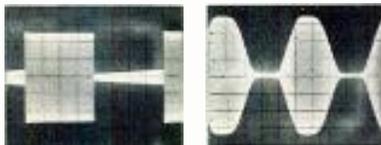


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Left: Photo shows excellent dynamic response of Continental's 5 kW AM transmitter at 20Hz modulation. Right: photo of modulation wave form shows effect of Instantaneous Peak Limiter

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Programming

Nielsen, HBO seek to explain major differences in subscriber counts

Both sides believe their numbers are accurate, but seven-million-subscriber gap remains; piracy, slow disconnect accounting cited as possible reasons

Home Box Office insists it's smaller than the A.C. Nielsen Co. suggests it is—by about 6.8 million subscriber homes.

Where the pay cable service said its subscriber count stood at 11.5 million homes as of Jan. 1, Nielsen's February report estimated HBO's penetration of its national sample at 22%, which would translate to 18.3 million homes.

Neither side had any definitive explanation for the difference, which could be important to HBO since many of its program costs relate to its subscriber count—and perhaps also because the Justice Department reportedly is looking into the production company being set up by HBO, CBS and Columbia Pictures. If the 18.3 million figure is right, the biggest pay cable service is even more dominant than earlier believed.

Although there was no clear explanation of the difference, both sides had ideas about how it might have occurred—and the search for answers was still going on late last week.

HBO insisted that its count was right—and that, in fact, all the pay cable homes in the country don't add up to 18.3 million. Bob Maxwell, HBO research vice president, said HBO and Nielsen were working on the problem, which he thought might lie, in considerable part, in Nielsen methodology and its use of a sample that was designed to develop ratings, not universe estimates.

"We're part of a public company [Time Inc.] and we print these subscriber counts in the annual report, so we don't take these things lightly," Maxwell added.

Nielsen, for its part, pointed out Thursday that its report does not use the 18.3-million figure. It shows HBO penetration of the Nielsen sample to be 22%—which, when applied to the U.S. universe of 83.3 million TV homes, produces the 18.3-million figure.

William R. Behanna, the Nielsen spokesman, also said the Nielsen sample probably overstates cable penetration and probably overstates HBO penetration even more.

He could not say how much overstatement there might be. "If we knew that," he said, "we could correct the figures by that much."

He also said, however, that the Nielsen sample jibes closely with estimates developed by the Committee on National Television Audience Measurement (CONTAM), composed of research representatives of the

three TV networks and the National Association of Broadcasters. George Hooper, NBC vice president for audience research, confirmed that Nielsen's cable estimates are "awfully close" to those developed by CONTAM. He said CONTAM had conducted three surveys to check that point, among others, and that in the latest, in February-March, Nielsen's estimates were about 1% higher than CONTAM's.

Both HBO and Nielsen thought that some of the difference could be attributed to theft of service—that Nielsen's figure would include homes that get the HBO service but don't subscribe to it. Others also thought pay services generally may be slower to disconnect homes that cancel than to hook up new subscribers, in which case the Nielsen data gathered by meters, could include some homes that were technically no longer HBO subscribers, but had not been cut off when the measurements were taken.

PolyGram to fold

PolyGram Television, the Los Angeles-based television program syndication company formed two years ago by a consortium of European investors, last week confirmed earlier reports (BROADCASTING, May 2) that it is going out of business by the end of this year. A spokesman for the company, Paul Shrage, said PolyGram's entire catalogue is up for sale, with produced programs to be sold as one package and two first-run series, *The Carole Shaw Show* and *Other Views, Other Voices*, to be sold separately. Negotiations are under way with potential buyers, but Shrage offered no names. Speculation is that Lorimar will likely pick up *The Carole Shaw Show* and King Features will acquire product already produced.

The company also confirmed that PolyGram Pictures, a theatrical motion picture company affiliated with PolyGram Television, probably will be closed down also, although no timetable for the shutdown has been announced.

PolyGram Television President Norman Horowitz has slightly more than two years remaining on his contract with the company, and his future plans as of last week were uncertain.

PolyGram Corp. is a joint venture of Philips N.V., based in the Netherlands, and West Germany's Siemens-Aktiengesellschaft. The parent company apparently decided to discontinue its relatively unsuccessful U.S. motion picture and television operations in order to concentrate on its records division and other ventures. It was widely reported during the March NATPE conference that Horowitz was seeking \$25 million in outside capital to save the failing television unit. Three first-run strips offered by PolyGram Television in 1982 failed to get off the ground.