

media analyst Tom Wolzien. "Something's got to give, and that will be profits."

MANAGING CHANGE

"I don't worry about the other networks from a competitive-ratings perspective as how much they're willing to pay for programming," said Siegel.

The big question is how to reinvent a mature network within that cost structure. The most aggressive is TNN. For years, joint owner Gaylord Entertainment and Westinghouse simply milked it for cash, balking at spending much on programming other than *The Waltons* and *The Real McCoys*. When Westinghouse bought CBS, and Mel Karmazin ascended to become CEO, he was cutting costs, not investing in cable.

So it was only last year when Viacom took full control that TNN began investing and dramatically changing. The biggest boost came from snatching away from USA Network the WWF, which, despite a ratings dip, still generates the highest ratings in cable.

Also, TNN's Robina was the only TV executive not to complain loudly about the XFL because even its worst games doubled and tripled ratings in the games' Sunday-afternoon time slot. The network lost NASCAR rights to TNT and Fox, so it is redeploying that budget into entertainment programs. A lot of the moves are typical for entertainment networks seeking their footing (like Memorial Day weekend's *Miami Vice* marathon).

But Robina and executives at other networks are being careful not to make too many dramatic changes, learning from the self-inflicted wounds over at Fox Family Channel. News Corp. and Saban Entertainment bought The Family

Channel to remake it as a kids network by day and an edgy parents network at night. It was a library-driven deal, one of those synergistic deals that are supposed to work so well. Saban had a fat library of older cartoons and kids shows from his years as a syndicator.

But Saban's new shows tanked in the ratings. And worse, he chased away Family Channel's existing audience. Fox Family's ratings are down 40% over the past five years, and the network is now up for sale.

"We really don't want to scare away the old viewers," Robina said, even the 50-plus crowd advertisers

avoid. Hence, *The Waltons* and *Dukes of Hazzard* stay on the schedule. So do the weekend fishing, hunting and bull-riding shows. "Weekends were the only things people were watching," Robina said. "There is a fan base there. Why send those males 18-34 over to ESPN2?"

Don't wait, however, for many more new episodes of *Grand Old Opry* or home-grown trucker drama *18 Wheels of Justice*.

It's one thing to start a network from scratch with a specific point of view. But attempting to rebrand—or, in some cases, brand for the first time—an existing operation can stretch the label pretty thin.

Take TNT's new proclamations about being "the home for dramas." Yes, the

network has plenty of hour-long dramas on the schedule—four runs of *ER* on weekdays (a hugely expensive acquisition from sister division Warner Bros.) and *Law & Order* reruns starting this summer, as well as an original police/action series *Witchblade*.



"How do you create new things in a world where it's hard to generate new interests?" wonders USA Network's Barry Diller.



Having lost NASCAR rights to TNT and Fox, Diane Robina's TNN is redeploying that budget into entertainment programming.



MTV Networks' Tom Freston says, "Our goal is to get TNN differentiated from a general-entertainment network."

Turner's Siegel explained that positioning emerged from focus groups with heavy viewers. Turner has long bought hour-long dramas for TNT and sitcoms for TBS, but Siegel wants to hammer the differentiation hard. "This drama-lovers group really emerged as a unique group," he observed, noting that they're heavier TV watchers and skew surprisingly young.

The drama label is a bit of a stretch. Even ignoring morning airings of *CHiPs*, TNT's schedule the first week of its "drama" campaign includes prime time runs of *You've Got Mail*, and *Three Men and a Baby* and Adam Sandler laughter *The Wedding Singer* (twice). Fringe-hour movies include *Adventures in Babysitting* and chick karate flick *China O'Brien*.

"It will be interesting to see how the regular guy responds to seeing *Pretty Woman* and how the drama lover responds to seeing *Austin Powers*," said the president of a rival cable network.

Kevin Reilly, president of entertainment at FX, dismissed the branding talk. "Viewers watch shows, not networks," he said. A network's brand is only as good as its last hit, and network executives will shift gears instantly in the face of a new hit. He contended that Kellner's The WB started out as the "kids and urban network. Then they stumbled onto *Buffy*: 'Did we say kids? We meant teens.'"

Not that he faults The WB or other networks for quick shifts. Home Box Office is now hailed for high-quality original series. "It was only a few short years ago they was all about *Tales of the Crypt*." Reilly applauds the switch.

The fragmentation of the big networks could be good news for one group: cable operators. "The MSOs should like this," Bilotti said. "In a totally fragmented world, none of their suppliers have leverage over them." ■