

lot more to it than money. A lot of it is luck, and a lot of it is the talent you have involved and the schedule." And a program budget of \$30 million "is not a lot of money," he added.

"Everyone now is taking a little bit less share of the audience," said Pike, and the success Fox achieved with its Sunday-night lineup took "a long time to do. How much more fractionalization can there be?" asked Pike. Even with TNT's dual revenue stream, which means Turner may not need prime time ratings challenging those of the networks, Pike said "for him to be successful, he's going to have to produce programming that attracts a mass audience."

Rich Frank, president of Disney Studios, said: "Hollywood is going to look very closely at what's coming forward" on TNT. The MGM library "is not going to set the world on fire," said Frank, who added that "there are just loads of questions" about TNT. Echoing Pike's comments on the difficulty of producing successful programming, Frank said of Turner's plans, "[Fox Film Corp. Chairman] Barry Diller is a lot more professional in doing original production and look at the trouble he's having."

Although Turner has gotten the go-ahead from the board, and tentative approval from several other operators, there is an undercurrent running through the industry that TNT is too vaguely defined and too reliant on old movies to warrant the displacement of other cable services in a tight capacity environment and the proposed subscriber fees. What exactly is going to be on the new service besides the MGM library? That question is asked by some cable operators, security analysts and program producers.

Even among the group of cable operators that saw Turner's presentation in New York two weeks ago there was some guarded reaction. "Some of it you like; some of it you don't like," said one. There is the concern that the big events Turner wants to pursue overshadow what will be on TNT day in and day out. As one operator said: "The Master's golf tournament is only one day a year."

An advertising sales manager at a top-20

MSO said that although the concept is "exciting," the "blue sky [of the proposal] needs to be cleared up." His company was awaiting the presentation of its Turner rep. "We just have to wait and see," he said.

John Tinker, media analyst with Morgan Stanley, said that although he was not fully familiar with the channel's program concepts, he did not see what viewer market the channel "can really carve out." If the channel is seeking to be a true network, he added, it will need live programming, which would be an expensive proposition.

Station reps familiar with the Turner library, such as Jim Curtin, associate director, Katz programming, questioned the repeatability of classic films from the MGM library, such as decades-old musicals, and whether viewer demographics might weigh too heavily toward the 45-year-old to 55-plus audiences.

He also suggested that series such as *Gilligan's Island* may have more repeatability value for the new channel and may represent a more efficient way to draw audiences and a better long-term strategy for the channel's programming.

And there also was a concern over exclusivity. Dick Kurlander, vice president and director of programming for Petry Television, said his firm has stressed the exclusivity issue with stations buying exhibition rights to Turner library products. "It's competitive enough without having to duplicate programming," he said. "If we pay for something, we expect it to be exclusive for the period of license."

That, apparently, won't be a problem. Terry McGuirk, TBS vice president, special projects, said Turner has 400 to 500 movies and hundreds of hours of television programs that could be used exclusively on TNT and are not a part of any syndication package. McGuirk said Turner Program Services' syndication packages typically give Turner a six-month exclusive window for some film titles as they are cycled in and out of the syndication marketplace. During those windows, said McGuirk, some product could show up on TNT. "We also have the option of pulling movies out, in the

future, for TNT, and we may do some of that also," he said, but the company won't pull any existing titles already in syndication. "We're not going to break any contracts."

Among the titles in the Turner film library are "Ben Hur," which is part of TPS's Prime One film package that will air in April on 150 broadcast stations, "Gigi," "2001: A Space Odyssey," "Mrs. Miniver," "Mutiny on the Bounty," "Dr. Zhivago," "The Wizard of Oz," "Casablanca," "The Maltese Falcon," "The Adventures of Robin Hood," "Yankee Doodle Dandy," "The Life of Emile Zola," "An American in Paris" and "Philadelphia Story" as well as the recent films "Poltergeist," "Victor/Victoria" and "2010."

TBS has 2,200 films from the MGM library, 750 pre-1950 Warner Bros. pictures and 700 RKO pictures ranging from 1930 to 1956.

Many of TPS's cartoons are in syndication, such as *Tom and Jerry*. Other Turner cartoons and series include *Popeye*, *Daffy Duck*, *Bugs Bunny*, *Gilligan's Island*, *The Courtship of Eddie's Father*, *Daktari*, *Man from U.N.C.L.E.*, *Please Don't Eat the Daisies*, *Then Came Bronson*, *Medical Center* and *CHiPs*.

Will *Gilligan's Island* show up on TNT? McGuirk said he would rule nothing out, but he said "we're going to try and be as creative as possible, especially with TNT." It is "a little too early" to talk about specific movie or series titles that would show up on TNT, he said.

If the NBA winds up on TNT, Turner said that 25 games of the Atlanta Hawks would revert to WTBS, giving operators "50% more games, with no additional cost plus the inventory." The 1990 Goodwill Games would also run on TNT, but McGuirk said the Atlanta Braves would remain on WTBS because of existing rights agreements.

"WTBS," reassured Turner, "is going to be just fine," and won't suffer with TNT's start-up. He told the SCCA that the colorized version of "Casablanca" will premiere on WTBS in November. McGuirk said "WTBS will continue to buy programming from all other libraries as well as use some MGM product." TNT's programming buys, said McGuirk, will be cable only.

Initially TNT will have one feed, on Satcom III-R, transponder 14, replacing space used for CNN backhaul feeds. (TBS will acquire another transponder to handle CNN's backhauls, said McGuirk.)

Turner's affiliate marketing staff began its efforts to sign cable operators last week, and TBS announced its first two affiliates, Prime Cable in Atlanta and the National Cable Television Cooperative, a buying co-op of smaller operators representing more than two million subscribers. One aspect of TNT's per-subscriber pricing is that there are no volume discounts—large and small operators will pay the same rates.

TNT is unusual among cable networks because most launch with far fewer subscribers than TBS's goal of 17 million, said McGuirk. "This thing has such a broad base and strong support that we think it will move with lightning speed within the industry," he said, but he stopped short of predicting it would reach 30 million by October. □



TNT's first offering: 'Gone With the Wind'