

reportedly came close to buying for \$1.5 billion. Observers say the New World/King World talks may have been a ploy by Perelman to coax Murdoch back to the bargaining table.

Fox insiders predict a major turnover of general managers at the New World stations, but Carey says it is far too soon to make decisions on personnel matters.

One thing is clear. "Without question, [the New World] stations could be performing better than they are today."

Carey says. Fox executives were known to have been unhappy with New World's management.

Carey predicts that the profitability of the New World stations will double during the next three to four years, from a reported \$200 million to \$400 million. That in turn will strengthen the network's performance.

"We look at the stations and the network as one business," Carey said. "They are inextricably tied in the profitability sense."

# News Corp. builds syndication muscle

Twentieth gets expanded first-run launchpad

By Cynthia Littleton

**N**ews Corp.'s buyout of New World has made Fox's Twentieth Television arm the 800-pound gorilla of the syndication marketplace, but it also raises questions about the fate of New World shows set for launch in less than two months.

With the Fox O&O group swelling, Twentieth has clear advantage over competitors in launching first-run product, and the stations gain new leverage in negotiating with outside suppliers.

Fox is likely to fold New World's production and distribution operations—valued at about \$450 million—into Twentieth. However, Chase Carey, chairman of Fox Television, stressed last week that no decisions will be made until all New World assets are thoroughly evaluated.

Brandon Tartikoff, chairman of New World Entertainment, made a quick evaluation and decided to resign.

Tartikoff said the deal will create a "powerful force" in television. "However, my personal and professional goals are to get closer to the product, and therefore I concluded that those goals will be best fulfilled elsewhere."

Tartikoff, whose Moving Target Productions was bought by New World for \$9 million in 1994, said he intends to remain active in network development and step up activities with his



New World Chairman Brandon Tartikoff responded to the deal with his resignation.

book imprint, Brandon Tartikoff Books.

New World Entertainment had an uneven record under Tartikoff's two-year tenure. In network prime time, the dramas *Strange Luck* and *Profit* had brief runs on Fox last season, but *Second Noah* is getting a second season on ABC.

On the syndication side, Fox went into business overnight with NBC on a new entertainment magazine strip, *Access Hollywood*, set to launch in September in prime access on the New World and NBC O&Os. The show is the first in a 10-year deal New World struck last year with NBC to co-produce first-run programs.

Although Fox and NBC have battled publicly in the past, both sides say *Access Hollywood* remains a definite go in September. The fate of two other new New World shows on tap for fall was unclear last week, although industry observers noted that Fox won't risk generating ill will with broadcasters by withdrawing shows so late in the year.

Fox also inherits New World's deal with producer Stephen J. Cannell, whose production company was bought by New World last year.

New World was also preparing to launch a late-night strip, *Loveline*, taking advantage of the time period commitments it received on the Fox network and its O&Os as part of New World's ground-breaking affiliation/programming pact with Fox.

## NEWS CORP.'S NEW MEDIA WORLD

News Corp. (NYSE:NWS, NWSpr): \$9.74 billion  
New World (Nasdaq:NWCG): \$605 million

TV station group (all Fox affiliates):

32 stations

Coverage of U.S. households: 34.83% FCC count\*\*/40.35% full markets

- WNEW New York ch. 5
- KTUV Los Angeles ch. 11
- WFLD-TV Chicago ch. 32
- WPTX Philadelphia ch. 29
- WFSX Boston ch. 25
- WTIG-TV Washington ch. 5
- KDFW Dallas ch. 4\*
- WJBL-TV Detroit ch. 2\*
- WAGA-TV Atlanta ch. 5\*
- KRIV Houston ch. 26
- WJW-TV Cleveland ch. 6\*
- WTVT Tampa, Fla. ch. 13\*
- KSAZ-TV Phoenix ch. 10\*
- KCVR Denver ch. 31
- KTVI-TV St. Louis ch. 2\*
- WTI-TV Milwaukee ch. 6\*
- WDAF-TV Kansas City, Mo. ch. 4\*
- KSTU Salt Lake City ch. 13
- WBOC-TV Memphis ch. 3
- WGHP Greensboro, N.C. ch. 8
- WBRC Birmingham, Ala. ch. 6
- KTCB Austin, Tex. ch. 7\*
- LMA with KDFI-TV Dallas (inc. ch. 27)\*

TV: Fox Broadcasting Co.; Fox News; 15% of Seven Network, Australia; 32.6% interest in Blackstar Communications (3 TVs); 25% interest in SF Communications (4 TVs)

Cable & satellite: 50% of Fox Sports Net (X, FXM: Movies from Fox, Prime Sports regional networks) 50% of ASkyB and Sky MC; Canal Fox and 30% of Sky Latin America, Latin America; 40% of BSKyB, UK; 49.9% of VOX, Germany; 50% of Foxtel, Australia; STAR TV and 49.9% of Zee TV, Asia

TV production: 20th Century Fox Television; Twentieth Television; New World Entertainment\*; 37.5% of Guthy/Renker\*; Canell Entertainment\*

Movie production: 20th Century Fox; Fox 2000; Fox Searchlight; Fox Family Films; Fox Animation studios; Fox Studios, Australia

Publishing: *New York Post*; 4 newspapers in the UK, including *The Times* and *The Sun*; 127 newspapers in Australia and the Pacific Basin, including *The Australian*; 50% of *Premiere* magazine\*; magazines and inserts in North America, Europe, Australia and the Pacific Basin, including *TV Guide*; HarperCollins U.S./UK/Australia

Information: News Electronic Data; 71% of Sky Radio, UK; News Data.com Ltd.; News Multimedia Ltd., and BroadSystem Ltd., UK; 50% of Beijing PDN Xinren information technology; New World Sales and Marketing\*; numerous printing plants; New World International/Genesis Entertainment\*

\*New World holdings

\*\*UHF stations credited with half the market household. Sources: News Corp., Nielsen —Compiled by Jessica Sardin