients a wider choice of working with specialists in various areas. Beyond that level, the next step would be to take over another floor in the building. Meanwhile, outside creative people are using her facilities to produce records, with about two sessions a week going on during the wee hours when Ciani's staff is not operating.

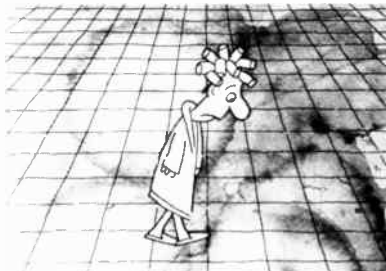
VPA elects president

Robert Henderson, CEO of Windsor Total Video, has been elected president of the Videotape Production Association's New York chapter.

Elected to the board of directors

Selling Commercials

Armstrong Flooring • Kalish & Rice



GIFFORD ANIMATION, New York

Crowley's Department Store • R.E. Launs, Inc.



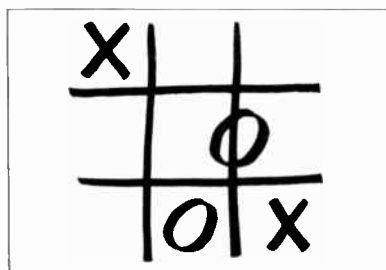
DOLPHIN PRODS., NY, COMPUTER ANIMATION

Decongest



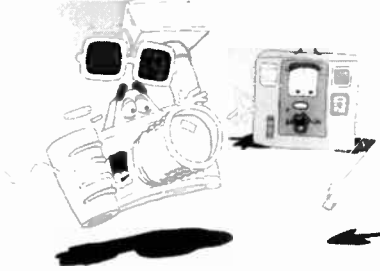
DOLPHIN PRODS., NY, COMPUTER ANIMATION

NYNEX-Tic,Tac,Toe • H.H.C.&C.



GIFFORD ANIMATION, INC., New York

Pathmark • Venet Advertising



KCMP PRODUCTIONS LTD., NY

Shop Rite • Gianettino & Meredith



BANDELIER INC., Albuquerque, NM

Roddenbery's • Evans / Atlanta, Inc.



BANDELIER INC., Albuquerque, NM

WALA-TV • Mobile, Alabama



I-F STUDIOS, New York

Commercials (continued)

were: Marilyn Blend, VCA Teletronics; Jane Everett, Video Dub; Judy Glassman, HBO Studio Productions; Edgar Grower, Today Video; Walter Hamilton, LRP; Patrick Howley, Gordon Enterprises; James Kearney, JSL Video; William Kelly, National Video and Recording Center; Kenneth Lorber, Videoworks; Dan Rosen, Editel/NY; Peter Rudnoy, Broadway Video; Michael Seeger, Showtime/The Movie Channel and Caddy Swanson, MTI.

Caples Awards given

Three awards for television campaigns and two for radio were involved in the eighth annual Caples Awards, given out at a luncheon at the Waldorf-Astoria hotel in New York. The awards recognize outstanding creative efforts in direct marketing advertising and are sponsored by the Direct Marketing Creative Guild.

First, second and third place TV awards went respectively to "Zombies," by Bozell & Jacobs Direct, Minneapolis, for Control Data Institute, with Bert Gardner as copywriter and Ron Anderson as art director; "The Nazis," Time-Life Books, direct, with Robert Potter as copywriter and Robin Bray and Peter Schwartz as art directors; and "Candles," by Cramer-Kraselt/Direct, Chicago, for Mayor's Gang Task Force, with Dave Ullman and Jay Kaskel as copywriters and Bob Meagher as art director.

Radio awards went to "Atlanta Pre-Opening" by Eisner & Associates, Baltimore, for Holiday Spa, with Bill Fidel and Barry Leibowitz as copywriters; and "Call It Yours," by Dana, Hopewell, N.J., for Dow Jones, with Terry Seaford as copywriter.

Making a promise

A "hospitality promise" is being made by Holiday Inn hotels in a TV campaign to run on the three major networks and cable networks throughout this year. Agency is Bozell, Jacobs, Kenyon & Eckhardt, New York.

Using the theme line, "We Want You Back," the campaign spotlights various hotel employees who pledge to honor the chain's new Hospitality Promise. In the commercials, Holiday Inn pledges a comfortable stay for all guests—and, if the guest is not satisfied with service or accommodations, to do everything reasonable to correct the problem or the hotel will not charge for that portion of the guest's stay.

As part of the Hospitality Promise, guests are asked first to contact the manager on duty or the front desk staff for resolution of the problem. If still not satisfied, they can call a toll-free guest assistance number.

Says Ann Wilson, the chain's director of national advertising, "We have implemented a number of employee programs to strengthen this commitment, and now we are telling the world that we promise to make our customers completely happy because we want their repeat business."

Rotoscope helps NBC

Rotoscope animation used in on-air promotion of NBC's *Hill Street Blues* has gotten such strong viewer response that it probably will be extended to other series, according to Bob Bibb, manager, on-air promotion and special projects. Of the *Hill Street* 30, Bibb says, "*Hill Street* has a very dark, cinema verité style of photography, and we wanted to give a warm, friendly flavor and pay tribute to the characters who have become part of Americana." The spot is considered a "tribute" to the series, reflecting the "class and standards" that it sets.

The producers of the show approached animator Mike Patterson and his wife and co-animator Candace Reckinger, who had adapted the rotoscope technique for the music video *Take On Me* by the Norwegian rock group A-Ha. The *Hill Street* project, Patterson's first rotoscope in color, took about six weeks to complete. He began by using standard *Hill Street* footage, then tracing over every other frame on paper to give a stylized rendering. The paper was then shot by an animation camera.

Says Bibb, "On-air promos, without the clutter of announced copy, get attention now because there's so much verbal competition on TV. People notice things that are different, and that's what we're trying to do." The tag of the promo is, "America, you'll never be over the Hill."

Macho munchies

A masculine theme is used by Foote, Cone & Belding, New York in its new 30 introducing "The Works," a new flavor of O'Grady's potato chips from Frito-Lay. "The Works" combines the flavors of baked potato toppings such as sour cream, onion, bacon, butter and cheese.

A hearty, masculine theme is conveyed by showing a young man at home in his rec room eating the thick chips after a workout and also displaying the

abundant ingredients. Agency creative team included Sam Gulisano, creative supervisor (art) and Rob Austin, creative supervisor (copy). The commercial was produced by Phil Marco Productions.

Product beats jibes

Maybe there were too many nerds and fat Russian women in the audience.

As uncreative as it may be—from an agency concept point of view—the McDonald's concept of keeping the lettuce and tomato separate from the hot meat until serving appeared to have more fans than Wendy's "Russian Fashion Show" and Burger King's search for a non-Whopper-eating clod named Herb.

Keeping "the hot hot and the cold cold" moved McDonald's back into second place in Video Storyboard Tests/Campaign Monitor tracking of the fourth quarter of last year, compared with fifth place in the third quarter. Pepsi Cola remained on top.

Wendy's did move up in the audience response rankings with its campy "Russian Fashion Show," taking fourth place vs. 12th in the July-September rankings—but still not the top spot it held in the fourth quarter of last year with "Where's the beef?" Video Storyboard Tests/Campaign Monitor is based on over 5,000 interviews across the U.S., and many consumers viewed "Russian Fashion Show" as being in poor taste, coming on the heels of a friendly U.S.-Soviet summit. "Cracking Egg," a Wendy's breakfast commercial also contributed to the recent fourth quarter ranking.

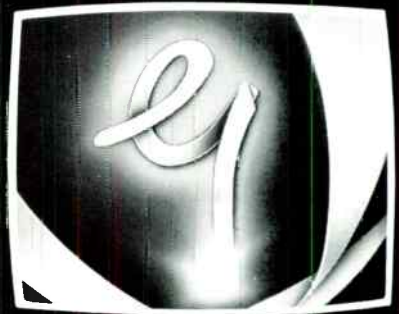
Meanwhile, Burger King's "Herb" campaign dropped it to sixth place from third in the third quarter. Miller Lite beer dropped from second to third, while Coca-Cola dropped from fourth to fifth.

The pimple wars

Who's telling the truth in the teenage pimple wars? The National Advertising Division of the Council of Better Business Bureaus wants to clear up the issue, but an advertiser whose claims have been questioned thinks the whole process is blemished.

It all started when Stri-Dex claimed that "new tests show Stri-Dex fights pimples better than benzoyl peroxide," the medicine in both Oxy 10 (made by Norcliff Thayer Inc.) and Clearasil cream (Richardson-Vicks Inc.). The makers of the latter two products claimed that Stri-Dex produced no direct brand-to-brand comparisons. Stri-Dex countered by saying that unpub-

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Commercials (continued)

lished tests comparing its product with an unbranded 10 per cent benzoyl peroxide cream were just as valid.

The NAD took issue with that finding, however, agreeing with the challenges that the attributes of a specific brand could affect performance. Also, it noted that benzoyl peroxide is regarded as a "newer, more potent" acne treatment than the salicylic acid in Stri-Dex.

Stri-Dex broke out in protest over that tentative conclusion, insisting its substantiation was adequate. It has asked for a review by the full National Advertising Review Board.

In other NAD news, Geritol says it will modify its claim, via Grey Advertising, that the product contains "more vitamins at 100 per cent RDA (recommended daily allowance) than any leading brand." An unnamed challenger noted that Geritol has no Vitamin K, and contained potassium and chloride in "insignificant quantities." The advertiser agreed to modify the ad in certain respects.

Also, Coleco Industries Inc. says it will tone down what NAD called "special effects" in commercials for its "Sectaurs Action Figures" that "might tend to exaggerate the real-life play value" of the toys. And Visa and MasterCard promotions run by Beneficial National Bank USA no longer will claim "there's no annual fee" without some explanation of a \$1.50 monthly service charge for each period the card is used.

Old guys are back

The four old guys who first sold products of the IBM Information Systems Group with their folksy humor in 1982 have been brought back in three new 60s—slated for 15 airings each in this quarter, with a fourth commercial scheduled to debut in the second quarter.

In the campaign out of Doyle Dane Bernbach, a similar approach is being taken to the original "Town Square" commercial, where one of the four characters explains the virtues of IBM systems to a cynical audience that never quite gets the message. The original itself was aired about 30 times a year.

The new commercials will air in programs ranging from network newscasts to *The Bill Cosby Show*. In "Big City," the knowledgeable member of the foursome takes the others downtown to visit an IBM Product Center, and while he points out desktop computers and typewriters, his foil is preoccupied with having lunch and keeps looking for a

waiter.

In "Dairy Store," the conversation is about a friend whose dairy business has doubled and who installed IBM computers and software for efficiency and growth. The cynic concludes his distracting conversation with, "It's the cows that do all the work." More down-home cynicism is offered in "Dog Walking," supplemented by a yawning dog, as the IBM proponent explains how his son won a promotion by improving his company's coast-to-coast communications through IBM.

Agency creative team included John Caggiano, senior vice president, associate creative director, who was the art director; Iva Silver, senior vice president, creative manager, the copywriter; and Lorraine Schaffer, producer. Caggiano and Silver also were involved with "Town Square."

'The food as hero'

Red Lobster restaurants is crediting a new campaign by Grey Advertising for a customer count that has exceeded projections for its first promotion of the new year, according to a report from the agency. Bill Hattaway, president of Red Lobster, especially likes Grey's approach to food photography, saying that "Grey has produced the best I've seen."

The new spots invite patrons to "create your own crab legs and seafood feast." According to Grey's in-house publicists, "the camera pans slowly across a succession of tantalizing seafood... to create a mouth-watering response in the consumer."

This Pavlovian reaction, says Stewart Hegleman, executive vice president at Grey, shows that Red Lobster's "great strength is their product—seafood. Of course, ambiance and service are key factors also. But Grey's advertising will always feature the food as hero."

Protracted Retractor

Wilkinson Sword has launched a six-week major market TV schedule for its Retractor single-blade disposable razor, the second stage of a two-year multi-million mixed media campaign designed to rebuild the company's share of the wet-shave market. Spots, by Burton-Campbell, Atlanta, are running in evening news, primetime and late night in the following markets: Chicago, Cleveland, Pittsburgh, Baltimore, Boston, Philadelphia, St. Louis, Atlanta and Lubbock, Texas. The new razor is also being promoted in a corporate TV campaign being conducted by Wilkinson's parent, Allegheny International.

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Commercials Circuit

R&B Efx has introduced the new Health Net health maintenance organization to TV audiences via a package of three live-action conceptual spots for agency **York/Alpern**, Los Angeles. The spots were directed by R&B's Bill Coffin, and use a cast of circus performers, each of which falls into a "safety net"—showing the need for a personal safety net, in this case the Health Net plan. Also at R&B Efx: The firm has done animated opening and closing sequences for Miller's Outpost's new "Fashion Investigators" campaign. The ads are produced in-house by the Southern California retailer. **Homer and J. R.**, the store's spokespeople, are shown dressed in Bogart-type trenchcoats and hats, in contrast to their usual Western attire. The tagline: "Fashion worth investigating."

Silvercup Studios, the big Long Island, N.Y. production center, was the scene for two spots produced by **Power & Light** for Schick razors. The 30s were produced for **J. Walter Thompson**. Producer was **Susan Kirson**; director, **Ross Cramer**; art director, **Pete Politano**. Also at Silvercup: **Van Dusen** shot a Lestoil spot using three vignettes on Silvercup's Stage 8 for **William Esty Advertising**.

Chic jeans wanted its new **Dr. Chic** TV spot to be "hot," and that's what **Herman/Lipson Casting** delivered. The spot features a classroom full of "shapely and dynamic female dancers" with "sensational jean-fitting bodies." **Herman/Lipson** reports it found a "tantalizing crop of young dancers that even fit the 30-second spot's height and hair color requirements."

J. Walter Thompson wanted maximum product exposure and viewer registry for a 15-second spot introducing Close-Up lip balm, a Lever Bros. product. **George M. Cochran Films** delivered with a "classy and exciting look," according to **Michael LaGattuta**, producer at the agency. The spot features a young couple engaged in a kiss. "This segment required several takes and could have been very tense, but Cochran managed to keep the talent at ease," the production house reports.

The Palace Production Center, headquartered in the turn-of-the-century Palace Theater in the seaport town of South Norwalk, Conn., claims to be the first production facility in New England to install and utilize the NEC System 10 DVE, according to **Wendy Beth Lambert**, Palace's marketing director.

Director **Sid Myers** of **Myers Films Inc.**, comedian Steve Landesberg and agency **Burton-Campbell** of Atlanta worked together in a series of 15- and

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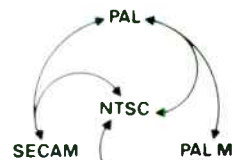
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Commercials (continued)

30-second spots for Ryder Truck Rentals. A two-day shoot produced five spots. Three of them used an Asian elephant named Sue "to give Landesberg an opportunity for comic reactions and one-liners." Also at **Myers Films**: A spot was recently produced for **Grey Advertising** using a W. C. Fields look-alike touting Arby's "Philly beef and swiss" sandwich. It was shot on location in Orlando, Fla., and employed "taste-tempting product shots." The ersatz Field's line: "I'd rather be here than in Philadelphia."

The Laughing Cow lady is back, again created by comedienne **Joy Golden**. Her three new 60-second radio spots were produced by her own **Joy Radio**. A sample: a divorcee is invited to a neighbor's house. Told to bring something for "sitting by the fire with soft lights and music," the divorcee opts for "a little red laughing cow in a red net bag." The neighbor: "More perfect would be tall, thin and serious in an Italian suit."

Joe Sedelmaier, on behalf of Godfather's Pizza, did a series of radio spots for **Bert Barz & Kirby**, Los Angeles. The theme: "A good pizza is getting harder to find these days." One spot shows a gas station owner who removes the pumps, deciding instead to sell maps to Godfather's Pizza.

Charlie Weber has joined **Southwest Teleproductions** as production sales representative for broadcast and corporate accounts in the Dallas-Ft. Worth area.

Three 30-second Spanish-language spots for Ford were directed by **Earl Rath** of **Jenkins Covington Newman Rath** for Hispania, a division of J. Walter Thompson. Projecting an upscale image, the spots feature: a woman who drives up to a construction site and turns out to be an architect, a daughter who drives her mother home after ballet class, and sepia shots of a 1940s Ford segueing into a full-color scene of a modern family in a Ford "Woody" station wagon. Creative director/producer **Alfredo Jarrin** and art director **Jorge Anchondo** led the Hispania creative crew.

In a new Panasonic commercial by **Shooters Productions**, a busy restaurant's noisy kitchen turns out to consist of one Dimension 4 microwave oven backed by a tape recorder supplying sound effects of rattling pans and shouting chefs. The Panasonic product is the oven, not the tape recorder—which breaks at the end of the spot as viewers are informed that it's not included with purchase. Director **Ste-**

phen Amini uses a steadycam to pan across the empty kitchen. Shooters' crew included executive producer **Elizabeth Quigg**, producer **Julie Noorden** and camera operator **Henry Fiks**. **Andy Rice** was producer and **Dave Adams** creative director for agency **Grant Tandy Advertising**.

Jay Gold of **Jay Gold Films** edited a fast-paced 30-second spot for Fayva shoes and its agency, **Jordan, Case, Taylor & McGrath**. Producer **Lynn Roer** and senior vice president/creative director **Mark Itkowitz** headed the agency creative team, with **Fred Levinson** directing. Gold also synchronized the sounds of singing cats in three new spots for Purina Meow Mix. **Peter Yahr** produced for **Della Femina, Travisano & Partners**, with **Steve Gluck** directing. The music was produced by **Shelton Leigh Palmer**.

Century III-Post, Boston, has installed 10 Sony 2000 machines and three Sony 2500 machines, while **Century III Teleproductions** has received an additional five Sony 2000s. The Boston facility recently directed, produced and posted two spots created by New York's **Deadline Productions** for Rte. 128 Oldsmobile in Wakefield; **Gail Desmond** was the producer, **Mark Braver** production manager and **Ed Buffman** director. The Orlando, facility, meanwhile, has handled: posting of a 90-second spot for **Creative Resources and Marketing**, for airing on the Turner Broadcasting System cable networks, editing of eight 15-second underwriter announcements for First National Bank, produced by **Visual Impact Promotions** for airing on public TV; and ADO and one-inch editing for the Paintbox graphics in WESH-TV's *Newscenter 2* opening graphics.

N.B.E. Productions is in New York and **Gray & Rogers** in Philadelphia, but their creative people flew off to Hollywood to produce five spots—three 30s, a 15 and a 10—for York Air Conditioning and Heat Pumps. Also flying in from colder climes for the shoot was York spokesman George Kennedy. NBE's team consisted of director **Nat Eisenberg** and production manager **Larry Stephens**. Gray & Rogers sent producer **Susan Colehauer**, art director **Jack Taylor** and account executive **April Libman**, while creative director **David Delman** remained in Philadelphia.

RoleCall Inc., which offers computerized decision-making tools to casting directors, used New York's **Devlin Productions** to pre-master a Level Three videodisc. The videodisc, filled with pictures of performers in full, medium and close-up shots, is linked with an information database, so that casting directors can feed in specific role re-

quirements and get back pictures and resumes. Devlin used a Rank Cintel Mark IIIC with X-Y-Zoom to transfer the performers' photos to one-inch videotape.

Digital effects and a live-action talent scene composed of 55 layers were part of a 30-second journey through a magical landscape by **Charlex**, New York for White Mountain Cooler through **MCA Advertising**. Included were a castle constructed entirely of bottles, a giant bottle being hoisted up an Egyptian tomb and a young man pursuing a girl from a movie screen.



In a **Charlex** editing suite are **MCA v.p./creative directors Charlie Ryant, L., and Rosalyn Dunham, r.,** with director **Alex Weil** on a *White Mountain Cooler* campaign.

Chevrolet's truck division went on location in the Pacific Northwest for its "Nothing works like a Chevy truck" campaign, under the supervision of **Snazelle Film and Tape** (San Francisco) director **E. E. Gregg Snazelle** and **Campbell-Ewald** (Detroit) vice president-broadcast production **Al Schacherer**. The four-day shooting schedule covered 38 location set-ups in Oregon and Washington—including a pumpkin farm, silage pile and "stampede" that required 15 wranglers, 20 herd of cattle and an artificial storm—and featured 90 "actors," many of them cast on-site. Snazelle's crew consisted of D/P **Jerry Kuhlawick**, field producer **Rachel Solomon** and more than 20 others. They shot 16,000 feet of film, nearly three hours worth, which **Bill Riss** of **Image Express**, Detroit, edited down to two 30-second spots. The commercials were then scored by **Sicurella/Smythe & Associates** and finished at **Producer's Color**, Detroit.

Five Partager Sparkling Wine corks pop in sync to the opening note of the French National Anthem, "Marseillaise," in a 15-second spot directed by **Griner Cuesta's Michael Schrom** for **Doyle Dane Bernbach**. Schrom created a slow-motion effect by shooting at five times normal speed and, at one point, shot at 2,500 frames-per-second with a Photosonic camera to record the corks' flight. The DDB creative team included producer **Karen Zakes**, art director **Garrett Jewett** and copywriter **Jim Walsh**.

NEW MEDIA ENTITY

Pompadur, Rule
join Merrill, Lynch
in partnership/75

RETAIL REPORT

Neiman-Marcus
talks about
television/79

MEDIA PRO

Keeping a lid
on spot TV
rate increases/82

TELEVISION/RADIO AGE

Spot Report

February 17, 1986

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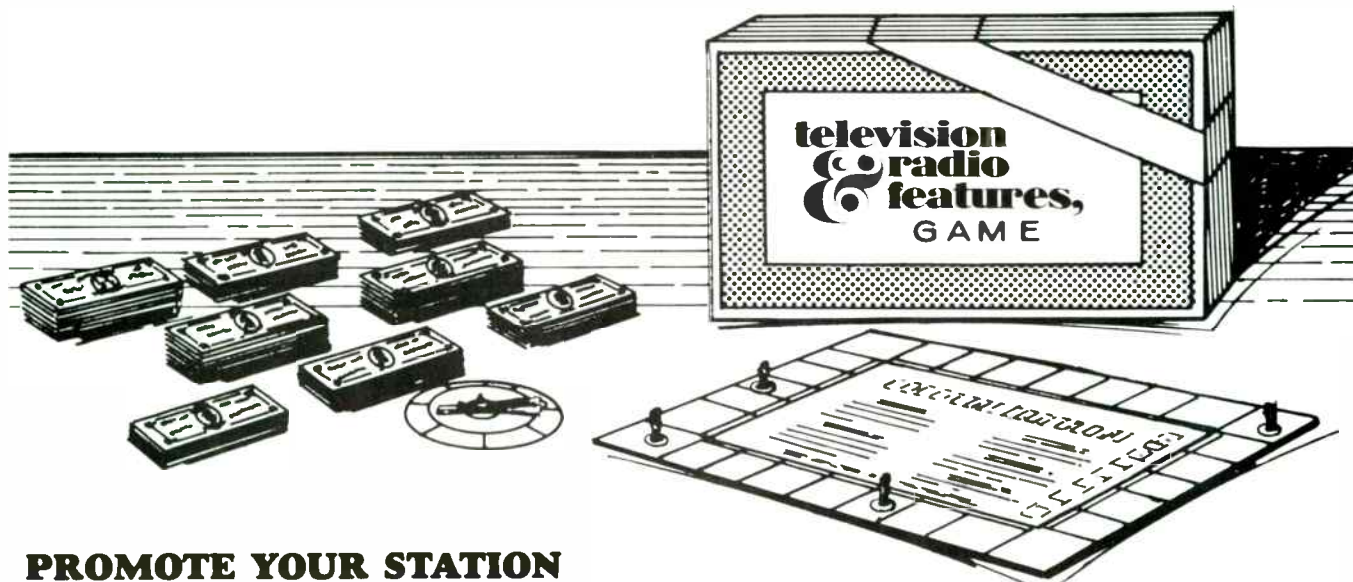


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Spot Report

February 17, 1986

Pompadur, Rule partners in Merrill Lynch media deal

I. Martin Pompadur, already a managing general partner or CEO in two limited partnerships involving five stations, has taken to the hustings to help sell limited partnerships in a new media entity that could control as much as \$500 million to purchase broadcast stations and cable systems. Involving a public offering that's believed to be the first of its kind, the new entity combines the know-how of Pompadur and Elton Rule, former president of the ABC, Inc., with the formidable resources of Merrill Lynch & Co., Inc., who are the general partners.

The partnership is known as ML Media Partners, L.P., and it is selling units of \$1,000 to the public, with a minimum purchase of \$5,000 required. The SEC has given the partnership the go-ahead to sell from \$25 to \$100 million worth of units, but under certain conditions it can sell up to \$250 million in securities. Since ML Media Partners would match the money raised with borrowings of equal size, the total kitty could reach \$500 million.

Pompadur is currently touring Merrill Lynch's offices, addressing the company's financial consultants, who total about 12,000 in all, of which possibly a third will be pitching the units of limited partnership interest. He says he and his partners are looking for stations in the 25th to 100th markets, well aware of the high prices in the major markets. His ideal media company, says Pompadur, would consist of four to five TV stations (\$250 million), cable systems with a total cost of \$150 million and six to 10 radio stations (\$100 million).

Conservative. Compared with the high leveraging used to finance some recent station buys, the financing of ML Media Partners is comparatively conservative, Pompadur maintains. Considering the intention of matching the limited partnership investments with equal borrowings, maximum leverage after commissions (8.5 per cent) will be 60 to 65 per cent, he notes.

Pompadur, 50, who acted as a consultant to Rupert Murdoch and Barry Diller in the acquisition of Metromedia's six independent TV stations, now runs Television Station Partners, which owns four former Ziff-Davis TV affiliates in Steubenville-Wheeling (WTOV-TV), Rochester, N.Y. (WROC-TV), Augusta (WRDW-TV) and Saginaw (WEYI-TV).

Watkins heads ABC TV rep

John B. Watkins has been promoted to president, ABC Television Spot Sales, succeeding Walter K. Flynn, who has resigned as vice president, general manager, sales and marketing for the ABC Owned Television Stations. ABC Television Spot Sales is the rep for WABC-TV New York, KABC-TV Los Angeles, WLS-TV Chicago and KGO-TV San Francisco. But the speculation at presstime was that the ABC rep arm would soon be adding Capital Cities' four TV properties, now represented by Blair Television, to its list. Those stations are WPVI-TV Philadelphia, KTRK-TV Houston, KFSN-TV Fresno, Calif. and WTVD-TV Raleigh-Durham. In his new post, Watkins reports to Michael P. Mallardi, president of the Broadcasting Division of Capital Cities/ABC, Inc.

Watkins started with ABC in 1972 as a research analyst with ABC Spot Sales in New York. As sales manager for the rep's Los Angeles office he is credited with improving the division's sales revenues "by

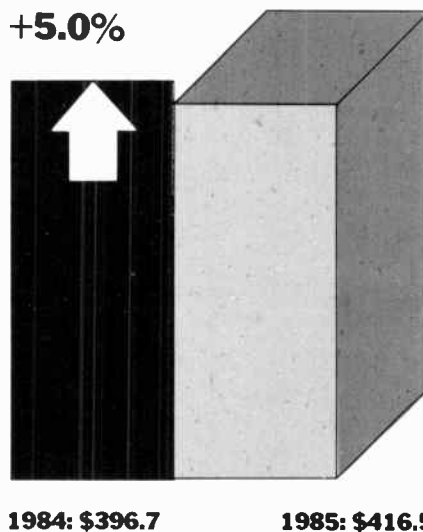


John Watkins

some 60 per cent" between 1979 and 1981. As general sales manager for WABC-TV, ABC says Watkins "achieved the highest billing record for any television station in the country."

December

National spot business



Complete TV Business Barometer details p. 20

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LOS ANGELES	KTLA	FRI — 7:30 PM	7/11	5/9
CHICAGO	WFLD-TV	SAT — 5:00 PM	11/23	9/18
PHILADELPHIA	WTAF-TV	SAT — 7:00 PM	10/20	8/15
SAN FRANCISCO	KBHK	SAT — 4:30 PM	5/13	4/11
BOSTON	WLVI-TV	SAT — 7:00 PM	5/8	3/5
DETROIT	WKBD-TV	SAT — 11:00 PM	6/9	3/5
WASHINGTON	WDCA-TV	SAT — 6:30 PM	7/15	5/11
DALLAS	KTVT	SAT — 4:30 PM	6/15	6/13
HOUSTON	KHTV	FRI — 4:00 PM	3/8	1/4
MIAMI	WTVJ	SAT — 7:30 PM	8/14	6/14
†1 MARKET AVERAGE.....			7/15	5/11

Source: Nielsen: weekend of 11/23-85 versus November 1984 time period (ARB, CH, PH, DC, DA) Demographics.

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Spot Report

Campaigns

Control Data, RADIO

W.B. Doner and Company/Baltimore
COMMERCIAL CREDIT is winding up four weeks of radio advertising that started in mid-January in a long and widespread lineup of markets. Media set schedules to attract both men and women 25-plus.

Adolph Coors Co., TV

Foote, Cone & Belding/Chicago
VARIOUS BEER LABELS are sharing 19 to 26 weeks of spot advertising that started in late December or late January in a long and coast-to-coast list of television markets.

Domino's Pizza, Inc., TV

Group 243 Design/Ann Arbor, Mich.
RESTAURANT CHAIN is using five weeks of spot time that started on various February air dates in a good many southeastern television markets. Buying group worked with the full range of dayparts to reach both men and women 18 to 49.

Flowers Industries, TV

Tucker Wayne & Co./Atlanta
SELECTED BAKED FOODS are being advertised for five to eight weeks that started on various late January and February air dates in a long lineup of southeastern television markets. Negotiators arranged for fringe, daytime and primetime showings to appeal to women 25 and up.

Garst Seed Co., RADIO

Valentine-Radford, Inc./Kansas City
SEED CORN is being recommended for four weeks that started in mid-Febru-

Luvs in Spanish

Procter & Gamble's Luvs Disposable Diapers are scheduled to start a 13 week commercial flight during first quarter on UPI's nationwide Spanish-language radio network, Nuestras Noticias. Agency is Dancer Fitzgerald Sample, who is aiming the advertising at young Hispanic women 18 to 34.

Nuestras Noticias, with 32 affiliates covering a potential 91 per cent of the ranked 41 Hispanic markets, is jointly operated by United Press International and the Spanish news agency, EFE. The Luvs spots are set to air midday, Monday through Friday, on the Spanish-language newcasts.

ary in a good many upper-midwestern farm markets. Media team set sights on farm managers.

Grandy's Inc., RADIO

Schey Advertising/Houston
FAST FOOD RESTAURANTS are inviting patrons for 12 weeks that started in early February in a widespread list of sunbelt radio markets. Target demographics include both men and women 25 and up.

Granny Goose Foods, RADIO

Allen & Dorward, Inc./San Francisco
SNACK CHIPS are being offered for four weeks that started in mid-February in a fair lineup of Pacific Coast markets. Buyers worked to reach women 25 and up.

The Hartford Insurance Group, RADIO

McCaffrey and McCall/New York
PERSONAL INSURANCE is being sold for 13 or more weeks scheduled to start in late February in a long and coast-to-coast lineup of radio markets. Media plan calls for reaching men 50-plus.

Land O'Frost, TV

Ron Berns & Associates/Chicago
PREPARED MEATS are being featured for eight weeks that started in early February in a fair list of southeastern television markets. Negotiators arranged for a full range of dayparts to reach women 25 and up.

On-Cor Frozen Foods, TV

Grant/Jacoby, Inc./Chicago
LIGHT ENTREES are being advertised for eight weeks during January and February in a select but widely scattered lineup of television markets. Media group employed daytime, fringe and prime access showings to reach women 25 and up.

Playboy Enterprises, Inc., RADIO

CPM, Inc./Chicago
MAGAZINE READERSHIP is being promoted via eight weeks of radio flights stretched out from December through March in a long and coast-to-coast lineup of larger markets. Buyers set schedules to reach young men 18 to 34.

Union Carbide Corp., TV

Leo Burnett Company/Chicago
PLASTIC BAGS and OTHER PRODUCTS are being recommended via 12 weeks of spot exposure that started in early January in a long and nationwide spread of television markets. Media concentrated daytime, primetime and fringe showings to attract women 25-plus.

Appointments

Agencies



Caffrey



Cole

Kenneth E. Caffrey has been appointed general manager of Ogilvy & Mather's New York office. He is succeeded as head of media of Ogilvy & Mather/New York by **Larry Cole**, but will continue to serve as executive vice president, director of media and broadcast operations of Ogilvy & Mather/U.S. Cole, who joined the agency as a media research assistant in 1957, was elected a senior vice president in 1975, and now steps up from senior vice president, director of media services.

Tom Wilson, senior vice president and media director of McCaffrey and McCall, has been elected to the agency's board of directors. He joined McCaffrey and McCall in 1978 as an associate media director, moving in from NW Ayer, and was named media director last year.

NUMATH for micros

Group W Radio and STRATA Marketing have signed a long-term licensing agreement under which STRATA will integrate the NUMATH reach and frequency formulas developed by Group W into STRATA software. Under the agreement, former Group W research director Jim Yergin, now president of Yergin Associates, will assist in integration of NUMATH into the STRATA programs.

STRATA president Bruce Johnson says the agreement will enable his company to offer "enhanced program software" for use with micro-computers to the radio industry, that uses Group W's "pioneering reach and frequency formulas and supporting research work." Until now, NUMATH has been a software system that could be used only with main-frame computers. The formulas serve as tools to help radio advertisers plan, buy and audit their campaigns on the basis of reach and frequency.

Kenneth J. Munkens has been promoted to vice president/media director at Long, Haymes & Carr, Inc., Winston-Salem, N.C. He came to the agency in 1984 as associate media director from William Esty Co. in New York; before that he had been with Dancer Fitzgerald Sample.



Hal Zwick has been promoted to vice president, director of media planning at Ally & Gargano, Inc. He moves up from a post as media group head at the agency.

Judy Hughes has been elected a vice president at Foote, Cone & Belding/San Francisco. She joined the agency 20 years ago and is now broadcast business manager, overseeing broadcast contracts, network clearances, talent and union agreements and commercial release data.

Davis Stewart has been promoted to vice president at Doyle Dane Bernbach/New York. He came to the agency in 1979 as a media planner and was named as associate media planning director in 1981.

Leslie Whitney has joined Fallon McElligott Rice, Minneapolis, in the new post of associate media director/broadcast. She moves in from Carmichael-Lynch, also Minneapolis, where she had been vice president, associate media director.

Peeter Muhlberg has been named vice president, account supervisor with R. J. Baker Advertising in Troy, Mich. He comes to this newly created post from Gordon & Shortt, Inc., Birmingham, Mich. where he had been a senior vice president, and before that he had been a vice president at Young & Rubicam in Detroit.

Joseph B. McSweeney, Jr. is now a network buyer with the National Broadcast Unit of Foote, Cone & Belding in Chicago. He comes to the agency following posts with Ogilvy & Mather and with Young & Rubicam in New York.

Retail Report

Neiman-Marcus discovers television

One of the more recent converts to television in the retail community is Neiman-Marcus, the Dallas-based upscale department store, which launched a TV campaign last fall in Chicago and San Francisco. Prior to that, the retailer's main involvement with television, according to Gary Grahnquist, vice president, director of advertising, was "tagging cosmetics spots from vendors such as Estee Lauder and Clinique."

About three years ago, Grahnquist says, N-M "began creating spots on a limited basis for our Fortnight events in Dallas." But last fall's efforts, he emphasizes, were a real departure. Each campaign consisted of 10-day flights designed to attain about 850 GRPs. This was followed up with comparable Christmas flights in Dallas-Ft. Worth, Houston and Chicago.

The Neiman-Marcus TV commercials, Grahnquist points out, "are not item-price. They're very positioning-oriented. They're not designed for short-term box office results."

Why, after all these years, did Neiman-Marcus take the plunge into television? "The question has always gone through our mind—'Should Neiman-Marcus be on television?'" he concedes. But it took a little push from the top. The direction and impetus, says Grahnquist, came from the store's president, David Dworkin. "He thought it would give us more access to a little more contemporary customer and, also, he felt that without television we were leaving out a vital link in our media mix."

Dworkin, in fact, is quoted in a Neiman-Marcus press release, explaining the store's move to TV. "We have successfully conveyed the multifaceted Neiman-Marcus story to discriminating shoppers through the use of print media and our successful direct mail efforts," he says. "To complement these efforts, however, we felt it was important to add television advertising to our media mix."

And Tom Raney, executive vice president, marketing and sales promotion, appeared in a video tape as part of the TvB presentation at the recent Retail Advertising Conference in Chicago. "Retailing," said Raney, "has become one of the most visual and theatrical of business pursuits, and when you look at how visual stores themselves have become in the experience of shopping, how could you not want to relate it to television, the most visual of media?"

The retailer's next TV project, says Grahnquist, will be in the Dallas-Ft. Worth market and will be a similar type flight, tied in with Neiman Marcus' magazine. The store is working closely with WFAA-TV on research for the campaign.

Neiman-Marcus' move into television is one more example of department stores' realization of the value of TV as a positioning tool (see lead story in TV/RADIO AGE, February 3). But it also demonstrates the increased role top management is taking in media decisions. While it is important, of course, not to ruffle the feathers of retail advertising executives, every effort should be made to involve the president of the store in major presentations and/or projects.

And Neiman's TV experience underscores the importance of the "partnership" approach, in which broadcaster and retailer work together to mount research designed at uncovering information about the store's image, perception by its customers and overall standing in the market. In addition to working with WFAA-TV, Grahnquist says N-M also worked with stations in San Francisco and Chicago on research projects.

Little by little, the granite is being chipped away. Retailers are looking upon broadcasters not just as pitchmen trying to sell their medium, but as marketing and research professionals who can help them present a more powerful message to their customers and potential customers.—

Sanford Josephson

Media Services



Donald B. Miller has joined Media General Broadcast Services as senior vice president, director of marketing and sales. He had previously been vice president in charge of international and domestic business development for Saatchi & Saatchi Compton Worldwide.

Representatives



Michelle Jennings has been named New York sales manager at Blair Radio. She joined Blair/RAR as New York sales manager in 1984, was promoted to vice president six months later, and further promoted to manager of Blair/RAR's New York office in January 1985.

OmniFacts formed

OmniFacts, Inc. has been formed by John H. Baker, former vice president of the Wellington Group, Inc., as a full-service, minority owned marketing research firm in Jenkintown, Pa., near Philadelphia. Baker says the firm can handle all aspects of market research in the consumer, industrial and medical areas and that "Rather than farm out projects or use inexperienced personnel, we have insured quality maintenance through every phase of project execution through a joint venture with the Intersearch Corp."

Available services, he says, include product concept and product improvement testing, new product testing, test market tracking, ad concept and ad strategy testing, radio listenership and readership studies, brand positioning testing, attitude and brand usage tracking, sales promotion testing and telemarketing.

Tom Barrett has been appointed a divisional vice president of Katz Continental Television. He came to Katz in 1967 as an account executive in New York and is currently manager of Continental's Atlanta sales office.



Kei Takahashi has been named director, sports sales at CBS Radio Representatives. He joined CBS in 1979 as an account executive in the New York and Los Angeles offices of CBS Radio Spot Sales, and has most recently been Eastern regional manager/station relations for CBS Radio Representatives.



Nancy McKinley, manager of the Philadelphia sales office of Major Market Radio, has been elected a vice president. She originally joined MMR in 1980 as an account executive, left for the sales force at WYNY(FM) New York in 1984, and returned to MMR last year.

Dave Donelson has joined the new Marketing Division of MMT Sales as vice president and director of sales, reporting to **Robert J. Kizer**, president of the new division. Donelson moves in from Katz Continental Television where he had been national sales manager of the Bronze Team.

Chris Matthews has been tapped as sales manager of the new Denver office opened by Seltel. Matthews is a former account executive for Christal Radio.

Betty Morgan has been promoted to vice president by Christal Radio. She joined Christal from Katz Radio in 1980 as manager/account executive at Christal's St. Louis sales office.

Stations



Edward T. Reilly has been named executive vice president and chief operating officer of McGraw-Hill Broadcasting Co. He steps up from senior vice president to take over a new post in which he's now responsible for station operations, finance, administration, network relations and planning.

Robert R. Regalbuto has been appointed vice president of Hubbard Broadcasting Inc. and general manager of KSTP-TV Minneapolis-St. Paul.

Group split



Johnson



Pollock

Capital Cities/ABC, Inc. has split its eight-station Owned Television Station Group, the largest in the industry, into two units, "because it makes sense in managerial terms," says Michael P. Mallardi, senior vice president of the recently merged corporation and president of its Broadcasting Division.

Lawrence J. Pollock, has been named president of Capital Cities/ABC Owned Television Stations-East, and Kenneth M. Johnson will transfer to San Francisco as president, Capital Cities/ABC Owned Television Stations-West. Johnson had been president and general manager of KTRK-TV Houston and Pollock had been president and general manager of WPVI-TV Philadelphia. Eastern Region stations are ABC's WABC-TV New York and WLS-TV Chicago, and Capital Cities' WTVD-TV Raleigh-Durham and WPVI-TV Philadelphia. Western Region stations are ABC's KABC-TV Los Angeles, and KGO-TV San Francisco, and Capital Cities' KTRK-TV Houston and KFSN-TV Fresno-Visalia.

He moves in from the general manager's desk at Scripps Howard's WCPO-TV Cincinnati to succeed **Ralph Dolan**, now president and co-owner of Cityline Minnesota and vice president of development of USTV, both Hubbard subsidiaries.



Bob Rodriguez has been named director of sales for KVEA(TV) Los Angeles. He comes to the Spanish-language television station from KTTV(TV) Los Angeles where he had been a vice president.

Peter Good has been named general manager of WPBN-TV and WTOM-TV Traverse-Cadillac, both recently acquired by Beam Communications Corp. from U.S. Tobacco.



Winnie Brugman has been promoted to vice president and general manager of WLIF(FM) Baltimore. She steps up from general sales manager to succeed **George Toulas**, now president of WMGG(FM) Orlando, also an American Media-owned station.

John T. Mazzie has been appointed vice president and general manager of Price Communications; WEEK-TV Peoria. Mazzie was formerly president and chief operating officer of Jim Gilmore Enterprises and is a past president of the Illinois Broadcasters Association.

Joe Schwartzel, general manager of WINK AM-FM Fort Myers, Fla., has been appointed to additional responsibilities as general manager of Fort Myers Broadcaster Co., also filling the role of general manager for WINK-TV. He joined the company in 1975 as sales manager for WINK-TV.

One Seller's Opinion



Survey ailments and remedies discussed by Radio Council

Pappas

During the Arbitron Radio Advisory Council meetings in December, the agenda included discussion of existing research problems, reports of results from past tests and of plans for new or additional testing, and discussion of the final solutions to some audience measurement problems.

Arbitron's most pressing problem continues to be response rates, which have dropped from a high of 44.3 in spring 1980 to 38.8 in spring 1985. There are several elements that affect the rate of response.

One factor is that a smaller portion of the sample may agree to participate when approached. And of those who do agree to keep a diary, there has been a steady decline in the number of diaries returned, and the usability of those diaries that are returned has stabilized itself at a relatively low rate.

Arbitron points to several conditions that contribute to the overall problem. One is that they are competing with tons of direct mail, and another is that the sample includes respondents with low educational levels. A third point is that Arbitron's interviewers are competing for time and attention with a growing volume of telemarketing.

To help stimulate better response levels, Arbitron has implemented a new pre-placement letter to respondents that includes such "precision treatment" elements as dating the letter, providing relevant hot-line numbers, survey week dates and underlining the exact number of other diaries to be returned from the household. And this pre-placement letter has also been personalized by using the exact name of the respondent.

Arbitron reports that personalization, plus precision, has increased both return and response rates appreciably. Meanwhile, Arbitron is also planning a systematic review of all interviewing operations and procedures. One move is a telephone call when the diary is scheduled to arrive, requesting the respondent to "Please bring your diary to the telephone." This allows Arbitron to be sure the diary was received and enables the diary keeper to ask questions at the outset of the diary keeping process.

Arbitron also reviewed the history of its efforts to measure Hispanic listening. Spanish language radio stations have questioned whether Arbitron is underestimating Hispanic representation with its current race/nationality question. So in the fall 1986 survey the question will be amended to: "1) Race: black or white? 2) Nationality: Hispanic or not?"

This should give Arbitron better personal response, greater allowance for mixed households, and improve the return rate. Arbitron has bilingual interviewers, and a new pay plan devised for them. And there will be a new bilingual daypart diary, just as there is for all other respondents.

So far this has been more a report on what was covered at the Council meeting than an "opinion." But the general reaction of the Council was to recognize Arbitron's efforts to improve its procedures for measuring Hispanic listening, and to urge Arbitron to continue working toward further improvement.—**Elaine Pappas**, vice president, director of research, Hillier, Newmark, Wechsler & Howard, and research member of the Arbitron Radio Advisory Council

Media Professionals

Flat 1986 for spot television rates?



Bill Hansell

*Vice president,
Associate director,
Local broadcast
BBDO/New York*

Bill Hansell, associate director of local broadcast at BBDO/New York, observes that historically, the annual increase in television rates each year tends to outpace the rate of inflation experienced by the nation's general economy, and estimates that the increase for the general economy in 1986 will be 2 to 3 per cent.

Accordingly, Hansell says that, "We see our challenge in local broadcast as starting to turn around the traditional higher rate of inflation for spot television rates, and hold them down to the same 2 to 3 per cent level we're projecting for the economy as a whole." He notes that the industry managed to do this in 1985 and believes that, "We should be able to do it

again this year."

Hansell concedes that although local television rates in 1985 were generally flat compared to 1984, "Those 1984 rates were artificially high. That is, the increases weren't necessarily tied to demand because of those quadrennial double events, another national election year and international Olympic year."

In any event, Hansell believes, "During 1986 our negotiators should not be paying any more for national spot broadcast time than they did last year, and in some markets, if they play their cards right, they may manage to pay a bit less."

He does, however, see "a few small clouds" that could stand in the way of achieving this in various individual markets. For instance, he points out, "There will be some high tech markets, and some markets that attract a large volume of tourists, which might stimulate their local economies to the point that local advertisers may occupy more availabilities than the norm across all markets. And working up to the spring primaries, and later, during September and October, leading up to local and statewide elections in early November, local political activity could consume more than the average number of availabilities and take them out of circulation."

But on the plus side, from the client's point of view, adds Hansell, "The political activity will be a factor during only two relatively short periods this year. And at the same time, 20 or 30 new independent television stations keep coming on the air each year. This represents additional new competition in the markets they enter, and their competition continues to be an important factor because many are showing more first run programming than used to be the case with many independents a few years ago."

Mark J. Jollie has been promoted to general manager of Media Central's KBSI-TV Cape Girardeau-Paducah-Harrisburg. He had been general sales manager for the station.

Alvin K. Leitt has been named vice president of Gaylord Broadcasting and general manager of WVTM-TV Milwaukee. He came to the station in 1971 as an account executive.

Cary L. Pahigian has moved up to station manager of WBZ Boston. He came to the Group W station as program manager in 1984 and before that had been program manager for WIP Philadelphia.

Vance Harrison has been named vice president, midwestern sales for the United Stations Radio Networks, based in Chicago. He joined the RKO Radio Networks as Chicago sales manager in 1979 and continued in that post when United Stations acquired RKO Radio Networks last year.

New Stations

Under Construction

KJTM-TV Little Rock, Ark.; Channel 38 ADI Little Rock-Pine Bluff; Licensee, The TVX Broadcast Group, 156 Newtown Road, Suite A2, Virginia Beach, Va., 23462; Telephone (804) 499-9800. Tim McDonald, president; Ron Cochran, general manager. Target air date, April 1986.

Buyer's Checklist

New Representatives

Blair Radio has been named national sales representative for Metromedia's KMET(FM) Los Angeles. The quadraphonic station programs an AOR format featuring classic rock hits from the '60s, '70s and '80s.

Christal Radio is now representing KSTE(FM) Corpus Christi, Texas, and

WFXR(FM) Charleston, S.C. WFXR, formerly WGOX, presents an album oriented rock format, and KSTE, programs adult contemporary.

Hillier, Newmark, Wechsler & Howard has assumed national sales representation of WLVK Charlotte, N.C., and WFMZ(FM) Allentown, Pa. WFMZ airs an easy listening format, and WLVK programs country music.

Independent Television Sales has been appointed national sales representative for WYZZ-TV Peoria. The station, formerly WBLM-TV, is owned by Bloomington Comco.

Katz Radio has been named to represent KKDA AM-FM Dallas-Fort Worth and WPLP Tampa-St. Petersburg. WPLP carries a news-talk format and is a CBS Radio affiliate. Both Texas stations feature an urban contemporary format; the FM station was Number 2 in the market in the last Arbitron.

Republic Radio has been appointed national sales representative for KSAQ(FM) San Antonio and for KTAC/KBRD(FM) Seattle-Everett. KBRD offers beautiful music, KTAC programs a contemporary sound and KSAQ airs a top 40/contemporary hit format.

Savalli, Schutz & Peterson have been named new sales representative for KVCT-TV Victoria, Texas, in the New York market. Unirep Broadcasting Co. continues as the television station's rep in all other buying centers.

Selcom/RAR is now the national sales representative for KEGL(FM) Dallas-Fort Worth and for KMEQ AM-FM Phoenix. Both Phoenix stations feature easy listening music; KEGL is a personality/CHR station.

Torbet Radio has been selected as national sales voice of KIST Santa Barbara, Calif. and WAHR(FM) Huntsville, Ala. Both stations offer adult contemporary formats.

Transactions

Putnam Broadcasting Corp. and **WRVH Broadcasting Co.** have sold WPUT/WRVH(FM) Brewster, N.Y. to **Tri-Valley Broadcasting Corp.** for \$1.4 million, subject to FCC approval. Broker in the transaction is The Mahlman Co., Bronxville, N.Y.

Malrite Communications Group Inc. has completed acquisition of KLAC/KZLA(FM) Los Angeles from **Capital Cities Communications, Inc.** and KSRR(FM) Houston from **American Broadcasting Companies, Inc.**

TransColumbia Communications has acquired KLAF Murray-Salt Lake City, subject to FCC approval. Christopher Kampmeier, station manager of TransColumbia's KMGR(FM) Orem-Salt Lake City, will assume the additional duties of station manager of KLAF upon completion of the deal.

KIXK, Inc., Magnolia, Ark., has agreed to purchase KCAJ(FM) El Dorado, Ark. from **Sunbelt Communications, Inc.**, subject to FCC approval. Owners of KIXK Inc. are Charles R. Shinn, Gary D. Terrell and Larry G. Fuss, known as air personality Larry O'Neal at WSB-FM Atlanta. Broker in the transaction is Bill Whitley of Chapman & Associates, Dallas.

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Wall Street Report

CapCities/ABC net income rose 5% in '85 on 9% increase in revenues

Capital Cities Communications, a broadcast group accustomed to operating very profitably with a low profile, has suddenly been catapulted into the media spotlight as a result of its \$3.5 billion acquisition of the American Broadcasting Cos. and subsequent emergence as Capital Cities/ABC, Inc.

The combined company's net income for the year ended December 31, 1985, increased 5 per cent to

and chief executive officer of ABC, rather than assume less responsibility, CapCities/ABC appointed John B. Sias president of the ABC Division of the parent company. The ABC Broadcasting division is now headed by Michael P. Mallardi, who had been executive vice president and chief financial officer of ABC, Inc. The CapCities/ABC Television Stations have been divided into two groups, with Lawrence Pollack, president of WPVI-TV Philadelphia responsible for four in the eastern half of the country and Kenneth Johnson, president of KTRK-TV Houston taking the western half of the country. And John Watkins, general sales manager of WABC-TV New York, has been named president of ABC Spot Sales, replacing Walter Flynn, who had resigned (see *Spot Report*).

Capital Cities/ABC, Inc.

Summary statement of consolidated income

(Thousands of dollars) (Unaudited)

	Three months ended December 31,		Year ended December 31,	
	1985	1984	1985	1984
Net revenues	\$271,492	\$259,509	\$1,020,880	\$939,722
Costs				
Operating income	75,248	74,604	277,501	267,512
Net income	\$ 39,812	\$ 38,179	\$ 142,222	\$142,778
Net income per share:	\$3.04	\$2.94	\$10.87	\$10.98

Summary of operations by business segment

(Thousands of dollars) (Unaudited)

Net revenues				
Broadcasting	\$ 82,521	\$ 76,937	\$ 293,717	\$271,848
Cable Television	21,566	19,699	84,580	\$ 76,258
Publishing	167,405	162,873	642,583	591,616
Total	\$271,492	\$259,509	\$1,020,880	\$939,722
Operating income				
Broadcasting	\$ 41,199	\$ 39,825	\$ 145,764	\$141,638
Cable television	1,485	592	5,206	2,544
Publishing	35,894	36,590	138,512	133,179
Income from operations	78,578	77,007	289,482	277,361
Corporate G & A	3,330	2,403	11,981	9,849
Total	\$ 75,248	\$ 74,604	277,501	\$267,512

\$142,222,000 or \$10.87 per share from \$135,193,000 or \$10.40 per share on a revenue rise of 9 per cent to \$1,020,880,000 from \$939,722,000 a year earlier.

For the fourth quarter alone, net income was up 4 per cent to \$39,812,000 from \$38,179,000 on a revenue increase of 4.6 per cent to \$271,492,000 from \$259,509,000. Earnings per share rose 3 per cent to \$3.04 from \$2.94.

The broadcasting division of the company accounted for 50.4 per cent of operating income in 1985 (\$145,764,000) and 28.8 per cent of revenues (\$293,717,000).

When Frederick S. Pierce resigned as chairman

Wall Street is watching the new company carefully. Last November, Alan Gottesman, vice president at L. F. Rothschild Unterberg Towbin, predicted that, "there's going to be a management upheaval, one way or another. We don't even know what that company [Capital Cities/ABC] is going to look like."

Now, Gottesman says, "Things are a little more focused. Instead of three clicks out of focus, one-and-a-half clicks are out of focus.

"A lot of things," he continues, "have to do with reaction, rather than action—how people react to changes in working conditions, for instance. A lot of it is not foreseeable."

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Bravo (from page 39)

ed a penetration rate of 32 per cent, one of the highest among Bravo affiliates.

But how is Bravo succeeding in a genre where others like it have failed? The answer, according to Weisburg, is that some other culturally-oriented services produced programs that were too narrow in scope—and too costly. While some other services were paying \$300,000 to produce programs, Bravo was doing it in the early days for more like \$25,000, Weisberg maintains.

"We had a limited budget and we did what we thought was best for our subscribers in the acquisition of movies, performing arts and a few productions of our own. I think the other services produced marvelous programs, but theirs cost too much for the total numbers of subscribers they had," Weisberg explains.

In addition to offering an unduplicated first run-movie service, Bravo's other chief attraction is that charges affiliates a license fee lower than that of the other premium pay services. That permits the operator to offer the service at a lower cost, still allowing a substantial markup.

In addition to Bravo, Rainbow Programming Services distributes American Movie Classics (AMC), a service that features classic Hollywood films, the Playboy Channel, and four regional pay sports services. It offers Bravo at \$1.95 a month wholesale, \$3 a month when it's paired with AMC. Bravo generally retails for about \$4 or \$5 a month, while some operators charge as much as \$12.

Bravo is also talking about expanding to 24-hour service, which according to Weisberg, would make the channel more competitive. Bravo currently airs for about 12 hours on weekdays, and 13 hours on weekends.

Lustgarten was asked about the \$50 million settlement Rainbow reached with MGM/UA last year in a contract dispute between that studio and AMC. He said the money also benefitted Bravo indirectly, in that "resources were provided for it to accomplish other things and keep both services alive."

Marketing strategy

In order to increase subscriber growth, Bravo executives believe it's important to target cable operators. But some operators also point out that Rainbow could do a better job at marketing its service. Bob Reichmuth, vice president of marketing for Gill Cable TV of San Jose, Calif., describes Bravo as a "champagne service on a beer budget." He says Bravo gets into trouble when it gets caught up in packaging the service because he believes it's good

enough to stand alone.

Perhaps Bravo has taken the hint; it recently announced a quadrupling this year of its marketing budget (officials won't give numbers). Bravo will offer operators a series of promotional aids including bill stuffers, direct mail material, and on-air promotional tapes. The service plans more telemarketing efforts with affiliates to attract new subscribers, and will continue remarketing the service where it is already carried.

An example of Bravo's creative marketing came at a "theater night" last November in Lexington, Mass., during which the public was invited to a neighborhood theater to sample the Bravo product. A similar event will be offered soon by a Westchester County, N.Y., cable operator.

Such efforts seem to be working. Weisberg said Bravo doubled the number of subscribers this fall in the Clearwater, Fla., area after a similar remarketing campaign.

Churn rate

On the downside, Bravo's churn rate runs from 1 per cent to 10 per cent in a given month, officials say. Sehring attributes the disconnect rate to operators' pricing and packaging policies. "If they price us very high and put us in a \$40 or \$50 package, that can mean trouble. Our subscriber life is two-and-a-half years in systems that offer us a la carte. That's almost double what the industry average is."

Bravo prides itself on how it packages its films. They're shown in the original, uncut versions, often as part of film festivals arranged according to country, director and cinematographer. A recent long-form film to be shown was the late German director Rainer Werner Fassbinder's 15½-hour masterpiece epic, *Berlin Alexanderplatz*.

"The reason we present films in the long form is that we're offering something to the subscriber that he can't get elsewhere. Their response to *Berlin* was so successful, we decided to go out and acquire other films like that one," says Sehring.

Swedish film director Ingmar Bergman's final masterpiece, *Fanny and Alexander*, recently was shown complete as a two-part, 5½ hour miniseries, and *Das Boot*, a 5½ hour German film edited down for American theatrical release, was shown as a whole on Bravo.

This month, the tradition continues with Bravo's airing of a 16-hour German film, *Heimat*, said to be the longest movie ever made. The Bravo viewer, according to Sehring, wants restored, complete versions of original inten-

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#1 WJLA-TV
WASHINGTON, D.C.
Monday-Friday 4:00 PM^{SH}

WJLA	.. \$1,000,000	8.6	..23
WDVM	.. Hour Mag	..8.1	..21
WTTG	.. He-Man	..6.4	..16
WRC	.. Hart-Hart	..6.2	..16
WDCA	.. Gobots	..3.6	..9

CHANCE UP 28% OVER NOV 85!

\$1,000,000
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Now is the time to join the growing list of stations already scheduling "\$1,000,000" in their '86-'87 line-up!

LORIMAR-Telepictures

tions of the director and producer.

Sehring says the service will stick to formats that have worked in the past. Up to now, 55 per cent of the films shown have been English language product. But beginning this year, that percentage will be increased to 70 per cent, with much new English-spoken product from countries such as Great Britain, Australia, New Zealand and Canada.

Another area Bravo is pursuing is co-production of specials and documentary films. Most recently it presented Peter Rosen's award winning documentary *Toscanini: The Maestro*, which it helped co-produce. It also co-produced *Mr. Drums: Buddy Rich and His Band*, a taped "surround stereo" production. It also does a *Jazz Counterpoint* series, a regular program hosted by jazz great Billy Taylor that combines candid conversation and music. Such jazz musicians as Les McCann, Buddy Greco, Ramsey Lewis, John Lewis and Ellis Marsalis have been Taylor's guests.

Bravo will try to earn its investment back on co-productions by selling them to foreign markets, the Public Broadcasting Service, and home video.

Although the percentage of performing arts programs presented on Bravo has dropped, the quality hasn't suffered. Every month Bravo premieres a new dance program and a new opera, as well as an innovative theater program called *Hollywood Television Theatre*. The series, a collection of 10 plays, features an all-star line-up of Hollywood celebrities.

Some of these celebrities can be seen nightly on Bravo in their roles as on-air hosts. They include E.G. Marshall, diva Roberta Peters, Anne Jackson, Glenda Jackson, and journalist David Anson of *Newsweek*. A new contributor is director Martin Scorsese, who is serving as host for the seven-week festival of films by the director Michael Powell and screenwriter Emeric Pressburger, who collaborated on such well known films as *The Red Shoes* and *Black Narcissus*.

In celebration of its fifth anniversary in December, Bravo unveiled a new on-air look. A new channel opener using state-of-the-art animation techniques was created, along with new theme music, composed and arranged by Richard Fiocca.

As for the future, Bravo hopes to continue its steady growth, and to start actually making money before year's end. According to Rainbow president Lustgarten, "The day of the a la carte pay service is behind us. Bravo's future growth will result from cable operators increasing their basic rates, allowing greater value in their premium services." □

Local (from page 40)

vestment rather than gross rating points." Local advertisers, he emphasizes, are interested "in what rings the cash register, and they are realizing that the same rating points on one station do not necessarily sell the same products as the same rating points on another station." Adds Lyman: "One thing about dealings with clients—you get away from agency formulas such as cost-per-point. In the retail area, you're dealing with marketing concepts and how to create traffic. Newspaper buyers," he continues, "are used to buying special sections. Radio stations can sell special weekends, special features on the air, personalities. We're going back to selling events."

In fact, Lyman believes there can be a symbiotic relationship between promotions and advertising revenue.

"We do a lot of promotions," he says, "designed with a double-edge—to create both ratings and revenue." There was a time, he recalls, "when a program director would never consider a commercial in an audience promotion." Those days, he says, are over.

Cleveland's 'Daisy' promotion

A prototypical example of just such a project was mounted last spring by Cleveland radio stations, working through their local association, R.A.D.I.O. (Radio Advertising Development in Ohio). Higbee's, the market's leading department store, has an annual spring promotion called the "Daisy Sale." On the day last year's sale opened, there was a local radio station personality at each escalator passing out daisies. Because of this, recalls Dave Kelly, account executive for Malrite's WHK/WMMS(FM), the stations promoted the sale, the store advertised on the radio and the result was the biggest 'Daisy Sale' opening day in the store's history.

Prior to this, points out Gaye Ramstrom, WHK/WMMS general sales manager, Higbee had been a light radio user. Afterwards, she says, the market's other major department store, The May Co., "was starting to say, 'What about me?'"

Although the NBC Owned Radio Stations "try to avoid client-driven promotions," Bob Mounty, executive vice president of NBC Radio, says his stations do find "they're getting new advertisers for some of the higher priced feature material at premium prices." This, he says, is particularly true of sports presentations on NBC's AM outlets in New York, Chicago and San Francisco.

Even if an agency is involved on a

special sell of this type, Mounty adds, the deal is usually "client-dictated."

Retail business, he says, "is directly related to the economy. Retail has been more erratic than ever. It's more and more a part of our billing and less and less predictable."

At the CBS Owned AM Stations, Eugene Lothery, vice president, points out that WBBM Chicago has been successful at "pursuing long-term advertisers and laying them in for specialized advertising," such as weather, traffic and business news segments."

All of the CBS AM stations, he says, "have a desire to attract new advertisers—direct accounts, people who have not been in radio." Their efforts, he adds, "are beginning to pay off."

Product categories

While there is no overriding consensus among radio broadcasters as to local categories offering the greatest growth potential in 1986, banks and financial institutions are mentioned most often, followed by automobile dealers and medical-related advertisers such as hospitals, clinics and HMOs.

In Cleveland, WHK/WMMS' Ramstrom says the financial area had been soft, but "now we see a lot more interest from banks and savings & loans," and CBS' Lothery believes first quarter will benefit from "the big push on IRAs."

KDYL/KFSI's Craig Hanson says that at his older skewing stations (standard-MOR and beautiful music, respectively), "there is a lot of activity from smaller banks, savings & loans and other financial institutions because of deregulation."

Other active categories at the Salt Lake City stations are real estate, autos and hospital/health care.

Auto advertising, Hanson says, has been boosted by the development of dealer financing at "reasonable" levels, which, he says, has made the business "much more competitive."

"We're delighted with the response from the medical, hospital and health care advertisers," he continues, terming this a "tremendous growth area."

While local ad revenue projections for 1986 average around 10 per cent over '85, there are modest variations group-to-group, and market-to-market.

RKO's Lyman is the most bullish of those interviewed, estimating that local sales for his stations will be up 15 per cent. "A lot of that," he says, "is due to television fragmentation; and we're getting a better handle on how to sell retail."

At Park Communications, Bill Fowler, vice president, radio, believes local business will be up 8-12 per cent

in '86, boosted by political advertising. Last year, he acknowledges, "was not particularly good; we had some ratings problems."

Fowler is among those optimistic about auto dealer business, and he also believes it will be "a great year for home entertainment—stereos, VCRs, compact disks."

While Fowler describes himself as "pretty bullish on '86 for local-regional," he says he is "not bullish on national spot. I think national spot will be disastrous because there are several new mega-reps, and they are understaffed."

The ratio of local-national at Park stations, he says, has been running about 70-30 as a group, but this year he says it will be more like 80-20.

Group W's Maurer is "not looking for a banner year in '86. I don't think it will be a breakthrough year for advertising," but he feels local will be up 10-11

The three CBS AOR outlets, he says, "continue to grow. AOR is having a renaissance."

For the first nine months of 1985, local radio advertising revenues increased by 11.9 per cent over the comparable period of '84, according to the Radio Advertising Bureau's composite billing pool. Data for the RAB analysis is based on a composite of 56 markets, representing 35 per cent of the U.S. population.

Market growth

Some markets are benefitting from unusual competitive situations, resulting either from retail expansion or redirection.

In Atlanta, for instance, Don Carle, local sales manager of WPCH(FM), points out that the name change of Davison's department store to Macy's (it had always been owned by R.H.

Last year, according to NBC's Bob Mouty, "wound up quite good." However, "it tapered off in December and has not yet picked up. I'm still confident and am looking for a normal growth year—maybe up 8-10 per cent. We're starting to see encouraging signs for the second half of the first quarter."

per cent. "Retail," he says, "is where we're going to see the local growth."

Last year "wound up quite good," according to NBC's Mouty. However, "it tapered off in December and has not yet picked up. I'm still confident and am looking for a normal growth year—maybe up 8-10 per cent. We're starting to see encouraging signs for the second half of the first quarter." One problem in forecasting, Mouty says, is that "everything is so close to the start date. The pre-buying cycle gets shorter and shorter."

CBS' Lothery describes the first quarter as "pretty good overall." The West Coast, he says, is "soft; the Midwest is very strong; and the East is a little soft."

At the CBS Owned FM Stations, Bob Hyland, vice president, says the first quarter has been "typically slow, but February and March look better."

CBS now has five CHR stations, and Hyland says the company is "in the process of modifying the format to broaden the demo base, to make it a little more adult."

Macy) has heightened competition between that store and perennial market leader, Rich's.

KMEZ's Frisch says the Dallas-Ft. Worth market has benefited from "a lot of chain money," due to both expansion within the market and from other parts of Texas. Things look "very positive going into '86," he says, "because of the tremendous growth going on in Dallas."

Gaye Ramstrom at WHK/WMMs acknowledges that her projection of a 5-6 per cent gain over 1985 is "a little bit conservative because we surpassed expectations in '85." Last year, she adds, national "did very well, but this year local seems to be coming in faster—it's off to a good start."

Despite all the progress radio stations believe they have made in luring retail business to the medium, RKO's Lyman reminds his fellow broadcasters just how much work remains to be done.

"The Washington Post," he says, "outbills all radio and television stations [in the market] combined." □

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#1

KCNC-TV
DENVER

Monday-Friday 3:30 PM

Station	Rating	Share
KCNC	6.7	.21
KUSA	5.9	.19
KWGN	5.7	.18
KMGH	4.6	.15
KOVR	3.6	.12

CHANCE UP 24% OVER NOV 85!

Source: ARB

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People meter (from page 35)

Meanwhile, Dimling believes a national telephone coincidental to be completed in the spring will provide some answers. He's also looking for some input from an independent study by CONTAM (Committee on Network Television Audience Measurement).

Although Nielsen had received no answer on this from CONTAM, George Hooper, CONTAM chairman and vice president, audience research at NBC, says it is likely the organization will do a study involving both HUT (house-

holds using television) and PUT (people using television) levels by such demographics as age and sex. He says the tentative plan is for Statistical Research Inc. (SRI) to start the study next spring with a random-digit-dial sample of the U.S. population.

Hooper says the first phase would be in May, involving daytime (10 a.m.-4 p.m., EST) Monday-Friday viewing, using a sample of 6,000. The second phase would cover primetime in July with a sample of 4,000 (a lower sample needed because of the higher viewing level of that daypart).

The study will be "trying to find out if people push buttons when they watch TV" by comparing the telephone coincidental data with that from the Nielsen people meter. The survey will ask both whether the set is on and who's watching. One concern, Hooper says, is that "There appears to be a slight upscale in the people meter sample. Perhaps this is because, when you say you're going to put something on the coffee table and that it requires use of an active recording instrument, it's going to affect cooperation."

The cost of the study, Hooper says, will be "well into six figures." He says CONTAM has not determined at this time whether to also do tests against AGB.

Meanwhile, Dimling contends that the signing with AGB by Y&R and BBDO does not indicate they're unhappy with Nielsen. He notes Nielsen's proposal for a three-year renewal went out to the agencies at the end of November and that most of the top 20 agencies have signed. He notes Nielsen had reviewed its pricing to agencies and now has a reduced price based on a fixed charge and the number of network minutes an agency buys. The contracts, he adds, figure in the economy of eliminating the NAC diary.

With the people meter slated to emerge during the term of contracts, clients can get out of them if they don't like the change. But Dimling observes, "I don't think they would be signing if Nielsen were not developing a people meter. In effect their signing is a vote of confidence." He says he has been asked by clients whether the pricing would have changed if AGB "went away," and he reports the answer has been negative: "Our research has shown there are three things that agencies wanted: larger sample sizes, lower prices and a people meter."

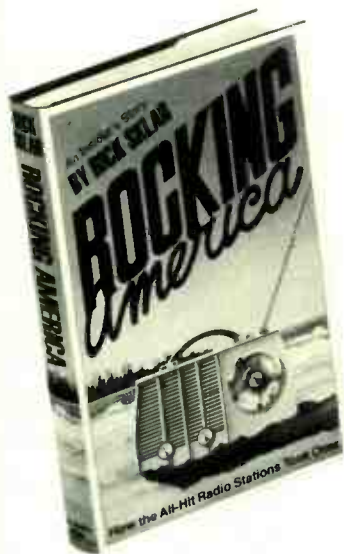
VCR playback measurement

Dimling notes there has been interest in including measurement of VCR playback of off-air recordings and that there are three approaches that Nielsen could take. One would be to read AMOL (Automated Measurement of Lineups) codes put into the programs by the networks as part of a separate Nielsen service. This, though, would not cover non-network programs. Another approach would be to code the tape in the household with relatively small equipment. The final approach would use Nielsen's Monitor-Plus approach to recognize programs on a pattern recognition basis through digital encoding (see following story on commercials monitoring).

Dimling says the first two approaches have been tested in households and

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"We'll probably ride both horses for awhile, but I think Nielsen will improve to measure up to AGB, and I think only one service will survive."



Fred Posner
Senior vice president
N W Ayer

shown to be in working order, while Monitor-Plus is already a known commodity—although particularly expensive to install.

"We have to determine whether the information we get is worth the expense," he holds. "It's a matter of how much impact there really is on viewing. We assume we'll be invited by ARF (Advertising Research Foundation) to do a pilot study to get a feel for how much is played back and when. Is the audience any different from those who watch the program off-air? Is there more or less watching than in off-air? Also we have to decide how long after a broadcast we can credit the viewing? How do we reflect delayed viewing in the overnights and the pocket piece? If playback is three weeks later, can we credit it into another episode of the same series?"

Asked whether he feels that more than one people meter can survive, Dimling states, "A lot of people believe that's not likely to happen. I don't know if the agencies can support two; they pay substantially more for national service than local. I know the networks don't want to."

Meanwhile Nielsen was expected by the end of this month to sign the final agreement with BBM in Canada to implement the people meter there. It won out over AGB, ScanCanada (which would have been operated by Arbitron and its supplying equipment inventor, PEAC, a Canadian firm) and French company SECODIP, which was eliminated in the first round.

Kenneth Mogensen, manager of the Nielsen Media Research Group's management staff, says the agreement calls for a sample of 260 homes in Toronto nine months after signing. After a four month test there, another 190 homes are to be added for a total of 450, then 450 in Montreal six months later and a national sample of 1,800 six months af-

ter that. The final stage would be 450 homes in Vancouver for local measurement, including the 250 that already would have been in the national sample.

The contract, Mogensen reports, essentially runs for 6½ years, being a five-year contract with both parties required to give termination notice of an additional year-and-a-half. He says the service is "priced as we would normally price our projects," except that there are certain economies in the Canadian situation. For one thing, the cost of sales is cut out by selling to one entity, BBM—which is supported by agencies, advertisers, networks, station owners and syndicators. Also, BBM calls for only weekly and monthly reports, with dailies considered an option for an added fee.

Ken Purdye, BBM vice president, states there were three excellent submissions, with the French firm being dropped out early because of no experience with people meters. "The essential reason we picked Nielsen," he reports, "is that it has North American experience in dealing with network television. It had knowledge of things that perhaps don't take place in Europe, like cable substitution and the whole networking concept. When we looked at cost and technical expertise, all three were in the same ballpark."

ScanAmerica's plans

Speaking of the competition for the Canadian business, Rick Aurichio, president and chief operating officer of Arbitron as well as chairman of the ScanAmerica board, asserts, "It seems like we won everything but the business."

ScanAmerica has had 200 households installed in Denver as of last November 30 and, if the pilot study continues as planned, expects to increase

\$1,000,000 GROWTH

Since its debut, in overnight market after market, the power of "\$1,000,000" is improving time period delivery and beating its lead-in!

WBZ-TV BOSTON
Monday-Friday 3:30 PM
— VS. TIME PERIOD DELIVERY ^{HH SH} 11
NOV 85 ... Santa Barbara 7
% Increase: .. + 57%
— VS. LEAD-IN ^{HH SH} 9
3:00PM ... Wheel 11
3:30PM ... \$1,000,000 11
% Increase: .. + 22%

Source: ARB

THE \$1,000,000 CHANCE OF A LIFETIME

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“When the dust settles a few years down the road, there will probably be only one survivor. Competition assures better research and better pricing.”



Joe Ostrow
*Executive vice president
Young & Rubicam*

the size of the sample to 600 households next January and make the local market syndicated service available to stations, agencies and advertisers in the area.

A national syndicated service with a sample of 5,000 homes is targeted for 1989, with 10,000 households to be installed by August 1990. Aurichio says the earlier AGB and Nielsen timetables will not push his operation beyond prudent speed: “If it’s possible to do this any earlier, we are going to, but we’ve laid out a plan we can live with. It’s the same as when we announced in 1980 that we would meter 11 markets. We completed this on schedule in 1983. The only way we’ll do something faster is if we can do it with the same quality.”

Aurichio says the UPC scanner is not the only unique factor of the ScanAmerica service, noting that his service is also the only one using the on-screen prompter.

Meanwhile, various interested parties in the industry contend ScanAmerica has a long way to go in proving out representative utilization of the UPC wand by panel members and the fact that it won’t lessen overall cooperation rates.

Aurichio says it has been determined so far that the wand is being used an average 2½ days a week and that an average of 65 per cent of all purchases recorded are coming out of major supermarket chains as opposed to independent markets, smaller chains and convenience stores.

He says it’s not yet determined, though, what percentage of purchases are actually recorded, but results of a validation test conducted in December—the first wave of the study—are expected to be ready by late March or early April. This test will concern itself both with viewing and the use of the wand, he says.

Aurichio notes it would be easy enough to code a tape for measurement

of VCR playback. Although SAMI’s proposed Telecount system could be used for this purpose, he notes, it probably would be prohibitively expensive for the application. The participation of SAMI, a subsidiary of Time Inc., would make the service particularly useful for marketing researchers, he notes.

With SAMI tracking movement of product from wholesale to retail, “we can track the product all the way from the advertiser to the consumer.”

Aurichio concedes he can see ScanAmerica making its greatest headway with advertisers initially, but long-term, “I’m not so sure there isn’t room for two services. Way out in time, it might narrow down to one.”

Network attitudes

There would have to be some strong reasons to support more than one service, according to the network research heads. And, whether or not it means anything over the long haul, CBS appears closest to going along with AGB. David Poltrack, vice president of re-

search for CBS/Broadcast Group, says, “We originally told AGB to come back and see us when they had succeeded in signing enough agencies to represent 30 per cent of network billing.” As noted, the two agencies signed represent about 15 per cent.

“Our idea,” says Poltrack, “was that, when they reached that 30 per cent, we would be interested in a short-term commitment during which there would probably be an overlap with Nielsen. We would be willing during a development period to contribute to both services, assuming the other networks and perhaps other parties also contributed.

“But we do not contemplate supporting both over the long term. What we want is the best system, and we think that a competitive environment is what will produce that best system. But once that best system is produced, whether it’s AGB, Nielsen or ScanAmerica—which will probably get a boost now that SAMI is working with Arbitron and Burke on it—we plan to support that one system unless, in the course of developing the best system, two of the three come up with a system that generates so much useful marketing information that they are able to broaden their base of support.” This broadening, he notes, could include more major advertisers as well as cable interests. He adds, though, that if the money required to support two services were concentrated on just one, it would be able to afford a much larger sample.

At NBC, Hooper is less impressed with AGB’s signing of the two agencies: “At the moment, it has no particular business significance. They’re not installing until 1987, and what we still want to find out is which is the better methodology.”

But he’s not so sure that the network could restrict itself to one service: “If, for example, we can’t get a nickel out of Y&R without AGB data, you can be

“Our position is that, when a system is up and running, we will then evaluate it and decide. We have no intention of putting a company into business.”



Sam Sotiriou
*Senior vice president
Dancer Fitzgerald Sample*

sure our sales department is going to have some input." As for ScanAmerica, he concludes, "ScanAmerica hasn't really said it's in the national people meter business. They're in the product usage business, and we don't accept yet that they have a good sample for national measurement. And if people have to use the scanners, it qualifies the sample a great deal."

Bill Rubens, vice president, research for NBC, adds that he is not yet satisfied with what some research companies are calling people meters. He says a true people meter would have to be a completely passive device that would not require human cooperation in pushing buttons or any other activity and therefore would not be subject to human error.

At ABC, Mord comments on the two agencies' commitments to AGB, "I'd feel more optimistic about their decisions if I were advised they were based on a substantial financial commitment. Both seem to be feeling strongly about the value of the people meter, but they have not cancelled Nielsen. I hope this is not just a ploy to get Nielsen moving. It's not an insignificant commitment, but it's still less than what they would ordinarily pay for a rating service in that, to some extent, is paid for by whatever discounts Nielsen is offering."

Mord sees the survival of more than one people meter service as unlikely: "Once the right people meter system is developed, I think it eventually will be the form used—unless something comes along later with a more passive viewing environment." He's concerned with the problems inherent in a viewer operating three remote controls—for the set, the VCR and the people meter. He can envision the viewer mistakenly indicating a new viewer coming into the room while meaning to change a channel, for example.

As for the market narrowing down to one service, he says, "It's fine to use services like Simmons and MRI as guidance to evaluate target audiences for our advertisers—but not as decision-making tools. The strength of buying one system is that we can have one tool that we all agree upon."

Agency support

Aside from being a prod to Nielsen, says BBDO's Singer, the presence of AGB will also result in technological improvements like VCR fingerprinting. He adds, "Either AGB will be the first in the marketplace or it will encourage Nielsen to get there. Nielsen had been testing the people meter at a very slow rate."

The only way Singer can see a second

"AGB's strength" says JWT's Richard Kostyra, "is its aggressiveness and its anxiousness to get into the marketplace."

service surviving is for one to have unique characteristics to differentiate it or for clients to line up on different sides of the fence. He adds, "ScanAmerica is not offering anything now, and we have some reservations about it. It places a lot of demand on the respondent."

At Y&R, Ostrow notes that competition will result in an improved product and that he is still waiting to see more proof of performance from Nielsen.

At N W Ayer, Fred Posner, senior vice president and executive director of marketing planning and research, indicates a strong chance his agency will also make a commitment to AGB: "We are interested in AGB because it has the wherewithal, and you can't have an undercapitalized organization doing it. They've done enough methodological studies to show that the people meter gets closer to the actual audience. But it's still not a nirvana because it's not a passive system and can't guarantee who's in the room."

"We'll probably ride both horses for awhile, but I think Nielsen will improve to measure up to AGB, and I think only one service will survive. It could be three to five years before it shakes out—after both improve their services and we can see how easy each company is to deal with."

"ScanAmerica has the advantage of covering mass merchandising, but there is the problem that people are going to forget to go through everything in their shopping bag at home. I think the three companies, though, have done reasonably well in showing the merits of their services."

Says Sam Sotiriou, senior vice president and media director at Dancer Fitzgerald Sample, "I certainly believe that, because two major agencies are willing to support AGB, that it gives them a certain credibility that they didn't have before that. Our position is that, when a system is up and running, we will then evaluate it and decide. We have no intention of putting a company into business."

Sotiriou is concerned that AGB's Boston experience is too far from the

\$1,000,000 GROWTH

Since its debut, in overnight market after market, the power of "\$1,000,000" is improving time period delivery and beating its lead-in!

KXAS-TV

DALLAS

Monday-Friday 2:30 PM

— VS. TIME PERIOD DELIVERY —		HH SH
NOV 85	\$1,000,000	16
	Sale-Century	14
	% Increase:	+ 14%
— VS. LEAD-IN —		HH SH
2:00PM	Another Wld.	10
2:30PM	\$1,000,000	16
	% Increase:	+ 60%

Source: ARB

\$1,000,000

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realities of a national service: "It's tough to know if, with their experience in a single market, that they're aware of all the boobytraps in a national rollout."

He observes that information he has received on the dropout rates for the Nielsen people meter show that the dropouts are heavily blue collar. He says he has seen no such information from AGB, noting this could be an example of the type of problem it hasn't encountered in Boston."

He says he could see the industry in general supporting more than one service if the methodologies were significantly different, giving Simmons and MRI for magazines as an example. But he adds that his agency in particular just uses Simmons for magazines and would support only one people meter service: "The networks would have to bear the brunt of the economic support."

No stampede

Richard Kostyra, senior vice president, media director at J. Walter Thompson, says he doesn't believe AGB's initial success will stampede other agencies into signing: "What it shows is that these agencies are very

anxious to get people information. It's a strong statement to Nielsen as well as it is signing with AGB. If they can get things moving more quickly by supporting AGB, the agencies will do that."

Kostyra says JWT is supporting AGB in the Boston test but expects to make no immediate decision on a national service. He asserts, "AGB's strength is its aggressiveness and its anxiousness to get into the marketplace. Nielsen is in the marketplace and has data that has been used and accepted by agencies. It's here now. As long as Nielsen can come up with proper people data quickly, we feel we'll be leaning toward them."

In terms of ScanAmerica's prospects, he says, "Agencies and networks can only support one system; it's hard enough to even consider two. I think two services could go a few years before a shakeout, and two would continue only if there is a major split between agencies in their support."

"I can understand the networks' absolute resistance to supporting two systems in their current economic environment. And I don't see them splitting on systems. I think they would have to take a stand that calls for only one service." □

Monitoring (from page 37)

doing all along. "They'll look a lot like BAR if they do what they say they'll do." Grady also feels that Nielsen doesn't realize the magnitude of the task. But Nielsen is confident they can pull it off. Buckley says the monitoring in three markets is not a test; Nielsen feels the basic technique has been proven.

The Telecount connection

Meanwhile, what about Telecount? While little is known about its state of development, it is clear that it is only one aspect of the "major and sophisticated" marketing information data base to be set up via the proposed joint venture of Arbitron and SAMI. Also included in the venture is Burke Marketing Services, which SAMI would buy from key Burke executives, who would sell their majority stock holdings, and from Control Data Corp., Arbitron's parent, which holds a minority stock position. Under the letter of intent setting up the joint venture company, SAMI would own 100 per cent of Burke stock.

The joint venture would operate and expand ScanAmerica, the third entry in the people meter sweepstakes (see lead story in this issue). As explained in the press release announcing the joint venture, "With the addition of Telecount's resources, ScanAmerica will be able to track both the clearance and viewing of commercials, correlated with actual product purchases." The latter is a reference to the "wand" on the ScanAmerica people meter which reads bar (UPC) codes on products bought by families in the ScanAmerica sample.

But Arbitron president A.J. "Rick" Aurichio indicated his company's primary interest in the Telecount technology is in station lineup information and program titles, both related to Arbitron's syndicated audience measurement function. Thus, Telecount could be used to do the same job as Nielsen's AMOL (see *Tele-Scope* in this issue), though Lert says using CPR in 200-plus markets for automated measurement of lineups would be too expensive.

Another aspect of pattern recognition is that, in connection with tracking VCR playback of off-the-air recordings, measuring the length of a program could indicate whether zapping took place. As for monitoring commercials, Aurichio's comment is that, "We may get into the monitoring business."

While there are three "non-passive" commercials monitoring services—that is, services which require commercials to be encoded before airing—seeking a piece of the action, they

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are only indirectly competitive to Monitor-Plus and BAR. They could not provide a wide-ranging syndicated service if advertisers and agencies will not cooperate in encoding commercials, and there are bound to be many who will not go along. But they could get business from clients who are primarily interested in checking their own (and competitive) commercials.

Ad Audit, whose intention was (and is) to blanket the U.S. with their TV commercials monitoring—covering every station in every market full-time—was supposed to be running nationwide last July. Ad Audit president Paul Wilson explained: "We didn't make it because there was a little stop at the FCC that delayed everybody." He was referring to the requirement for an FCC okay to add commercials encoding to the TV signal. Both Ad Audit and TeleScan got that approval last July. It enables them to use line 22 of the TV signal to carry their codes.

Wilson makes the point that Ad Audit is monitoring in more markets than anyone else preparing a fullscale national service, which means he must be in at least four markets. He names four markets he is in currently—Los Angeles, Washington, Quad Cities and Pittsburgh—and says he'll soon be in Portland, Ore. Next, he says, he's planning to enter Chicago, San Francisco, San Diego, Philadelphia and, maybe, Seattle; he has interested clients in all these markets, he maintains. As for his current clients, he won't name names but says they include package goods companies, government and financial institutions and even "a large church." His reluctance to name clients by name, he says, reflects his plan of initially providing confidential data.

Ad Audit uses JSL Video Services, New York, and Interface Video, Washington, for encoding commercials. The encoding fee is \$60 per commercial and monitoring fees are estimated to average \$1 per spot play per market.

Still to be finally resolved is the question of stations carrying the codes on line 22. "Line 22 is not in the vertical blanking interval; it's part of the picture area, so it belongs to the client," Wilson maintains. While line 22 is in the picture area, it cannot be seen by the viewer because of the frame around the picture tube, he adds. However, there is still some question about whether line 22 is in the VBI and whether stations are barred from having any control over it.

FCC approval of encoding by Ad Audit and TeleScan, Wilson recalls, was brought about despite stiff opposition and a negative position by the Commission staff. It was opposed by the networks, the National Association of

Broadcasters and the Association of Maximum Service Telecasters. But Ad Audit, which includes Hallmark among its investors, mounted a strong behind-the-scenes lobbying effort to get Commission approval, according to Wilson. At one point, he says, there were three lobbyists working on the problem.

The other TV commercials monitoring service, TeleScan, kicked off a test in New York last October (see TV/RADIO AGE, *Spot Report*, October 28, 1985), bolstered by a new board chairman, E. William Henry, who was chairman of the FCC from 1963 to 1966, an appointee of President Kennedy.

Commercials producer Burton L. Greenberg, who is president of the company, reported early in February that TeleScan was picking up 20 to 25 commercials a day from five New York stations and estimated that by the end of the month, it would be picking up about 100 a day. He said the system is programmed to accept 60 commercials an hour. TeleScan is also using JSL for encoding commercials.

The TeleScan president says he'll have two other markets online by the second quarter—Houston and Miami—about 25 by the end of the year and 50 by the middle of next year. Unlike Ad Audit, TeleScan is not planning to monitor all markets.

Greenberg named 10 clients TeleScan is working with in the current test: AT&T, Wrigley, Richardson-Vicks, International Playtex, Lipton, Nabisco, Ralston Purina, Quaker Oats, 7-Up and Pathmark supermarkets.

Audicom's audio signal

Audicom differs from the Ad Audit and TeleScan technologies in that the encoding is done on sound tracks of audio or video tapes, video discs, records or film. The signal which is transmitted is said to be inaudible to the listener or viewer.

Audicom was introduced in September, 1983, by the company's founder and president, Robert P. Engelke, but the company was beset by a number of problems, mainly, it is said, in the financial and marketing areas. Engelke, who had, before the '83 debut, been trying to launch a monitoring service since the early '70s with the Audicom technology, was removed from the presidency last year and replaced by William Bihle, president of Bihle Applied Research, Hicksville, N.Y., but the company is apparently being run currently by Frances Fogarty, secretary-treasurer of the corporation, who said the company is being reorganized.

Nevertheless, she expects to put on a demonstration by April 1 on two radio outlets and one TV station. □

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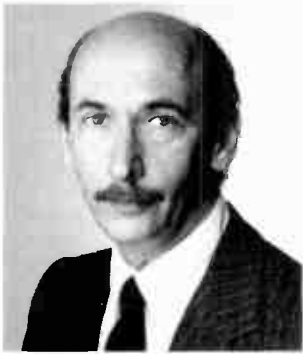
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In the Picture

Roy Grace



Veteran DDB creative star starts own agency and bucks the trend to concentration on agency growth by getting back to concentration on the client's growth "by making advertising that grabs viewers by their eyeballs" instead of "being part of management, presenting advertising that other people had the fun of making."

Roy Grace, Diane Rothschild leave Doyle Dane Bernbach to form own ad agencies

Being part of top management may not always be as big a deal as it might seem to those being managed. At least it's not to Roy Grace, who would prefer to get back to actual art direction than keep managing.

That, says Grace, is one of the reasons he and Diane Rothschild are leaving Doyle Dane Bernbach after 21 years for Grace, and 19 for Rothschild, to start their own agency, Grace and Rothschild on February 18.

Grace, who had been chairman of the board/executive creative director of Doyle Dane Bernbach U.S. and vice chairman of the agency's parent company, The Doyle Dane Bernbach Group (Rothschild, basically a copywriter, had been executive vice president/creative director of DDB/New York) wants to get his eye back on the ball—his ball of creative quality, he says, and then the new agency's bottom line should take care of itself "because the client's bottom line will look better and he'll stick with you."

Asked about reports that the rest of DDB management was caught by surprise by the exit of two of its top creative stars, Grace says, "That's why Diane and I are starting with no clients. It would have been unethical—maybe even illegal—to pitch any of Doyle Dane's clients, considering that both of us were members of Doyle Dane management. And we've been too busy finishing up our work for Doyle Dane's clients to go after other agencies' clients. But after February 18 they'll be fair game."

Limited client list

But Grace intends to limit G&R to only 10 clients, and not just any 10 clients: "We want them to be companies who look at advertising as an investment on which they expect to earn a return in terms of sales increases—not the way they look at the landscaping around their headquarters building—something that's okay, so long as it just looks good."

And Grace and Rothschild don't want to "spread ourselves too thin. That's why, going in, we mean it

when we say we're limiting ourselves to 10 clients. But that doesn't mean we intend to be a small agency. We want each of the 10 to be an important client. It also means we'll avoid the kind of retail account with hundreds of franchisees, or that requires coordination of a lot of co-op dollars and all the record keeping and manpower and computer power that takes."

He adds that it also means staying away from "all the people who are going to come to us with new products. New product launches are still very risky propositions, in spite of these high-tech computer models they put new products through now before they get into actual test markets. There are still too many new product failures."

Coming from top management at DDB, Grace also has this to say about big agencies: "The trend at the giants is to too much concentration on getting even bigger—more acquisitions and mergers. Big agencies think they have to keep getting bigger and bigger, with offices from London to Timbuktu. We're going against the trend because we want to spend our time concentrating on making quality advertising instead of spending it in meetings presenting what other people have had the fun of making. We've talked to enough advertisers to know they want more attention. They want the same people they saw at the new business pitch to keep working on their account."

Nobody sells a client

Asked about selling an idea to a client, Grace says, "You can't just let the story board speak for itself. I don't think anybody sells a client anything. He buys it—if you've been articulate enough to help him understand the thinking that went into the idea that the commercial is going to bring to life."

And what about the risk of running an entirely new agency? "To us," says Grace, "the greater risk is being a client who spends a lot of money to run dull advertising that gets lost in the clutter. We want to cut that risk by making sure the advertising we make for our 10 clients will never be dull. It has to be advertising that grabs the viewers and readers by their eye balls and keeps their attention, through to the last second. The guarantee of success, both for our new clients and for us, is our credentials."

Between them, Grace and Rothschild have piled up 15 Effies ("based on marketing effectiveness," notes Grace), plus 30 first-place Clios, five Cannes Gold Lions, a dozen One Show Gold and Silver awards, and 20 Art Director's Club medals. And four of the 17 Classic Commercials enshrined at the Museum of Modern Art are Grace-directed spots. These are *Gorilla*, for American Tourister luggage; *Spicy Meatballs* for Alka-Seltzer; and *Funeral* and *Mr. Jones* and *Mr. Krempler* for Volkswagen.

Grace says he considers himself "a writer as well as art director. And I've been lucky enough to work with writers who think like artists, too, and who have been able to generate ideas for the art work or film treatment. Most writers are good listeners who keep an open mind and know that good ideas can come from anybody—even your mother."

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Inside the FCC

Religious broadcasters concerned with many 'bottom-line' issues

While much of the attention at this year's National Religious Broadcasters Convention (NRB) was focused on their own media stars, the well-attended workshops during the three-day conclave showed conclusively that owners and operators of commercial religious broadcasters share the same concerns as their sectarian brethren, often with an added twist.

They worry about the best way to receive and control programming, they are concerned with increasing sales of commercial time, they are in a dither about music licensing, and they are interested in picking up a few extra bucks. Their conversation may be sprinkled with fatalism, as in ascribing events to "the will of God," but as broadcasters they are very much concerned with "the bottom line."

At a session to update attendees on satellite technology, broadcasters were advised to begin thinking about satellite delivery, for "most of your programming sources in the next five years will come by satellite." In many stations, that will mean converting the resident engineer who is afraid of the new technology, says Jim Stark, president of Stark and Associates, an Atlanta consulting firm.

Robert Johnson, chairman of Dominion Video Satellite, says his company's market research discloses a potential reach for religious programming at 31 million households, yet programmers find it "almost impossible to buy primetime to reach those people who have a predisposition to the programming being offered by the religious broadcasters." Where there is primetime religion, he adds, it is due either to positioning by technological pioneers in the business or to the ownership of broadcasting outlets.

Satellite delivery

To reach a greater audience in primetime, Johnson says, religious programmers must consider satellite delivery. He offered his company's technology as the way to go. Hughes Aircraft is building two high-power DBS satellites for Johnson, he adds, and when it is implemented next year, he expects to have several transponders devoted to religious broadcasting. In addition, high-power DBS will have the capability of transmitting data, stereo audio or any other material that is now confined to cable distribution.

Stark suggests, however, that religious broadcasters face a great deal of trouble in deciding what receiving system to install, since their programming arrives by a variety of sources. C-band is susceptible to microwave interference, he reminded his audience, and the Ku-band is an attractive and growing alternative. Each choice is dependent on the site picked for the earth station, he says.

Johnson foresees great benefits to DBS program deliverers in the current move to scramble signals, although he adds that it is yet to be seen how much the scrambling will slow the growth of purchases of home receivers. Dominion is marketing its own system through its subsidiary, Satellite Home Systems, Johnson says. And he expects high-power DBS, which enables the use of smaller dishes, to help resolve the current debate over zoning rules against home large receivers.

"The evangelical Christian community in America is one of the largest narrowcast markets, or special interest groups," Johnson says, and other DBS operations are failing to reach their potential because they are attempting to broadcast. "I think high-power DBS will evolve as an independent video and audio service because of narrowcasting, not broadcasting," he says. Religious viewers comprise one of many underserved interests in the United States today, he adds.

Music licensing

Another well-attended workshop heard outcries from religious broadcasters over the current state of music licensing. Although the NRB recently negotiated a new contract with BMI giving stations favorable treatment over the next two years, station operators still complained about their having to finance what to them is unacceptable music beamed to the secular world.

Under ASCAP and other arrangements, religious stations are required to pay the same royalties as a commercial station that plays acid rock and music with lyrics against which religious leaders rail. The BMI contract allows religious broadcasters to break down the contract into blocks of quarter-hour segments.

Tom Harvey Moffit, president of WCVH Chester, Pa., and WTLN Apopka, Fla., who helped negotiate the BMI contract, told broadcasters that the new contract allows them to "pay BMI for music we use in a block, but we're not required to pay" for objectionable music on programs that they do not use and for aired programs that include no music.

Although the third year of the contract reverts to the old blanket licensing system, Moffit notes, clauses allow renegotiation before that point is reached. "With this contract we have the opportunity to air programs without BMI music and not have to pay for it," Moffit says. "It does give us protection against the extortion of a fee for programs that air no music."

He adds that many religious broadcasters use music that is in the public domain or air only talk shows, and yet have to pay about 4 per cent of their revenues for music royalties, including royalties for music they find objectionable. ASCAP, the larger music licensing agency (BMI claims about 10 per cent of the music licenses) has given no indication it is willing to sign a similar contract with the NRB, he says.

Ed Atsinger, president of Salem Broadcasting Services, says one station in San Francisco is so non-music that "it doesn't even have a turntable in the build-

ding," but it still has to pay music royalties.

Although television stations are pushing for new legislation in Congress to redraw the music licensing arrangement, David Leibowitz of Wiley and Rein law firm in Washington, a negotiator for the NRB, says the association is not interested in that route for religious radio stations, which have their own unique music problems.

Noting that Congress already is considering a music licensing agreement involving syndicated commercial television programs, Leibowitz says, "That proposal would require the program supplier to include the music public performance rights in the license agreement it has with the broadcaster and relieve the broadcaster of the responsibility of having to acquire those rights separately from the performing rights society."

Religious radio broadcasters might not be interested in becoming a part of the bill because it "does not relieve anybody of their copyright obligations," he adds, and suggests they probably would be better off with the type of relief acquired from BMI. If ASCAP negotiations prove fruitless, he says, the NRB might go to Congress to seek relief from copyright responsibility entirely, using as a vehicle a section of the 1976 Copyright Act. As for dealing with ASCAP to get a similar contract, Leibowitz says the NRB made a proposal eight months ago and has not heard from the licensing group. He also notes that an old consent decree that ASCAP entered into with the Justice Department because of antitrust problems requires ASCAP to negotiate in good faith. "Perhaps we may bring that to the attention of Justice Department," Leibowitz says.

Rate setting action

Aside from the legislative and a separate ASCAP route, the broadcasters also may want to consider seeking rate-setting action in the courts, Leibowitz adds. But, he notes, "that process can be very lengthy and very expensive. We would prefer to negotiate a fair resolution of the matter with ASCAP."

Atsinger cautions that complying with the BMI contract, which allows reporting by quarter-hour blocks, involves more paperwork than is involved in dealing with larger blocks, but it could save religious stations a lot of money. He adds that stations that are talk-oriented probably could eliminate BMI music if they don't want the added paperwork because BMI has only 10 per cent of licensed music. But under the contract, he says, a station probably could eliminate from royalty payments to 70 per cent of its programs that use no copyrighted music.

Tim Russell, general sales manager for the Christian Broadcasting Network station in Portsmouth, Va., WYAH-TV, outlined at another workshop many techniques that religious commercial stations can use to build sales. Although his tips are aimed primarily at commercial sales, he also suggests that a station can

lease unused space on its tower for other signals.

One of the problems religious broadcasters run into, Russell says, is that most imported sports programs rely heavily on beer commercials, a product that most religious stations will not allow on the air. "So you have to produce your own," he advises, citing his station's own programming of local sports teams, a visiting circus or an ice show. Circuses and ice shows, he notes, often will allow 100 per cent revenues for the religious station because the station is being singled out by the entertainers for its exclusive appeal to children and families.

Religious stations also can attract national advertisers, Russell adds, by programming children's shows. Cereal makers and other companies interested in reaching an audience of children are interested, he says, because "they are not buying ratings, they are buying time."

Per-inquiries also can generate a lot of revenue for a religious station, he says, and so, too, can direct response advertising aimed at Christians. One significant direct response campaign on his station is a commercial for the New Testament on tape, Russell says, adding that under barter and other arrangements, stations often can generate a lot of extra revenue.

Russell warns his colleagues away from issues programming, which he says often can include subject matter that will require the religious station to give equal time to a view that it does not want to air. A prime example, he says, is the abortion issue.

Programming clout

Another workshop, on film financing, disclosed a great deal of interest by religious broadcasters forming a consortium to use their collective clout against program producers who they say now control what is available for public viewing.

The workshop aired complaints about stations having to take what the producers offer. Dave Oseland, program director of WCFC-TV Chicago says, "Now we are our own little entity where we are blown over so easily." As a consortium, he says, religious broadcasters could demand high-quality, acceptable shows.

Others suggested that such a consortium produce its own programming, but producers in the audience argued that such an idea would require far greater funds than such a consortium could raise. A one-hour feature film of quality would cost \$600,000 to \$800,000, one noted, adding that station-members would not be likely to want to put all their resources into one film. What is needed, they said, is a strategy for producing 50 good films.

George Vandeman, an evangelical preacher, exhorted religious broadcasters at another workshop to look into the potential for a broadcasting sideline selling video teaching tapes. He suggests there is a great need among physicians, for example, for tapes they can show to grieving relatives on catastrophic health issues. There also is a potential for tapes delivering messages against smoking and offering guidelines on weight reduction, he says.

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