CBS takes Universal films passed on by cable

Package of recent theatrical releases said to have cost CBS $50 million

CBS has come to an agreement with Universal Pictures for the broadcast rights to a 10-title film package, which will make its way to the network prior to any pay cable run.

The price for the acquisition is, according to several sources, in the $50-million-$60 million range with one source saying it was “closer to $50 million than to $60 million.” Titles in the package include such recent box office hits as “Born on the Fourth of July,” “Field of Dreams,” “Do the Right Thing,” “Uncle Buck” and “Sea of Love.” All the films will be available to CBS beginning in September, with the network able to run each film an average of two times. If they choose, CBS will be able to run some films three times and others just once.

Peter Tortorici, senior vice president, program planning, CBS Entertainment, said the decision to purchase the package is not an indication the network will have two movie nights when the fall schedule is announced. “We’re building up a reserve so that if we decide to go with two movie nights, we’ll be able to, and if we only have one, we’ll have a very solid lineup.” Tortorici also said the acquisition sends a message to affiliates and viewers that they should not get too accustomed to seeing recent theatrical releases only on cable.

Indeed, one analyst said although this might signal the start of a trend for the networks, it is only the perpetuation of a bigger trend: heightened competition between the networks and cable. “I think broadcasters have come to realize that allowing cable to get the upper hand in programming could become costly to them, and already is costing them,” said Paul Napper, analyst, Crowell-Weedon.

Jim Miller, Showtime senior vice president, program acquisition and planning, said Universal went to CBS after having negotiations with Showtime “and probably HBO.” Miller said Showtime passed on the package for several reasons, one of which was that the channel had reached a point of saturation of volume and quality pictures. “What exclusivity has taught us is that once you have your model filled up, you don’t need to try to go beyond that. We don’t need to have every picture out there once we’re already strong.”

Miller does not think the move signals the start of a bidding war between the networks and the pay cable services. “It has always been dangerous to say it won’t happen again, but economically, I think it makes more sense for studios to have a pay-cable run first,” he said.

While one source said the package might have attracted a price tag of nearly $100 million from one of the cable networks, another observer said the package probably would have netted somewhere around $7 million a title, with the average pay-television package garnering about $4 million-$6 million per title. The source said the box office strength of many of the titles in the package would account for the increase in its price tag. As for the price CBS paid for the movies, Tortorici would not confirm or deny published reports of the amount. However, he did say the per-title cost was on the high end of what CBS normally pays for theatrical releases.

Jeffrey Logsdon, analyst, Crowell-Weedon, said the sale of the package to CBS rather than to a cable network should not be construed as resulting in a loss of revenue to Universal. “This won’t necessarily alter Universal’s revenue projection for the package, but it might alter who will be paying the money,” he said, referring to the package’s sale to other carriers such as a basic cable service or into syndication after the CBS run.

CBS fills Sajak slot with off-Fox

Placement of ‘21 Jumpstreet,’ ‘Wiseguy’ marks first time FBC reruns have aired on network TV

It’s back to action/adventure series for CBS in late night, as the network turns to two Stephen J. Cannell productions, 21 Jumpstreet and Wiseguy, to take over the 11:30 p.m.: to 12:30 a.m. time slot made vacant by the cancellation last Monday (April 9) of The Pat Sajak Show. The show’s final broadcast was last Friday, April 13. The move marks the first time the reruns of a Fox Broadcasting series have made it onto the schedule of a network.

Sajak, who recently signed a multi-million-dollar contract to remain the host of the syndicated Wheel of Fortune, was informed of the network’s decision to terminate the 15-month-old talk show by Rod Perth, vice president, late night, who visited the vacationing Sajak in London. Sources close to the situation said Sajak’s two-year contract with the network has been satisfied and that he would have no further involvement with any CBS projects because of contractual obligations. “The show was canceled on the date that it was for a specific reason,” said one source.

According to sources, CBS and Televentures, the distributor of the Cannell series, began discussing the sale of the two shows months ago and the deal was finalized two weeks ago, a week before the Sajak cancellation announcement and before Sajak was notified of the network’s decision.

The deal with Televentures enables CBS to air episodes from the first two years of each series, beginning today, April 16, until September, when the network is expect-