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Promises, promises

AOL-Time Warner open-access pledge sounds great but Senate committees express their doubts about it

By Paige Albinia

OL’s Steve Case and Time-Warner’s Gerald Levin came to Capitol Hill last week with a signed promise that their new multimedia giant would be good for competition and consumers.

Not everybody was convinced.

The executives talked the talk: “We believe that consumer choice is not only the smartest business practice for both the cable industry and for the growth of the Internet—it is the right policy, grounded in the right values,” Case told the Senate Judiciary Committee.

Added Levin: “I’m expressing commitment and excitement. It’s a very good thing for multiple [Internet service providers] to have access to our customers over broadband networks.”

But senators did not match Levin and Case’s enthusiasm for the “memorandum of understanding,” hammered out Feb. 28, just a day before the media tycoons were scheduled to meet with Senate committees.

There is the question of who the agreement is really meant to serve. Case spent much of the past year pressing Congress, the FCC, the Clinton administration, state, county and local governments—pretty much anyone who would listen—to force cable companies to open their networks so that unaffiliated Internet service providers such as AOL could bring high-speed access to their customers.

No one bought that argument then. Case’s solution: Acquire Time Warner, which automatically gave AOL access to at least one of the giant broadband networks he needs to stay in the Internet game. But Case can’t buy the rest of the cable industry, and it remains to be seen if other cable operators will find it profitable to do unto AOL as AOL says it will do unto them.

Senators had a bundle of other concerns, including whether the sheer size and scope of the new company, whose pending merger is valued at $145 billion based on last week’s stock prices, would stomp out competition in the growing Internet industry.

Senate Judiciary Committee Chairman Orrin Hatch (R-Utah), Sen. Conrad Burns (R-Mont.) and other senators also expressed privacy concerns: AOL Time Warner would have bushels of customer data, which could be sold to third parties. Hatch was concerned that although third-party ISPs might be able to offer broadband access on AOL Time Warner’s network, AOL still might force those customers to start their Internet sessions on an AOL start page. Burns worried that AOL would use its market dominance to shut down other providers’ services, as some ISPs have complained that AOL has done in the past.

But central to the discussion was the agreement itself.

“Given that this document lacks both enforceability and specificity, this committee remains to be convinced of

What cable fears

It’s not about the Internet. It’s about everything.

The reason cable operators are so defensive about the open-access debate is not so much that they don’t want to face competition in the Web-surfing business. It’s that open access potentially allows outsiders to offer any kind of digital product, including telephone service into which cable operators are expanding, and even into operators’ core cable business.

So, they’re bothered.

Cable executives note that an outsider wouldn’t be limited to delivering Yahoo! chat rooms, but could be streaming ESPN or long-distance phone calls. “Once an outsider can control bits on your network, those bits can ultimately be anything,” says a senior cable executive.

The threat is not immediate. Doug Shapiro points out that cable’s data networks aren’t well suited for massive use of high-quality video.

“Cable networks are not being engineered for constant throughput, but for ‘bursty traffic,’” he notes. But given how technology has advanced, cable operators find it easy to envision other Internet providers trying to deliver Showtime or even local broadcast stations over cable systems.

—John M. Higgins
its value beyond the boardroom and public relations office of AOL Time Warner," Hatch said last Tuesday.

"I applaud your efforts to reach private settlements," Burns said at a Commerce Committee hearing two days later. "But questions are now raised on how binding such agreements will be."

The plan is much broader than that of cable rival AT&T, which says it will allow competing ISPs to use its broadband networks. AOL Time Warner will offer consumers a choice of ISPs through negotiating "arm's-length commercial agreements with both affiliated and unaffiliated ISPs that wish to offer service on the AOL Time Warner broadband cable systems," the agreement states. AOL Time Warner will allow ISPs to offer service at the cable headend and will not force them to purchase broadband backbone transport. AT&T will not allow ISPs to access their cable headends and will require them to use AT&T's Internet backbone.

AOL Time Warner says it will allow an unlimited number of unaffiliated ISPs to use its networks and will not discriminate in its pricing terms on the basis of whether an ISP is a part of or connected to Time Warner, as AOL is. It also will allow unaffiliated ISPs to offer video streaming, which AT&T will not do.

"It is the intention of the parties to enter into as quickly as possible a binding definitive agreement to provide broadband AOL service on Time Warner's cable systems, which will be used as a model for the commercial agreements that will be available to other ISPs," the agreement states.

The media giant told the Senate Judiciary Committee that it will try to amend its exclusivity agreement with broadband Internet service Road Runner, in which Time Warner holds a stake. Without that amendment, AOL Time Warner can't legally open its networks until its joint-venture Road Runner deal expires in 2002.

AT&T has a similar deal with Excite@Home, which AT&T partly owns. But AT&T plans to uphold its agreement, which doesn't expire for two years. That fact alone soured consumer advocates on AT&T.

"This is far better than I thought they would do given Time Warner's previous position," said OpenNet Coalition Co-director Greg Simon, whose group was conceived to push AOL's position on open access. "But they can't prove that they aren't lying until they do some deals."

Other consumer groups weren't as happy. "Coming on the heels of the massive consolidation in the cable television industry, the proposed merger of AOL with Time Warner poses enormous dangers for the preservation of vibrant Internet competition in a broadband environment and threatens the emergence of broad-based competition to the cable TV industry," said Gene Kimmelman, co-director of the Washington office of Consumers Union. "By saying 'trust us,' the companies have made honesty an issue. We believe it is appropriate to scrutinize whether these companies can be trusted to open their cable networks."

Senators were skeptical that AOL Time Warner would welcome competing ISPs with open arms, but no one advocated scrapping merger plans, or even hanging conditions on it. Sen. Richard Bryan (D-Nev.) did, however, ask pointedly whether Congress should push through legislation that would make the AOL Time Warner agreement into law. Case responded, in essence: Please, not now (see story above).

But if Case's efforts to pry the networks open fail, he may need it. Time Warner serves 13 million customers, but that only gets Case to about 20% of cable households. And that doesn't bring broadband access to all of Case's 21 million AOL customers nationwide.

Cable executives say that if consumers demand a choice of ISPs, that's what they'll give them.

But cable operators without pending mergers don't plan to rush to open their networks. Cox, for one, plans to honor its agreement with Excite@Home.

And even though both Case and Levin claimed that open access is good business for cable, how broadband companies will make money by letting unaffiliated ISPs on their networks remains unclear. "They say they are going to have access on equal terms and conditions, but they don't rule out volume discounts," noted Bill McCluskey, spokesman for BelSouth. "Does that mean that only AOL and their customers will get the best price?"

**Why not an open-access law?**

AOL Time Warner doesn't seem eager to give its open-access pledge legal teeth. Following is an edited transcript from last week's hearing with the Senate Commerce Committee:

**Sen. Richard Bryan (D-Nev.):** As each of you know, this MOU [memorandum of understanding] has no real legal advocacy. I don't impugn your good faith in any way, but it is subject to all the corporate vagaries. Six days from now, six weeks from now, six months from now, you could make a determination to change it.

Mr. Case, when we did the Telecommunications Act of 1996 one of the things that we did was respect the telephone carriers. We incorporated a provision in that law which prohibited discrimination. What's wrong with the Congress enacting a similar provision as it applies here?

**AOL's Steve Case:** Well, as you may recall, a year ago I sat in this very room and I was suggesting that was the appropriate course of action....I made an impassioned case about the importance of preserving the openness of the Internet.

**Bryan:** And you persuaded this senator.

**Case:** ...Although I appreciate your support, there was not a cacophony of voices welcoming that idea. Nothing happened in the Congress; nothing happened at the FCC. But something did happen in the market. So maybe the Congress and the FCC were smarter than I, because AT&T did announce the principles a few months ago after spending a couple of years explaining why it wasn't technically possible or financially feasible. I thought that was a step in the right direction.

Then we announced the merger. We submitted both companies to the principle of open access. Six weeks later we went beyond principles and detailed some very specifics, in terms of video streaming and direct billing relationships with ISPs and things that went well beyond where we were in the past. So we'll achieve what I was hoping to achieve a year ago, through this light touch, real marketplace solution....if that fails, if this doesn't turn into a definitive agreement, then it would be perfectly appropriate for you to legislate. ..."Why not an open-access law?"

**Time Warner's Gerald Levin:** I think there's something higher than a binding memorandum of understanding and that's a sense of values...."
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Refrans nitty-gritty gets nasty

Time Warner accuses ABC of ‘extortion’; ‘poppycock,’ the latter retorts

By Steve McClellan

H ouston’s retransmission consent battle between ABC and Time Warner got nasty last week, with Time Warner executives accusing ABC of “extortion” and “blackmail.” ABC countered that Time Warner was playing gatekeeper, giving “preferential treatment,” Disney President Bob Iger charged, to its own cable program services while banishing Disney services to less-viewed higher channels or squeezing them off Time Warner systems altogether.

In a separate retransmission battle, Hearst-Army extended its deadline with Time Warner for stations in Orlando, Fla., and other markets until April 1. Also, LIN and Cox revealed the terms of a deal that was reached in January in Norfolk, Va., after the LIN station there was off the air for several weeks.

The Houston fracas made great headlines, especially with a pending March 2 deadline when ABC threatened to pull its owned station in Houston—KTRK-TV—with the implied threat of pulling stations in other markets, too. They include WABC-TV New York (670,000 subscribers), and KABC-TV Los Angeles (500,000 cable subs). But as the deadline approached, Houston Mayor Lee Brown intervened and got the two sides to agree to a seven-day extension—through March 9.

The main sticking point last week was money. Time Warner executives say they had an agreement with ABC to carry Toon Disney and SoapNet and to move the Disney Channel to basic from pay. But TW claims ABC suddenly doubled the price it wanted for Disney Channel carriage to 71 cents per subscriber. TW said the proposed price hike added $100 million to the overall retrans deal and would force a rate increase to subscribers. ABC said that was pure poppycock, that no agreement had been reached but it did reassess the terms on the table when TW announced its merger plan with AOL.

“Everybody was reassessing plans at that point,” said an ABC spokeswoman. She also described as “simply untrue” TW’s assertion that ABC was trying to extract another $100 million from the deal.

In the Hearst-Army situation, roughly half its 26 stations are in markets where Time Warner has systems. One issue there: Hearst and ABC are trying to get Time Warner to commit to carriage of the Lifetime Movie Network, a spin-off from the women’s channel half-owned by ABC.

LIN and Cox announced terms of a battle that left WBTV (TV) Norfolk off Cox’s system there for several weeks in January. As of Feb. 25, WBTV moved from ch. 43 to ch. 14, with LIN agreeing that Cox could move LIN’s Local Weather Channel from ch. 66 to a digital tier with limited subscribers.

Herzog seeking divorce from Fox

With Grushow making it a ménage à trois, group president wants to sever relations

By John M. Higgins and Joe Schlosser

D oug Herzog is unhappy at his job than Millionaire bride Darva Conger and is looking for a divorce from Fox Network.

Four industry executives close to Herzog say that, after 14 months in the job, the president of Fox Entertainment Group is trying get out of his contract contract and exit the network. Battered by the network’s falling ratings and fall schedule misfires, Herzog has approached new boss Sandy Grushow to negotiate severance terms that would give him some benefits for the three years left on his four-year contract.

Fox, however, firmly denies it, dismissing the reports as speculation. Herzog would not comment. But associates said that he is annoyed about being blamed for the sharp drop in Fox’s ratings, contending that senior Fox executives aren’t giving him enough time to improve the programming.

“How can you be expected in a year to do anything but find your way to the bathroom?” asked a senior executive at another network, noting that Herzog inherited a number of program commitments and deals with producers that were already in place.

The problems well predated Fox’s Who Wants to Marry a Millionaire? debacle.

Former MTV and Comedy Central executive Herzog, credited with making a hit out of South Park, replaced Peter Roth as president of entertainment at Fox in December 1998 and unveiled an ambitious lineup of new programs this season.

Everything from the risqué sitcom Action to the half-hour version of Ally McBeal failed to attract an audience. Season-to-date, Fox is off 19% in the key adults 18-49 demo (4.3 rating/12 share vs. 5.3/14) and down 3 million viewers per night (9.3 million vs. 11.3), according to Nielsen Media Research.

And in the wake of the slow start, Fox expanded Grushow’s responsibilities in November from overseeing just TV production for the studio of Fox to include the broadcast network in a newly created position of chairman of Fox Television Entertainment Group. Herzog associates and other Fox executives acknowledge the unexpected arrival of such a hands-on boss as Grushow has created tension in the executive suite.
Duopoly rule spurs sellers

Lee Enterprises is newest on block; would-be sellers hope for quick deals

By Elizabeth A. Rathbun

Sellers of TV stations are flocking to market, hoping to cash in on the consolidation allowed under the FCC's relaxation of its duopoly rules.

The latest group to put itself on the market is Lee Enterprises, which owns nine network affiliates and seven satellite TV stations.

Given the FCC's August 1999 action allowing the ownership of two TV stations per market, "we concluded that the relatively small size of our holdings eventually would limit our ability to control our future," Lee Chairman Richard D. Gottlieb said last Wednesday in a statement. "In the long term, [the stations] will be even more successful if they are part of a larger broadcasting group." The TV market has proved soft for Lee in at least the past two quarters.

Instead of TV, Lee wants to expand its publishing and online holdings and already is eyeing several deals. Current online investments include a stake in AdOne Classified Network.

Wall Street liked Lee's plan, boosting the company's stock by 11.2% last Thursday, to $23, up from a 52-week low of $19.875 Feb. 24.

Lee hopes to sell its TV stations within the next two to three months.

Lee's largest TV market is Portland, Ore. (DMA 23), where it owns CBS affiliate Koin. Its smallest is Topeka, Kan. (DMA 138), where it owns NBC affiliate KSNT. Lee owns three other CBS affiliates, two other NBC affiliates; an ABC affiliate; and a Telemundo affiliate. Credit Suisse First Boston and McFarland Dewey & Co. LLC have been hired to broker the deal or deals.

Also on the market is five-station Citadel Communications Co. Ltd. (not related to radio group Citadel Communications Inc.). Wasserstein Perella & Co. were hired in late January to broker the sale of WOI Des Moines (ABC, 70); WHBF Rock Island, Ill./Davenport, Iowa (CBS, 90); KLKN Lincoln, Neb. (ABC, 101); KCAU Sioux City, Iowa (ABC, 2000).
Please define: ‘In good faith’

By Bill McConnell

Private mediators would be brought in to settle contract disputes when local TV broadcasters can’t reach carriage deals with satellite or cable carriers, under a plan regulators are considering.

The provision is part of rules the FCC is drafting to implement the 1999 Satellite Home Viewer Improvement Act, which allows direct broadcast satellite providers to carry local network affiliates. The measure would spell out procedures for determining whether broadcasters are negotiating “in good faith,” as the law requires.

A proposal floated by FCC Chairman William Kennard would require multichannel providers and broadcasters to hire a third-party negotiator to break an impasse after 30 days of contract talks. If the mediator failed to broker a deal after another 30 days, the multichannel provider could file a complaint with the commission.

After investigating the matter, the FCC could force the parties to reopen talks or even levy a fine if the broadcaster is found not to be acting in good faith. The mediation provision is seen as the FCC’s answer to Jan. 27 demands by Senate Judiciary Chairman Orrin Hatch (R-Utah) and other lawmakers not to “second guess” pricing decisions and market negotiations. Lawmakers are pressing the FCC to set rules soon because satellite broadcasters’ six-month grace period for carrying a local signal without a station’s consent expires in May.

The broadcast industry opposes the measure because it doesn’t want the government or any other third party influencing retransmission contracts and because it would extend the scope of the new regulation to cable systems rather than limiting the new rules to satellite carriers.

“This would be regulatory overreach and would add an unnecessary layer in what should be a business-to-business negotiation,” said NBC lobbyist Robert Okun.

But FCC officials argued that the “good faith” proposal generally favors broadcasters because it will not restrict their setting of retransmission terms. For instance, despite satellite providers’ opposition, broadcasters would be allowed to insist on carriage of a second channel without violating the good faith requirement.

But mediators themselves are likely to judge whether broadcasters’ terms are justified, countered Ben Ivins, counsel for the National Association of Broadcasters.

The mediation provision was suggested by Time Warner, which is embroiled in rancorous retransmission negotiations with Disney over carriage of the ABC station and the Disney channel in Houston.

“Broadcasters won’t be happy unless they have a rule that is entirely gutless,” said Karen Watson, lobbyist for satellite provider EchoStar Corp. DirecTV has no comment.
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#1

8:30 WEDNESDAY

DHARMA & GREG

was #1 its first season in Households, Men 18-49 & Men 25-54.
A mess of clutter

Networks squeeze more ads in, report says

By Harry A. Jessell

To the dismay of those on the buy side of the advertising business—and no doubt to viewers as well—TV executives continue to squeeze more and more commercials and promos into their programming, according to the latest “clutter” report from the American Association of Advertising Agencies and the Association of National Advertisers.

“It isn’t a pretty picture,” said Allen Banks, executive vice president of Saatchi & Saatchi, in his keynote address last Thursday at the AAAA Media Conference in Orlando, Fla., where the report was released.

The AAAA-ANA report is based on the monitoring of TV shows during one week last May and one last November.

For the first time, in November 1999, all four of the major broadcast networks loaded their prime time schedules with more than 16 minutes of clutter each hour, according to the report. The four-network average of 16:43 represents a 21.8% increase from November 1999. ABC led the way with 16:57 minutes followed by NBC (16:46), Fox (16:36) and CBS (16:32).

ABC also aired the four most-cluttered shows in November: Norm (21:07); Sabrina the Teenage Witch (20:07); Beverly Hills, 90210 (19:51); and Spin City (19:26).

In November, UPN and The WB topped the four major networks with 17:40 and 17:26 minutes, respectively.

Fox Family remained the most cluttered cable network with 18:25 minutes. MTV placed with 17:19, replacing E!, which was second in May with the same total. Of the monitored cable networks, Nickelodeon had the least clutter: 12:39 minutes in May and 10:27 in November.

All times are per hours or “equivalent” hours, in which half-hour shows are doubled to facilitate comparisons. Clutter also includes credits, public-service announcements and what the report terms “PSA-style promotion.”

Citing the findings, Banks complained that a high level of clutter diminishes the effectiveness of individual spots. But he acknowledged that “not much progress” has been made in stemming its growth.

Banks, however, said he was encouraged that Meredith’s wgnx(tv) Atlanta managed to boost viewership of its 6 p.m. and 11 p.m. newscasts by about 20% after it cut clutter in them by a minute and a half. “Maybe [viewers] aren’t all couch potatoes who will simply take whatever the medium dishes out.”

Bob Wehling, who controls $1.2 billion in annual advertising for Procter & Gamble, conceded that advertisers cannot reduce clutter. The only way to do that, he said, is to combat its effect with better commercials.

Former TVB President Ave Butenisky said it might be in television’s long-term interest to reduce the clutter. By increasing it, he said, “all you’re getting is a fast fix.”

Here are a few more stats from the AAAA-ANA cluttered notebook:

- In syndication, average clutter rose from 17:47 minutes in November 1998 to 18:11 in May 1999 and then dropped to 17:44 in November 1999. The top five in November 1999: Hollywood Squares (20:23); 3rd Rock From the Sun (20:07); Jeopardy (20:01); Jenny Jones (19:44); and Entertainment Tonight (19:42).

- Among the broadcast networks’ morning shows, top-rated NBC’s Today had the least clutter in November (16:46), while second-rated Good Morning America at ABC had 18 minutes. CBS This Morning presented 17:50 minutes.

- In the broadcast networks’ daytime schedule last November, average clutter was 21:02 minutes. NBC had 22:09; CBS, 20:29; and ABC, 20:27.


- Clutter in local news was 16:35 minutes, just 11 seconds more than it was in 1991.

—Harry A. Jessell
In its second season, **DHARMA & GREG** moved to the lead-off position and again ranked #1 in Households, Men 18-49 & Men 25-54.
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3. Source: NTI, Explorer, w/ Millionaire = 9/20/99-1/9/00, w/o Millionaire = excludes 11/3-29/99 airings
dharma & greg

Succeeding for you starting Fall, 2002.
New WWF TV brawl

Wrestling bidding war gets raw in the extreme

By John M. Higgins

The World Wrestling Federation is entertaining all sorts of possibilities to move its gigantic hit wrestling matches away from USA Network, including proposals that tie a broadcast and cable package together plus ones that include carriage of a start-up football league.

WWF President Linda McMahon said there are network opportunities to grab TV rights to its "Raw Is War" and other programs from USA Network, which has carried the WWF for 17 years.

USA's cable rights can be terminated this September, as can UPN's broadcast rights to the WWF's "Smackdown." Both networks count on the wrestling matches for their biggest ratings, although WWF keeps the bulk of the shows' ad revenues.

"We would want to maximize any opportunity we had," said McMahon following the release of financial results for the quarter ended January.

She acknowledged that media fiancées Viacom and CBS are seeking a joint broadcast/cable package, but added that a number of other outlets have expressed interest as well. The company might seek to tie carriage of WWF's planned XFL start-up pro football league to the wrestling rights, but she said she might keep the two packages separate. McMahon expects to cut a deal within 90 days, in time for upfront ad sales negotiations.

The only network group McMahon said was out of the picture: Turner Broadcasting System Inc., owner of World Championship Wrestling.

NEW YORK

CBS eyes $2B in spinoffs

CBS's Infinity Broadcasting will walk away with about $2 billion worth of radio stations that Clear Channel Communications and AMFM are spinning off, sources say. The deal could be announced as early as this week. It would amount to nearly half the $4.5 billion worth of the 125 stations that Clear Channel said it has to sell to gain federal approval of its $23.5 billion merger with AMFM.

Sources say Mel Karmazin, who is president of both CBS and Infinity, is interested only in adding to Infinity's radio holdings in major markets. Deals were said to be made for stations in Houston and Cleveland. Infinity reportedly left other bidders for the stations angry; one source said the company wouldn't settle for anything less than it was asking for. However, Clear Channel had to deal with a huge, deep-pocketed group like CBS in order to meet its goal of selling all 125 stations. CBS officials declined comment; Clear Channel officials could not be reached.

Media maven on move

There's been quite a shuffle among Wall Street's media players in recent days, aside from the departures of Lazard Frères' media mavens Steve Rattner and Peter Eversky. Bear, Stearns & Co. top media investment banker Alan Mnuchin jumped ship to join Lehman Bros. Mnuchin will co-head media banking with Lehman's Jack Langer. Bear's media junk-bond analyst Orren Cohen jumped as well, to Merrill Lynch after a two-year-plus courtship. Merrill's been without a strong presence in that slot since Les Levy went to Chase Manhattan in 1998. Then Salomon Smith Barney moved two equity analysts out in favor of Niraj Gupta, a well-regarded broadcast analyst at its Schroder & Co. Gupta will cover cable as well as broadcast. Broadcast analyst Paul Sweeney, who balked at taking so much new territory, was snapped up by CS First Boston. Ex-Salomon cable analyst Spencer Grimes is setting up shop on the investment side.

WASHINGTON

Hill grilling in offing?

The March 22 Senate reconfirmation hearing for FCC Commissioner Susan Ness may fall into the "be careful what you wish for" category. Ness has been awaiting a hearing since President Clinton nominated her for a second term in July. The hearing is a breakthrough of sorts for her because Senate Commerce Committee Chairman John McCain (R-Ariz.) has refused to act on the nomination. But with McCain on the campaign trail, Communications Subcommittee Chairman Conrad Burns (R-Mont.) is having his panel go ahead. Although the hearing will give Ness a crucial next step, sources said it's unclear whether Republicans are serious about bringing her reappointment to a full committee vote. They may instead use the opportunity to grill her about agency merger reviews, low-power radio, the FCC's failed effort to create eligibility standards for religious broadcasters seeking noncommercial licenses, among other issues.

Digital report card

Look for the FCC this week to issue its first biennial review of the transition to digital TV. The agency pledged Feb. 4 to launch the congresionally mandated proceeding within 30 days when it dismissed Sinclair Broadcasting's request to alter the DTV modulation standard. As a concession to Sinclair and its supporters, the agency promised to ask whether the current modulation standard, 8-VSB, is acceptable. Sinclair argues the standard is unacceptable for indoor reception and wants to use the European standard COFDM. The review should be issued "any day now," said an agency spokesman.
Trinity’s friends at court
Judges accuse FCC of ‘making no sense’ in stripping broadcaster of Miami license

By Bill McConnell

T

rinity Broadcasting’s fight to keep its Miami TV license looks a whole lot brighter, judging by comments of federal judges last week.

A three-person panel gave a hostile reception to FCC attorneys defending the agency’s April 15 decision to strip the religious broadcasters’ license for WHTF(TV). Oral arguments in Trinity’s appeal were heard Feb. 29.

Although appeals court judges often play devil’s advocate, observers saw more than the typical tough questioning in the court’s examination of the FCC’s argument. Led by vigorous questioning by Harry T. Edwards, chief judge of the federal appeals court in Washington, the panel expressed serious doubts about the FCC’s charge that Trinity intentionally misled the commission in the mid-1980s to evade the now-defunct 12-station ownership limit.

At issue is whether Trinity created National Minority TV Inc. as an illegal front to take advantage of a program that allowed broadcasters already at the 12-station cap to invest in two more stations if the outlets were predominantly owned by minorities.

The FCC argued that Trinity was the actual controlling force behind National Minority TV because it supplied all the programming, built the stations and paid NMTV’s bills. But the judges showed great sympathy to Trinity’s argument that the FCC’s rules did not clearly spell out what level of minority control—beyond mere ownership—was required to qualify for the program. “The rule was confusing at best,” Edwards told FCC attorney Joel Marcus.

“If we believe the rule is unclear, don’t all of the commission’s arguments collapse?” asked Judge David Tatel.

Even if the rules were unclear, Marcus argued, Trinity should have known its actions were in violation of any reasonable interpretation. What’s more, officials for the broadcasters knew there was “something fishy” about their relationship because they failed to disclose the true nature of their connections to the FCC staff. Furthermore, because the rules were new when Trinity entered its relationship with NMTV, prudence “cuts in the way of caution,” rather than Trinity’s relatively lenient interpretation of the rule, he said.

“You’re making no sense,” Edwards countered.

Finally, Edwards charged the FCC with misquoting the testimony of Trinity’s regulatory attorney in an attempt to show the organization knew its relationship with NMTV violated the FCC’s rules. “This is really outrageous,” he said.

Trinity, a religious broadcaster with 12 full-power and more than 300 low-power stations, has extensive carriage on cable systems around the country. The FCC began investigating the organization’s relationship with NMTV after Glendale Broadcasting challenged Trinity’s fitness to renew the Miami license—among others—arguing that it misled the agency about its progress in constructing stations in other markets.

Glendale and Maravilis Broadcasting dropped challenges to the other licenses in exchange for a $28 million settlement from Trinity. A second settlement of nearly $3 million called for civil rights groups to drop their challenges to two Trinity licenses.

iCraveTV suit settled
TV signal streamer agrees to stop Webcasting stations

By Paige Albiniak

C

anadian Webcaster iCraveTV.com last week shut down operations in an out-of-court settlement with U.S. entertainment companies, TV networks, sports leagues and Canadian broadcasters.

In January, a federal district court in Pennsylvania stopped iCraveTV from streaming 17 local TV signals from the Toronto market over the Internet after copyright holders filed a suit alleging iCraveTV was stealing their property.

“The resolution of this matter will serve as a deterrent to anyone who seeks to take that which they do not own,” said Motion Picture Association of America President Jack Valenti, who served as spokesman for the broad coalition of U.S. copyright holders opposing the Web site. “We are anxious to distribute our copyrighted programs online to consumers and look forward to the development of legitimate and secure distribution outlets on the Internet.”

Said iCraveTV.com President William Craig, “We are pleased to have amicably resolved our differences with the U.S. and Canadian rights holders. Given the virtually infinite resources of those rights holders, a dotcom startup like iCraveTV was simply unable to continue with protracted multi-front litigation.”

Indeed, Craig’s tiny company faced multiple lawsuits from such heavyweights as Time Warner, 20th Century Fox, Disney, The National Football League and the National Basketball Association.

But, while the big players are fighting hard to control their content, the day that movies and TV programs are distributed over the Internet may come sooner than anyone expects. That will force lawmakers to take on the difficult issue of protecting copyrights on the Internet.

Craig pledged last week to stop streaming local TV signals but pointed out in a statement that the settlement “specifically recognizes that iCraveTV can again start
retransmitting broadcast signals in Canada once Canadian law is clarified.”

Currently, Canadian law says any distributor can rebroadcast Canadian TV signals without getting permission from TV stations and copyright holders as long as the distributor agrees to pay copyright fees into a pool. However, no one has ever tested the law to determine whether that applies to the Internet.

Under U.S. copyright law, iCraveTV has to get explicit permission from any Canadian and U.S. broadcaster whose signal it wants to stream. It also would have to have technology in place that allows market-by-market viewing of local TV signals. For example, iCraveTV would have to be sure that only people who live in Toronto could receive the signals of broadcasters in the Toronto market. iCraveTV says it is working on such technology. “[The litigation has had the beneficial effect of spurring the development of our enhanced geographic screening technology, which we believe will have widespread applications in e-commerce,” Craig said. Until it was enjoined, iCraveTV was using an “honor system” that allowed anyone to view iCraveTV’s streamed signals and to which copyright holders objected.

Kennard: Speed TV spectrum sale
FCC Chairman William Kennard wants broadcasters to quickly relinquish channels 60-69 to speed introduction of new wireless services. Last week, he urged broadcasters to negotiate deals with holders who win rights to the spectrum this spring.

“This is prime spectrum that can jump-start wireless competition to cable modems and DSL,” he told the Cellular Telecommunications Industry Association. TV stations will not be required to give up the channels until 2006 and until 85% of the households in their market can receive DTV signals, but the FCC will allow broadcasters to vacate the frequencies sooner if private deals are worked out. Commissioner Gloria Tristani, however, said ushering in new wireless services too quickly may diminish the availability of free, over-the-air TV.

Senate to consider nod for Ness
FCC Commissioner Susan Ness will get a Senate confirmation hearing March 22 to consider her renomination for a second term. Commerce Committee Chairman John McCain (R-Ariz.), whose committee must clear the nomination, said last year he opposes appointing any federal bureaucrat to a second term. Although the hearing has created speculation that the committee might agree to Ness in exchange for another Republican appointment, McCain aide Mark Buse said that “there’s no deal. Senator [and presidential candidate] McCain was just too busy last year to hold a hearing.” Buse said McCain last year promised a hearing to the committee’s ranking Democrat, Senator Fritz Hollings of South Carolina, and McCain is “honoring his commitment.”

FCC spells out merger deadlines
The FCC’s merger-review task force last week said it plans to complete mergers within six months, while lawmakers threaten to rein in the FCC’s review authority.

Although the FCC routinely operates with internal deadlines for merger reviews, this is the first time the agency has spelled out a standard intended for all large mergers. After a public notice is issued, comments and petitions would be due within 30 days and replies 15 days later. If deemed necessary, a public forum on the deal would be conducted within 60 days after the public notice. The FCC generally would decide within 75 days after the notice whether it had a complete record. Applicants would need to inform the commission by day 110 whether major revisions to the application would be forthcoming. At such notification, the FCC would stop the deadline clock until it received the changes. If needed, a second public hearing on the revised plan would be held by day 130, and the FCC would issue a final ruling on the deal within 50 days. Agency staffers stressed that significant changes to applications are likely to result in delays in reviews. Ken Johnson, spokesman for Rep. Billy Tauzin (R-La.), criticized the FCC’s plan as a “pre-emptive strike,” designed to derail legislation aimed at weakening the FCC’s merger-review authority.

International satellite bill on move
A House-Senate conference last week finished work on a bill that would require international satellite organizations to privatize. The Clinton administration raised objections to the legislation, saying it is anti-consumer, threatens national security and could hinder government access to international satellite space. At press time, the administration had not seen a final version of the bill and could not say whether it would veto the legislation. House Commerce Committee Chairman Tom Bliley (R-Va.) complained that, although the bill has been in the works for two years, the administration did not weigh in with its concerns until the night before the conference committee was due to meet. The administration has not yet signed off on the bill, but Rep. John Dingell (D-Mich.), the ranking member on the House Commerce Committee, said last week that changes in the legislation created a much improved product. The bill would allow defense contractor Lockheed Martin to buy Comsat Corp., the U.S. signatory to international satellite consortium Intelsat. Television networks and long-distance phone companies buy time on international satellites to transmit video and telephone traffic.
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VOD: Is it a business yet?
After years of promises and near video-on-demand, the time may be right

By John M. Higgins

No one is more of a true believer in the power of video-on-demand than John Hendricks. The chairman of Discovery Communications Inc. was bold enough to start—way back in 1992—a service that looked beyond VOD’s narrow concept of supercharging cable’s existing pay-per-view movie business. The idea of delivering *Titanic*—or back then *Bram Stoker’s Dracula*—not just on some fixed schedule but at whatever moment a subscriber flopped down on the couch was unheard of.

Hendricks’ Your Choice TV had a much bolder vision. Not just attacking Blockbuster Video, but radically transforming how Americans watch TV by shattering the fundamental structure of TV schedules. Why not deliver *60 Minutes* on Monday instead of Sunday? Why should NBC’s sitcom block be available only on Thursday nights? Cable could transform *Nightline* into “Dayline” and daytime soaps into nighttime soaps. The technology for totally free selection could unlock television the way the Internet came to unlock other kinds of information and communications.

Six years and $25 million later, Your Choice shut down—thwarted because MSOs balked at deploying the digital cable technology they had promised and because of the difficulty of securing program rights from studios and broadcasters.

Now VOD is more than just around the corner. Digital cable is becoming almost commonplace, with systems serving about 35 million subscribers and signing up around 4 million of those subs to fat packages of digital networks and pay-per-view movies. Operators have created a big enough footprint to start VOD market trials. Most of the major operators have VOD proposals in play or have actually launched in some systems. Comcast Corp., Cablevision Systems Corp.
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and Adelphia Communications Corp. have been experimenting with VOD systems for two years. Time Warner Inc. executives are hot to roll out VOD, launching service in its Honolulu system two weeks ago. Insight Communications Inc. debuted VOD in a third system just last week.

So how does an early zealot such as Hendricks see VOD now? He says the jury is still out on whether VOD is actually a viable business for cable operators. The technology of VOD is pretty clearly proven, though there are still plenty of bugs in the system. And it’s gotten much cheaper over the past few years.

But, for all his dreams about transforming television, the only immediate revenue source is selling movies. And operators deploying digital are already seeing big kicks in their PPV movie business by adding 30-50 digital channels of movies, scheduling The Sixth Sense or Eyes Wide Shut to start every 15 or 30 minutes. That’s often enough for operators and rival DBS companies to call— with a straight face— “near” video-on-demand.

For VOD to be worth deploying, operators have to see that the additional revenue kick will cover the costs and headaches of the servers, modulators, program and wicked systems-integration effort the service requires. “NVOD still performs pretty close to VOD,” Hendricks says. “If you can get a movie delivered every 30 minutes, that’s not bad.”

Indeed, for all the hype from equipment vendors and some programmers since VOD re-emerged as a serious proposition for cable, plenty of operators say it’s still an unproven business. Aside from the cost, operators need to get more-favorable terms from movie studios, getting movies the same day video stores do, rather than waiting 60 to 90 days. And years of mediocre marketing of conventional pay-per-view isn’t exactly encouraging to Hollywood executives.

“We know the technology works,” said Mike La Joe, Time Warner’s vice president of corporate development. “If we hit a certain level of buy rates, it’s a business. We want to see how people use it, whether we’re going to get the right titles from the studios. We need to go further before I hang my hat on it as business.”

But some operators are convinced. “There’s absolutely no question,” says Insight Chairman Mike Willner, who says he sees 75% better buy rates than digital NVOD without any marketing.

Operators have other opportunities, such as “subscription” VOD for customers of Starz!, Home Box Office and Showtime’s pay movie services or delivering longer commercials with complicated sales pitches for automobile or computer manufacturers. And, in another old idea now translated as “e-commerce,” imagine the first L.L. Bean video catalog. Or a special QVC “channel” that lets shoppers browse only ceramic clowns without sitting through the fake diamond jewelry.

One of the more persuasive arguments is using VOD to fight off competition. Though they’re trying to emulate it, direct broadcast satellite operators EchoStar Communications and DirecTV can’t really offer full VOD. “This is something the cable operators have to do,” said Starz! Encore Media Chairman John Sie. “They can’t be complacent. Otherwise, the DBS guys are going to eat their lunch.”

How big a business could VOD be? Merrill Lynch & Co. media analyst Jessica Reif Cohen, a VOD bull, sees annual revenues of $4.6 billion to $6 billion by 2009. If operators are moderately successful, selling an average 3.5 movies per VOD subscriber monthly at $4 each, she sees $2.1 billion in sales and $938 million in cash flow by 2002.

But that might not be as dramatic as it sounds. In Cohen’s mid-case model, a 350% buy rate means just 3% of annual revenue and cash flow. That would bump operators’ expected 14.5% annualized cash-flow growth just slightly, to 14.9%. At 10 times cash flow, the value of a system worth $7,650 per subscriber would edge up $380, or 5%.

However, the best news for VOD proponents is the falling costs. VOD

VOD technology providers

Who’s ready for video-on-demand

Concurrent Computer

Atlanta-based computer firm Concurrent is pushing hard for cable VOD. The company acquired Vivid for its VOD technology last October. Its MediaHawk servers are being tested in trials by Time Warner’s new Honolulu system and Comcast.

Diva Systems

An early VOD specialist, Menlo Park, Calif.-based Diva’s technology has fans, but its initial business plan to demand retail revenue splits from operators did not go over well. New management is willing to supply hardware and software primarily, not programming. Insight is Diva’s biggest booster among MSOs so far.

Ncube

Owned by Oracle Corp. Chairman Larry Ellison, Foster City, Calif.-based Ncube bought ad-insertion vendor Skyconnect in part for an entrance into cable operators’ VOD plans. Current VOD deployments are primarily in systems overseas.

Seachange Technologies

Highly regarded for its digital-ad-insertion success, Maynard, Mass.-based Seachange is adapting the same servers for VOD. Early support from network equipment supplier Scientific-Atlanta helped. The company is testing Time Warner, Comcast and Cox cable systems, deployed in several hotel VOD systems.

Unisys

An $8 billion computer builder, Unisys is developing a host of interactive TV products. The Blue Bell, Pa.-based company works primarily with Motorola’s broad-band unit. Its VOD server is ready for trial this summer.

—John M. Higgins

CTAM Digital & PPV Conference: CTAM explores the video-on-demand business with a conference March 8-10 in Los Angeles at the Century Plaza Hotel and Tower—the CTAM Digital & Pay Per View Conference. Mindy Herman, who was until last week the president and CEO of INDEMAND (she was named the new president of EI), will still be the keynote speaker on Wed., March 8. On Thursday, the keynote is Margaret A. Bellville, executive vice president of operations for Cox Communications. Conference sessions include topics such as tips on expanding event and adult pay-per-view sell rates, on-air promotion as well as research on retaining and growing digital customers.
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technology supplier Diva Systems Inc. President David Zucker said that, when Time Warner launched VOD in its Orlando "system of the future" in early 1994, the equipment cost $4,000 to $5,000 per VOD "stream" serving up to 10 customers (excluding digital set-top box). That has fallen about 95.

Digital set-top deployment is what makes it work. When Diva launched its OnSet service in a Lenfest Communications Delaware County, Pa., system in 1998, each subscriber required a separate $450 converter. That's not even counting any headend equipment.

However, with operators widely upgrading for digital cable and deploying converters, the incremental cost practically goes to zero. Yvette Gordon, director of interactive technologies for server vendor Seachange International, noted that any digital system with high-speed Internet service has already paid for most of the upgrade for VOD. Once the $400-per-basic-sub and the $325 digital set-top boxes are in place, the $20,000 in servers and modulation equipment is relatively cheap. "For another $80 in subscriber capital," says Gordon, "you can launch VOD."

Currently, VOD systems are carrying 200 to 400 titles, with recent hits still driving most of the traffic. Adding server capacity for more titles is relatively easy. But a truly deep library may be difficult to create, since VOD may interfere with syndication rights to broadcast and cable networks, according to one studio executive.

So how good is the hit? Many operators average a 75% buy rate for movies across their addressable base. That's a lot. But it's worth noting that, 15 years after old-fashioned addressability was deployed, only 44% of cable homes can order PPV movies. DirecTV, which offers 50 channels of PPV, enough to be NVOD, gets buy rates of 200% to 250%.

Everyone who has tried VOD reports a lift. Paradoxically, the most popular titles are kids movies and adult soft porn. But that's no surprise. The Lenfest system, now part of Comcast, has seen buy rates spike to 400%, then trickle back to 300% to 350%. Entertainer, another high-speed Internet-based VOD provider, has seen buy rates of 450% on a US West digital subscriber line telephone system with music videos being particularly popular.

Insight's Willner says buy rates on his Rockford, Ill., system went from 115% to about 200% without promotion other than the on-screen program guide.

However, the biggest wall to break through for successful movie sales is Hollywood. Cable operators have pleaded for years to get more-favorable windows for PPV movies. Waiting so long after video rental stores just to get an exclusive window takes all the steam out of cable PPV. Although PPV movies generated about $700 million in retail fees last year, video rentals generated almost $10 billion in revenues, while cassette sales generated another $12 billion.

Of course, only a portion of that goes to the studios. Rental stores generally buy cassettes and rent them out over and over. Even Blockbuster, which shares revenues with studios, gives them only about 20%, compared with the 45% cable operators fork over.

"If cable demonstrates they can really make this a business for us, we'll do it," said a senior executive at one Hollywood studio. "But nobody wants to be the first in and fear Blockbuster's wrath."

Time Warner sources say that even its own Warner Bros. studio isn't yet giving generous windows to Time Warner Cable's VOD launches.

Pay movie companies are heavily flogging their own version of VOD: subscription VOD. For an extra $6 to $12 monthly, an HBO or Starz! subscriber can see some portion of the scheduled programming at any time in a given month. Want to see last night's Analyze This or last week's The Sopranos? How about all of last season's Sex and the City? Punch it up.

"SVOD adds a huge revenue advantage to VOD," said Starz! Vice President of SVOD Greg Deprez. "These guys are costing out a very expensive programming delivery system. This is more programming for that system, creating a month-to-month revenue stream."

HBO started prepping the SVOD concept for parent company Time Warner's Orlando system, but the program was halted when the whole Orlando operation proved too expensive. Starz! has been promising an SVOD trial in MediaOne Group's Atlanta system for months, but it probably won't hit until spring.

Operators are noncommittal. AT&T Broadband & Internet Services Executive Vice President of Marketing Doug Sesserman, called SVOD an "intriguing concept to add value to premium service." But as to whether it will be a major revenue source, he said the company—which is hesitating on VOD—is still "studying it."
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The Great White PPV

Broadway Television Network bringing the big stage to small screen

By Deborah D. McAdams

More than 2.5 million people shelled out about $70 apiece to see Smokey Joe's Cafe during its five-year run at Broadway's Virginia Theater. If at least one-tenth as many people are willing to pay half that much to see it in the comfort of their own homes, a new pay-per-view franchise could conceivably break even from its inception.

It's a long shot, but one that's getting better odds all the time. Broadway Television Network, the latest niche entity in pay-per-view television, will spend an average of about $4 million each to bring performances like Smokey Joe's to the small screen. With a one-night-only performance at a projected PPV fee of about $35 and the usual 50-50 split with distributors, Smokey Joe's would have to bring in about 250,000 buys to break even as a pay-per-view event. That's more than twice the buys even the most popular PPV concerts generate. But Kay Koplovitz considers concerts separate from and not quite equal to Broadway productions.

Koplovitz is chair of BTN and founder and former CEO of USA Networks. She is among the collective of theater group and television veterans who cooked up BTN late last year. The shows on the Great White Way will bring an entirely new audience to pay-per-view television, Koplovitz says. Revenue from licensing the material for DVDs, home videos, television, cable and the Internet will keep the venture breathing while theater lovers come to discover the joys of the on-screen buy.

"We believe that we will need to build the marketplace. Pay-per-view has been primarily boxing, wrestling and movies. On the event side, education needs to be put into play," says Koplovitz. "We have clear objectives going in: bringing the theater audience to the pay-per-view screen.

We're doing a concerted marketing effort with cable and satellite providers to bring fresh dollars to the pay-per-view market.

BTN's timing is fortuitous. Pay-per-view channels grow tenfold in homes that upgrade to digital cable service. And digital demand is so vigorous, cable operators are scrambling to keep up. AT&T alone has reported as many as 100,000 sign-ups per month and now has more than 1.8 million digital subscribers. Both Cox and Comcast report comparable subscriber demand. Time Warner's digital rollout is just beginning, and Cablevision's isn't far behind. With tenfold channel expansion, pay-per-view providers are game for just about any content they can lay their hands on. iNDEMAND, the pay-per-view distributor and emerging content developer, is pumping out everything from concerts to battling robots to possibly children's programming further down the line. Both BTN and iNDEMAND confirm that they are negotiating distribution terms for BTN's shows.

As Koplovitz points out, the plus side of bringing Broadway to pay-per-view is the injection of new money. About 80% of pay-per-view movie sales traditionally occur in 20% to 30% of addressable households, according to Ed Bleier, president of Warner Bros. domestic, pay-TV, cable and network features.

Boxing and wrestling attract a similar ratio of repeat buyers, while music events tend to bring in more new buyers, according to John Rubey, president of Spring Communications, a leading pay-per-view concert promoter.

Lynn Elander agrees that the market is ripe for new content. Elander is director of product development for Cox Communications, which ended 1999 with 265,000 digital subscribers.

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she says. "If you look at the history of pay-per-view, the things that do well are those that have exclusive distribution, [like] heavyweight boxing matches...or big monthly wrestling events you can't get anywhere else."

But events don't have to be huge to sell on pay-per-view, she notes. Cricket matches are a long-standing tradition on one Cox system in Fairfax County, Va., formerly owned by Media General. If there are people willing to pay to watch cricket on television, why not Broadway shows, she asks.

"Fifty million people can't be wrong," she says, alluding to the masses that flock to see Broadway theater productions. "It's not like there's no demonstrated demand for the product."

Pay-per-view Broadway events have indeed been attempted before. However, problems with unions and content rights undermined previous efforts. In BTN's case, long-term collective-bargaining agreements were struck with the major theater and television unions before the company fully organized, and theater owners themselves are in the mix from the get-go. The Shubert Organization, The Nederlanders, Jujamcyn Theatres and SFX Entertainment are all BTN investors.

"Smookey Joe's, Broadway's longest-running musical revue, written and composed by Jerry Leiber and Mike Stoller (Elvis's "Hound Dog" and The Searchers' "Love Potion No. 9"), will appear on pay-per-view sometime in second quarter 2000, according to Koplovitz. Twelve productions are planned over the next five years, primarily musicals. All productions will eventually be live and presented in the BTN framework of Live From Broadway: One Night Only. The first shows—Smookey Joe's followed by Putting It Together, a Sondheim revue starring Carol Burnett—are being taped while BTN gets its satellite transmission and distribution structure in place.

Sparing no production expense, BTN is shooting everything in high definition, 1080i format with 5.1 surround sound in anticipation of an HDTV audience and to be able to transmit high-quality material via closed circuit to theaters around the country.

"Pay-per-view used to be considered by many the backwater of the industry," observes Koplovitz, the driving force behind America's No. 1 cable network—USA Network—and therefore a highly respected media voice. "They've tried a lot of products that didn't work. Now's a different time. People are used to paying for what they want. The consumer attitude is different. Accessibility is different. There are 65 million pay-cable homes around the world. I think there's a sufficient base in the market."

### Broadway, at last

After years of failed attempts to make Broadway shows a pay-per-view franchise, two new companies are reaching for the elusive plum. Both involve a collaboration of former cable executives and longtime Broadway producers. Michael Fuchs, former HBO chairman, and producers Robert and Harry Nederlanders have joined forces to create Broadway Tonight, a satellite/cable subscription service slated for a fall 2001 launch. Exclusive, limited-run dramas produced at the Nederlanders Theatre will fill the bill of Broadway Tonight.

Unlike Broadway Television Network, which will eventually offer only live fare, Broadway Tonight will tape productions in a TV studio before the actual Broadway opening of the show. Initially, the offering will consist of a package of four productions a year, pre-sold to cable and satellite customers for a total of $79.95. All productions will run on pay-per-view after they close on Broadway. Like BTN, Broadway Television will rely on revenue from broadcast and video rights in addition to PPV.

The Nederlanders are also investors in BTN. Fuchs is a primary investor in Broadway Digital Entertainment, a company involved in the digital restoration of Broadway plays previously recorded for various PBS stations. —Deborah McAdams

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Q: **What are the key reasons for the lack of successful pay-per-view Broadway events in the past?**

A: According to the text, the key reasons for the lack of successful pay-per-view Broadway events in the past were problems with unions and content rights. These issues undermined previous efforts. However, in BTN's case, long-term collective-bargaining agreements were struck with the major theater and television unions, and theater owners themselves are involved from the get-go.

---

**Q:** Why hasn't Broadway made the transition to pay-per-view before? **A:** The transition to pay-per-view has been attempted before, but problems with unions and content rights undermined previous efforts. Pay-per-view used to be considered by many the backwater of the industry, but with the rise of high-definition technology and the growing acceptance of home entertainment, there is a sufficient base in the market for pay-per-view Broadway shows. **Q:** What are some of the key elements of BTN's strategy for pay-per-view Broadway shows? **A:** BTN is shooting everything in high definition, 1080i format with 5.1 surround sound in anticipation of an HDTV audience and to be able to transmit high-quality material via closed circuit to theaters around the country. Sparing no production expense, BTN is attempting to bring a diverse range of Broadway shows to pay-per-view, including musicals, revues, and plays, all with long-standing traditions and high demand among audiences. **Q:** How has the consumer attitude evolved to support pay-per-view Broadway shows? **A:** Consumer attitudes have changed, with people being used to paying for what they want. Accessibility has improved, and the increase in pay-cable homes around the world has created a sufficient base for pay-per-view Broadway shows.
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Becoming iNDEMAND

Former PPV distributor prepares to deliver video-on-demand

By Deborah D. McAdams

Beyond the many changes taking place at pay-per-view provider iNDEMAND is the company’s ultimate objective: to prepare for video-on-demand. So far, the company has launched a comprehensive air and ground attack that includes a massive consumer marketing campaign to brand pay-per-view, and eventually VOD, like a network channel.

In the air, iNDEMAND plans to deliver VOD content, via satellite, this summer, says Mindy Herman, iNDEMAND’s president and CEO until the end of the month, when she becomes president of E! Entertainment Television.

The moves are aggressive. Just a year ago, iNDEMAND was Viewer’s Choice, content distributor for the three or four pay-per-view channels on most cable systems. Relaunched as iNDEMAND on Jan. 1, the company is in the midst of repositioning, as both a content creator and a distributor for up to 32 channels in several MSO’s. The next step, which began in February, was the consumer marketing blitz to brand the name of iNDEMAND to pay-per-view movies, events and sports packages. After that, the goal is to get more people to use the “buy” command on their digital remote control, because those who buy once are much more likely to do it again. The success of video-on-demand depends on subscribers’ being in the habit of buying pay-per-view television.

“What we try to do, within the first 45 to 60 days, is to get people to order their first pay-per-view movies,” says Herman. “We found, once someone orders, the convenience of ordering keeps them in the tent, and they continue to order.”

Herman and her team had to move quickly to affect consumer behavior. Digital service exploded in 1999, along with pay-per-view channel capacity. In one year, digital cable delivery grew from a single major MSO with fewer than a million subscribers to more than 3 million across at least a half dozen major operations. Video-on-demand is no longer the laughable experiment it was just a few years ago, when Time Warner made an ill-fated effort in Florida. Time Warner is successfully delivering movies and pizzas on the big island of Hawaii, and nobody’s laughing now.

Because each MSO is determining its own VOD delivery technology, iNDEMAND has to be “platform-agnostic,” Herman says. “We need to make sure from a content, operations and delivery standpoint that the product can [work] regardless of the technology solution,” be it Diva, SeaChange or some other vendor, she explains. “We’re 95% of the way there.”

In her tenure at iNDEMAND, Herman has not always been so easy to reach. Constantly in meetings, working with studio executives for pay-per-view movie rights, lobbying affiliates to adopt the iNDEMAND identity and conferring with iNDEMAND’s owners—Cox Communications, Comcast, AT&T, Time Warner and Media-One—she leaves a daunting schedule for her successor. Together, the MSO owners serve more than 42 million of the country’s 79 million cable households. Add in strategic partnerships with Adelphia and Charter Communications, and iNDEMAND has access to 50 million cable homes. All are rolling out digital service, increasing their pay-per-view channel capacity and plotting their video-on-demand delivery strategy. Herman’s job has been to ensure that the products for VOD will be available and that people buy them. That’s no simple task with 120 channels of free stuff out there, and multiple-channel movieplexes to boot.

“It’s hard enough to get people to watch things these days,” she notes. “We have a dual purpose: to get people to watch these things and pay for them.”

In terms of content, iNDEMAND is opening up the spigot by going after out-of-market professional and college sports packages, developing original productions and eyeing Broadway shows (via the Broadway Television Network and Broadway Tonight). They’ve also been considering regional programming and looking at Sony’s Soap City and possibly children’s shows for its daytime hours. Other possibilities include a special event based on Blind Date, a popular teen game show, and brand extensions, like Jerry Springer’s Too Hot for TV.

“The heart of our business in every category is to program things people are really passionate about,” Herman says. But after little more than a year, Mindy Herman is relinquishing her role at

The stock-in-trade of iNDEMAND’s PPV service and content for VOD are recent theatrical releases, such as 'The Best Man,' just one of the movies available on various expanded digital systems.
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iNDEMAND to run E! Entertainment Television, a cable network controlled by Comcast.

Herman wasn't looking to leave iNDEMAND but jumped at the opportunity to run E! when Comcast President Brian Roberts offered her the job. Since Comcast was part of the group that owns iNDEMAND, all parties were privy to her possible departure, says Fred Dressler, senior vice president of programming at Time Warner Cable and a member of the iNDEMAND board for 12 years.

"Look at what she did in one year," Dressler notes. "They're following the board's directive and goals. She got them on the right track. We'll look for someone to continue those policies."

The board is considering several people within the company to replace Herman, says Dressler, although he wasn't sure when a replacement would be named.

"The board is very active in the company," he said. "The ship isn't rudderless."

After Herman joined iNDEMAND (then Viewer's Choice) in January 1999, she assembled a team of seasoned cable executives who renamed the company, snagged crucial pay-per-view sports packages, developed original content and launched the unprecedented consumer awareness campaign.

Gavin Harvey has been senior vice president of marketing and brand director for iNDEMAND since June of last year. Like Herman, he is a former alum of the FX branding and marketing team. He is pumped about branding pay-per-view.

"Here's the challenge," he says: "Taking more than 1,700 cable affiliates across five of our owners and several other major MSOs and creating a brand that's going to work across all of them, and across analog, digital and VOD."

Harvey is petitioning affiliates to convert from system-related brands such as Time Warner Home Theater and Century Select to iNDEMAND, so pay-per-view is perceived not as an unbranded category but as a network, Harvey says.

"There are a lot of issues here. Some systems are being converted and swapped," Harvey says. "This is like trying to get the United States and Europe to adopt the euro."

"I've logged over 60,000 miles in under seven months" visiting affiliates, he says, adding that five new regional affiliate marketing managers are currently being trained.

For those affiliates that have adopted the iNDEMAND moniker for pay-per-view channels, Harvey is asking for 700 to 1,000 spots a month for a consumer campaign tagged "You Rule."

"This is like trying to get the United States and Europe to adopt the euro."

iNDEMAND scored a coup when it got this summer's surprise hit 'American Pie' on PPV before the release went to home video.

The slogan is in the vein of "every movie ever made in every language, any time," which iNDEMAND is supporting with print and radio advertising.

"This year, the big priorities are to execute the brand and make it work for affiliates," he says. "It's only effective if it's marketed to the consumers."

Once consumers bite, Mark Sonnenberg, executive vice president of entertainment at iNDEMAND, is in charge of making sure they have something to chew. Another veteran of News Corp., Sonnenberg was executive vice president of Fox Channels Group when he left for iNDEMAND last September. He's in charge of greatly expanding iNDEMAND's range of content. Within three months, he was able to arrange iNDEMAND's first exclusive concert by The Artist (formerly known as Prince) on New Year's Eve, which was also tied to iNDEMAND's official relaunch. Typically, such an event would take months more lead time.

The Artist concert retailed for $19.95 and did approximately 100,000 buys—a respectable number for a concert. The concert also brought peripheral benefits for iNDEMAND in the form of publicity, with The Artist doing a rare navigation of the talk show circuit.

On the other end of the entertainment spectrum, Sonnenberg brought in BattleBots, a bunch of remote-controlled ax-, buzzsaw- and sword-bearing robots pitted in one-on-one or free-for-all battles in a caged ring spiked with booby traps. The BattleBots World Championship: BOT BOWL I on Jan. 29 did 25,000 to 35,000 buys—not very impressive but not unexpected.

"We know we're starting a franchise," Sonnenberg says, "We're committed to doing a number of these events. We went out there trying to create something. We're looking long-range."

Sonnenberg's major
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score on the movie side was getting *American Pie* in a pay-per-view window before it went to home video. Typically, movies appear on home video 50 to 60 days before going to pay-per-view. *American Pie*, about the awkward and sometimes ridiculous adolescent male sexual awakening, premiered on pay-per-view Feb. 2.

"That hasn’t been anywhere else but the theater," Sonnenberg says.

Movies currently dominate pay-per-view capacity. Cox, for example, dedicates 30 of its 34 pay-per-view channels to movies so a title can be started every half hour. This near-VOD model has tripled Cox’s movie buy rates in some systems, according to Lynn Elander, director of product development at Cox.

"On any given night, there are four titles starting every 30 minutes," she says. "If you look at a typical analog system, with one or two or three or even four or five channels, you’re lucky if you get to see one title every hour."

Movies will continue to be the primary content of pay-per-view and probably 70% to 80% of the VOD model, according to Herman. That final 20% to 30% is the tough part, she says, especially given that, aside from movies, pay-per-view is primarily boxing and wrestling, with a little music thrown in. The challenge of filling that remaining percentage will be compounded when VOD becomes ubiquitous because 30 channels won’t be needed for staggered start times. Herman estimates sporting events will eventually take up about 20 pay-per-view channels.

Sports events at iNDemand are the bailiwick of Dan York, senior vice president of programming, development and event acquisition. Formerly vice president and general manager of HBO’s pay-per-view franchise, Time Warner Sports/TVKO, York came to iNDemand in November 1999. He’s in charge of developing events for iNDemand, as well as continuing the tried-and-true categories such as boxing.

A veteran of fight deals at TVKO, York closed a deal for the April 29 bout pitting heavyweight champion Lennox Lewis against Michael Grant for the undisputed title. He was stymied in his bid for the upcoming Lou Savarese-Mike Tyson bout when event producer Showtime pulled out of negotiations, deciding instead to run the show on its own pay-television channel. However, another fight produced by Showtime, the March 3 Felix Trinidad-David Reid bout, did reach the iNDemand arena.

For pay-per-view, fights remain the economic juggernaut, bringing in more revenue than any other event category. But, with much of that revenue generated by Mike Tyson, whose popularity has faded dramatically, York agrees that events have to be expand beyond boxing.

"It’s only logical that iNDemand increase its level of self-reliance in order to avoid the volatility of event categories such as boxing and wrestling," he says. "Each event has to be a success for everyone involved—the supplier, the MSO and the iNDemand network."

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*Bete Research, Cable Operator Study on Channel Carriage. % Very/Fairly Interested in carrying Channel among top-ranked emerging networks.
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## Top pay-per-view events

**BY CATEGORY (1990-1999)**

### BOXING

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<th>RANK</th>
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<tr>
<td>1</td>
<td>SET</td>
<td>Tyson vs. Holyfield II</td>
<td>6/97</td>
<td>1,990,000 subs</td>
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<tr>
<td>2</td>
<td>SET</td>
<td>Tyson vs. Holyfield</td>
<td>11/96</td>
<td>1,600,000 subs</td>
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<tr>
<td>3</td>
<td>SET</td>
<td>Tyson vs. McNeeley</td>
<td>8/95</td>
<td>1,580,000 subs</td>
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<tr>
<td>4</td>
<td>SET</td>
<td>Tyson vs. Bruno</td>
<td>3/96</td>
<td>1,400,000 subs</td>
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<tr>
<td>5</td>
<td>TVKO</td>
<td>Holyfield vs. Foreman</td>
<td>4/91</td>
<td>1,360,000 subs</td>
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### WRESTLING

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<td>1</td>
<td>Titan Sports</td>
<td>WWF Wrestlemania XV</td>
<td>3/99</td>
<td>850,000 subs</td>
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<tr>
<td>2</td>
<td>Titan Sports</td>
<td>WWF Wrestlemania VII</td>
<td>9/91</td>
<td>760,000 subs</td>
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<td>Titan Sports</td>
<td>WWF Wrestlemania VI</td>
<td>4/90</td>
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<td>Turner Home Ent</td>
<td>WCW Slamboree</td>
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<td>Titan Sports</td>
<td>WWF Summerslam</td>
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### MUSIC

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<td>1</td>
<td>Semaphore</td>
<td>New Kids ...1</td>
<td>3/90</td>
<td>260,000 subs</td>
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<tr>
<td>2</td>
<td>Viewer's Choice</td>
<td>The Judds' Farewell Tour</td>
<td>12/91</td>
<td>230,000 subs</td>
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<tr>
<td>3</td>
<td>PolyGram</td>
<td>Woodstock '94</td>
<td>8/94</td>
<td>200,000 subs</td>
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<tr>
<td>4</td>
<td>SET</td>
<td>Backstreet Boys In Concert</td>
<td>2/99</td>
<td>160,000 subs</td>
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<tr>
<td>5</td>
<td>SET</td>
<td>New Kids ...2</td>
<td>12/90</td>
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### RING SPORTS

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<td>Semaphore</td>
<td>Ultimate Fighting V</td>
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<td>Ultimate Fighting IV</td>
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<td>Semaphore</td>
<td>Ultimate Fighting VII</td>
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<tr>
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<td>Semaphore</td>
<td>Ultimate Fighting VIII</td>
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<td>Semaphore</td>
<td>Ultimate Fighting VI</td>
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### OTHER

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<td>Main Events</td>
<td>H. Stern's New Year's Eve</td>
<td>12/93</td>
<td>350,000 subs</td>
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<td>2</td>
<td>Team Services</td>
<td>COPA America Soccer</td>
<td>6/93</td>
<td>220,000 subs</td>
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<td>3</td>
<td>Fox Sports</td>
<td>COPA America Soccer</td>
<td>6/97</td>
<td>200,000 subs</td>
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<tr>
<td>4</td>
<td>Closed Circuit</td>
<td>Colombia vs. Germany</td>
<td>5/98</td>
<td>200,000 subs</td>
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<td>5</td>
<td>Reiss Media</td>
<td>COPA America Soccer</td>
<td>7/95</td>
<td>180,000 subs</td>
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Source: Showtime Event Television (SET) estimates
History Channel International tops the list of most desired new networks.*

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E! demands Herman

President of iNDEMAND heads to entertainment network

By Deborah D. McAdams

Mindy Herman hopes she can bring more style to cable. As in Style, the fledgling sister network to E! And as the new president of E! Networks, to which she was appointed last week, Herman says getting more Style distribution is a “higher priority, because it’s just getting revved up. It’s in about 6 million homes. We want to see it in at least 10 million homes.”

That’s not to say E! with its 60 million households will be ignored. E! rules the niche of entertainment storytelling, Herman says, “and we’ll combine that with some opportunities to grow nationally, internationally and on the Internet... and with the Internet changing daily, we’ll need to be aggressive about being a category leader.”

Herman takes the reins of E! at the end of March, just over a year into her gig as president of iNDEMAND, the pay-per-view provider owned by five MSOs including Comcast. Comcast is also the controlling partner of E! Networks.

Herman said Comcast President Brian Roberts tapped her for the job, “and when Brian Roberts calls you for an opportunity like this, you have to pinch yourself.”

The EIs have been without a president since last August when Fran Shea left. Shea filled the role temporarily after Lee Masters’ departure the previous February.

Herman brings a decade of diverse cable experience to the role. She left corporate law in 1990 to join News Corp., where she managed distribution of movies to pay-per-view and pay-television outlets, negotiated sports rights and helped launch FX, Fox’s first cable venture. She left the Foxes briefly to work on Bell Atlantic’s ill-fated digital television effort, then returned to do international business expansion. At iNDEMAND, Herman brought together a team of executives who are now repositioning the company from a pay-per-view distributor to a content-creating, branded network entity.

In launching FX and relaunching iNDEMAND from its former identity of Viewer’s Choice, Herman says she “knows what it takes to launch a network.” She’ll be making the same rounds to get Style on the wire, be it analog or digital.

“I want to get homes. Eyeballs are eyeballs,” she said. “What’s most relevant at the end of the day is bringing programming that viewers are passionate about.”

Lazard TV bankers split

Rattner, Ezersky forming what is expected to be a $1B media fund

By John M. Higgins

Media investment banking heavyweight Steve Rattner’s rise in power at investment banker Lazard Frères & Co. ended with the deputy chairman splitting off with three other executives to launch a major media investment fund.

Lazard Deputy Chairman Rattner and the firm’s top media investment banker, Peter Ezersky, have teamed to form Quadrangle Group, a private equity fund that will invest in media and telecom companies. The firm already has commitments from investors for $250 million, but industry executives familiar with Rattner’s plans say the group is aiming to raise $1 billion.

If so, that would make Quadrangle one of the largest media and telecom-specific funds and create a powerful player on the deal scene.

Joining Rattner and Ezersky are Joshua Steiner, one of Ezersky’s bankers, and David Tanner, who ran a $160 million private equity fund affiliated with Lazard.

Rattner, a former New York Times reporter, had established himself in the 1980s and early 90s as one of the most pivotal media takeover advisers, counseling players like Bertelsman, America Online, Comcast and Continental Cablevision. As a banker, Rattner peaked as top adviser to Paramount Communications Inc. in the multibillion dollar bidding war between Viacom Inc. and QVC Inc.

Rattner has grown in power at the banking firm, but Lazard’s role in media deals has lessened. In 1996, Rattner rose to become the top executive of Lazard’s U.S. operation, which is one of three investment banks under the same ownership. In the latest power struggle at Lazard, the New York, London, and Paris affiliates are merging into. That squeezed Rattner out of the top slot and prompted his departure.
S-A boosts digital production

With operators complaining they can’t get enough digital cable set-top converters, Scientific-Atlanta last week said it will increase production 25% more than expected. It is retooling its converter assembly plant in Juarez, Mexico, to pump out units at the rate of 1 million per quarter starting July 1.

The plant currently ships about 600,000 units per quarter, but S-A previously said it would bump that up to 800,000 units. S-A has a backlog of orders for 1.2 million units.

Wascally wabbit brought to you by...

Cartoon Network will take sole control of Looney Tunes’ toons this fall, and every Bugs Bunny cartoon ever made will be run during the network’s annual “June Bugs” marathon slated for, uh, June 2001, Doc. The Bugs blitz is an ideal sponsorship opportunity, Joe Uva, head of sales for the Turner Entertainment Networks, told advertisers at Cartoon’s upfront last week. Cartoon, and later the other Turner entertainment nets, will seek more sponsorships rather than relying primarily on traditional 30-second spots, he said.

ESPN adds avail

ESPN added two local 30-second avail deals to SportsCenter as of March 1, a 50% increase. The increase brings local ad avail slots to 3 minutes on the hour-long cablecasts, or about 6,400 new 30-second spots per year. The additional avail slots are expected to generate 10 cents to 12 cents per subscriber per month in incremental revenue, or as much as $100 million for affiliates over the next year.

Sweeps swept cable

Cable’s biggest come up cold in February ratings period

By Deborah D. McAdams

Ratings at 18 of the 20 largest basic cable networks were down or flat for sweeps month, according to Nielsen Media Research data. Collectively, basic cable networks squeaked out a 1% ratings increase in February 2000 over last year.

Apparently, everyone wants to be a millionaire.

“There are a couple of things going on,” said Steve Sternberg, media research analyst at TN Media. “Millionaire on ABC is airing several nights a week, increasing overall usage for the hours that it’s on, and taking away from cable.”

“The other thing is, the networks have more dramas than last year, when they had more comedies. Having comedies opposite one another drove people to cable” because they’re not serialized like dramas, he said. “When you have dramas up against one another, they keep more people coming back, week after week.”

Throw in a new night of wrestling on UPN, the Grammys and the absence of a good scandal to fill up the cable news networks, and you have an exodus.

The numbers were enough to make CBS President Les Moonves crow. “This has been a victory for everybody in network television,” he said. “The Big Four networks have stemmed the erosion.”

Actually, only ABC posted a ratings gain for the period, up 23% from last year. CBS fell 6%; NBC dropped 11%; and Fox fell 10%.

Among the biggest losers for the month were the two Turner powerhouse networks—TNT and TBS, which fell 29% and 19%, respectively. Soft ratings on National Basketball Association games and Turner’s World Championship Wrestling dragged down both networks.

Basketball ratings fell 53% on TBS and 61% on TNT, while the WCW dropped 34% on TBS and 38% on TNT.

Cable’s February scoreboard

Below are the Nielsen ratings of basic cable’s top 10 gainers and top 10 losers, compared year to year.

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<td>Court</td>
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<td>SF</td>
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60,000,000 Homes in Five Short Years.
THANKS FOR RECOGNIZING THE SOUND OF OPPORTUNITY.

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Small deal, big score

Broadcom’s Digital Furnace buy could speed Web traffic

By John M. Higgins

Back away from a plan to sell hardware itself, cable modem software company Digital Furnace Corp. scored a huge gain by agreeing last week to sell out to modem chipmaker Broadcom Corp.

Most important to cable executives, the deal will make widely available Digital Furnace’s Propane software, which promises to triple the capacity of cable’s data networks and, thus, reduce the clogs that occur when too many users surf at the same time. Since Broadcom chips are used in about 95% of the cable modems deployed so far, the software will be available to the majority of cable operators.

To Digital Furnace executives and backers, however, the deal is a dramatic financial score. Although the $136 million stock swap is not massive, it’s 22 times the amount of cash Digital Furnace’s backers put up. The company started 18 months ago with just $6 million in start-up cash from three venture-capital firms: Atlanta-based Noro-Moseley Partners and Alliance Technology Ventures and Dallas-based Sevin Rosen.

Digital Furnace founder and CEO John Lappington said the deal is better for everyone than if the company had gone ahead to market its own hardware. “I am comfortable that I could develop the product,” said Lappington, a former executive at Scientific-Atlanta Inc.’s satellite systems unit. “I am also confident that it is better for us to provide it to the cable industry widely.”

For Broadcom, buying Digital Furnace will let the company distinguish its chipset from that of rivals. Everyone has to meet the DOCSIS cable industry data standard. That threatens to make cable modems and their components a boring commodity item. Digital Furnace’s product, however, won’t be available to the Broadcom rivals that are popping up.

Propane focuses on the return path from the home back to a cable system’s Internet servers. Most Internet traffic is downstream. Downloading a fat graphics and sound-filled Web page requires sending just a click of a mouse.

Still, the slice of a cable system’s spectrum that is suitable for the return path is just 20 MHz of a 750-MHz system, and even that portion quickly becomes unstable. And uploading files like MP3s.

Lappington said the return path starts clogging up with as few as 20 users in a neighborhood using the system. As the rollout of cable modems intensifies, without the kind of help Propane touts, that could mean some major slowdowns.

Propane, which can be downloaded into a Broadcom-based cable modem, tries to manage the network better and reduce latency, the delay between the time a signal is sent out by a PC user and when it is received by the network.
Ever since the digital age began...
...we've never been asleep at the switch
At Philips, we set out to build the most advanced digital production switchers on the planet. With over 1,200 installed worldwide, we feel good about our accomplishments.

But we haven’t rested on our laurels. We continue to lead the industry with the innovations TDs want—packaged in ways that enhance creativity.

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Innovating your Image. It’s our passion.

The NEW DD35 digital live production switcher—for 2000 and beyond. Designed by TDs, built by Philips.

Traditional layout with advanced PGM/PST bus

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990</td>
<td>First independent transition for each keyer and background transition on a M/E. We call it MultiMix.</td>
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<tr>
<td>1991</td>
<td>First DVE integration using dynamic fader controls right on the switcher. Works smoothly with most popular DVEs.</td>
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<tr>
<td>1993</td>
<td>First series of network-capable component digital CCIR 601 production switchers.</td>
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<tr>
<td>1994</td>
<td>First with Auto Chroma Key (internal chroma key processing we call DynaChrome) making realistic keys from all input sources.</td>
</tr>
<tr>
<td>1995</td>
<td>First with built-in VTR machine control and automatic play command on PGM take with programmable preroll.</td>
</tr>
</tbody>
</table>
Active TFT display with intuitive 3-D display gives you precise monitoring of everything the switcher is doing. You can even surf the web.

Advanced wipe patterns or DVE-effects are always ready and within easy reach. Plus you can put this module anywhere you want.

User preferences and application configurations can be stored on the internal hard drive or updated with a floppy disk. Set it up the way you like in just seconds—every time.

Integrated DVE control works with popular external devices on each M/E—it makes producing complicated effects a snap.

Tons of creative tools that make your work really fun.

Integrated machine control right there on the panel, keeps you from missing a cue. Run VTRs, video servers, DDRs, whatever.

TiME/Memo effects memories—program the complicated sequence once, then run it as many times as you want with deadly accuracy.

Six DSKs (three internal, three external) give you uncompromising keying flexibility across the board.

Plus so many more career enhancing features that we can’t possibly list them all here. Give us a call, we’ll gladly send you all the details.

1996

First with built-in flexible dynamic router control with name-follow-video mnemonics. Plus internal Montage 2-D DVE.

1997

First four-M/E digital live production switcher with dual key bus mnemonics, six DSKs, and 500 online T-Mem registers.

1998

First with macro machine control, integrated control of video servers and DDRs, clip cue and storage, plus slow motion fader control.

1999

First digital production switcher with three keyers per M/E.

First with networked satellite and remote location control.

2000

First digital high definition, multiformat, four M/E production switcher.

User interface designed by TDs.

Although we’ve been first with the innovations that make your live productions better, we haven’t stopped yet. Today, we are developing new ways that will enhance your efficiency, productivity, and creativity for years to come.
It started almost a decade ago

We began by going to the best TDs on the planet.
We listened to their frustrations and their dreams.

Then we turned our finest research, engineering, and design teams loose.

Soon we were delivering the first digital production switcher to the world.

And all this before other companies even thought about going digital.

That's how we started.

Wait till you see where we're going.
Nets claim fab February

ABC sweeps clean, but all celebrate stemming viewer tide to cable

By Joe Schlosser

It seems everybody in the network TV business came out of the February sweeps feeling like a Millionaire.

Executives at the top three networks were in a chummy mood at the end of the key ratings period, patting themselves on the back for strong viewership numbers and stemming the erosion to cable.

ABC and Who Wants to Be a Millionaire? came out the big winners in total viewers, households and in the key adults 18-49 demographic. The battle for second place in a number of categories came down to the final night between CBS and NBC, and neillets UPN and The WB presented quite a battle in their neighborhood. And the usual foes atop the big networks were suddenly charter members of a mutual admiration society.

“I’d like to congratulate ABC on their sweep victory,” said Les Moonves, president and CEO of CBS Television. “I think it has been, generally speaking, a victory for everybody in network television... The Big Four networks have stemmed the erosion.”

And NBC’s West Coast topper Scott Sassa added, “We think it’s been a really great month for broadcast television.

A year ago we were all talking about [HBO’s] The Sopranos; that was the biggest buzz. But the watercooler shows this year are the shows that are on network television.

Combined viewership of the six broadcast networks was up 2%, stopping years of decline, and the majority of the top-10 cable networks were hit hard during the 28-day ratings period (see story, page 47). Thanks to 16 hours of Who Wants to Be a Millionaire? and a number of strong series like The Practice, ABC grabbed its first outright February sweeps victory in 12 years and its second consecutive sweeps victory of the year. ABC’s total viewership numbers were up 19% over last year, to 16.0 million viewers, topping NBC’s 13.4 million and CBS’ 13.3 million. ABC also averaged a Big Four-best 6.0 rating in adults 18-49. NBC came in second and Fox was third.

ABC was also the only Big Four network to post increases from last February, gaining 19% in total viewers and 11% in adults 18-49.

A lot was made of ABC’s use of Who Wants to Be a Millionaire? by rival networks, who did the math for reporters last week: 16 hours representing 18% of ABC’s prime time schedule during the sweeps. The three regularly scheduled episodes of Millionaire averaged 29 million viewers and a 9.7 rating in adults 18-49. CBS’ Moonves quipped: “By the way, if I had had Millionaire, I would have had it in 25% of my schedule.”

NBC came close to pulling off what

Can’t ‘Millionaire’ stay up late?

After another sweeps period in which ABC has enjoyed great success from Who Wants to Be a Millionaire?, affiliated news directors again complained that Millionaire’s riches fade by late news time.

“They’ve hosed us again,” said a top-market news director.

Several news directors in major markets said at the end of the November sweeps that, while the network did itself a great deal of good with Regis in prime time, ABC had done nothing to bring an audience to late local news (B&C, Dec. 6, 1999). The news executives objected to the decision to remove NYPD Blue in favor of poorer performing but network-owned Once and Again, and were concerned about what they considered the fading news magazine 20/20.

They also maintained that their fears that Blue would also fade in its hiatus, have proven groundless, given it’s relatively weak performance against CBS’ Judging Amy. And when a special sweeps event drew well, like the Mary Tyler Moore Valerie Harper reunion movie, it ran 8-10 p.m., instead of 9-11 p.m.

ABC representatives said that while some markets may be facing difficulties, their late prime performance has significantly improved over recent sweeps performances, including 20/20 Downtown’s Darva Conger interview and improvements in NYPD Blue’s performance in the last sweeps weeks.

“It would be wonderful if ABC would give us a couple of Millionaires at 10 o’clock. I would love Millionaire any day of the week at 10 except Sunday,” where The Practice has been a strong performer.

Not all ABC news directors were dissing the network. One major market news executive, who has experienced significant ratings difficulties, offered that “a lot of news directors want it both ways. They wanted the newsmagazine because it delivered a strong news audience. We would rather have a 10-rated newsmagazine [as a lead-in] than a 12-rated drama. But would I like a 25-rated drama? Sure, Once and Again had an terrific opening week. There was some hope of another 10 o’clock hit.”

But, that news director acknowledged, the job has a high mortality rate, and a bad book can provide the bullet. “Basically they’re saying, I wish they’d give me Millionaire in February so I can save my job. A lot of news directors would look a lot smarter if they had Millionaire at 10:30.” —Dan Trigoboff
would have been an upset victory in the adults 18-49 demographic, but got nailed at the end of the month with the less-than-spectacular ratings from miniseries *The 10th Kingdom*.

Sassa pointed to a number of positive signs for the network during February, including having the top-rated show for the entire sweeps: *ER*. Sassa also made it clear that NBC affiliates will come out on top again during the key 10:30-11 P.M. pre-late-news time period. In adults 18-49, NBC averaged a network-best 10.0 rating for the key time period—improving 9% from last February.

CBS produced the two highest-rated miniseries of the month (*Sally Hemings: An American Scandal* and *Perfect Murder, Perfect Town Part One*) and also telecast the highest-rated Grammy Awards since 1993. Moonves reiterated to TV reporters that the sweeps are "an inaccurate measure of what we do for a living."

Fox came out of the sweeps as the top network in adults 18-34, men 18-34 and in teens. The network also finished with four of the top 12 shows in adults 18-49 during the sweeps, including newcomer *Malcolm in the Middle* (7.9/18).

In the battle of the netlets, UPN’s *WWF Smackdown* brought the two sides into a heated, down-to-the-wire ratings race. UPN was up a whopping 48% in total viewers from last February, averaging 4.2 million, compared with The WB’s 3.8 million. The WB was off 26% from last year, with a lot of that attributed to the network’s loss of WGN Superstation carriage. In adults 18-34 and 18-49 UPN edged The WB. UPN averaged 1.8 in 18-34s and 1.6 in 18-49s. The WB pulled a 1.7 and 1.5 in the respective categories.

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**Liar Liar, Ransom Ransom**

*Double-run strategy gives ABC a boost, saves a buck, and gives viewers a second chance*

By Steve McClellan

Taking a page from cable, ABC embraced a new movie scheduling strategy for sweeps. The network took some top theatrical films and repeated them in the same week.

The main reason, according to Jeffrey Bader, senior vice president of program planning and scheduling for ABC, was to give viewers a second chance to catch the film in an increasingly fragmented viewing environment. Case in point: the film *Ransom*, which ABC first aired Feb. 21, and which did a 7 rating and a 17 share in adults 18-49. "A 7 rating is a big number now," says Bader. "But that also means 93% of the audience didn’t watch it."

The network repeated the film Feb. 26, when it averaged a 3.7/12 among adults 18-49 and where it matched ABC’s season-to-date time-period winning performance on Saturday nights. "The network prime time audience is very different each night," says Bader. "Even with [Who Wants to Be a Millionaire], there is less than 50% duplication night to night."

But ABC likes the strategy for other reasons, including the cost savings. And the network has used the repeats to beef up sagging time periods. "In virtually every case, the second run of the week has significantly increased the time period it went into," says Bader.

The network gave a boost to its Friday night TGIF block on Feb. 18 with a same-week repeat of *Jim Carey’s comic movie*. To tell the truth, the network gave a boost to its Friday night block on Feb. 18 with a same-week repeat of *Jim Carey’s comic movie*.

NBC is credited with first using the strategy some six years ago with the Universal flick, *Kindergarten Cop*. At the time, Universal offered a free second-run for the same-week network repeat of the film. "Nothing is for free anymore," says Bader. "But it does allow us to amortize the cost of a movie over an additional run."

None of the other major networks have embraced the strategy like ABC. NBC hasn’t done it in four or five years, a spokesman said. CBS hasn’t done it all. Two Novembers ago, Fox aired *Lost World* twice.
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Clear Channel, SFX make music

$4.4 billion merger will unite radio, entertainment giants

By Elizabeth A. Rathbun

Clear Channel Communications Inc.—soon to be the nation’s largest radio group—plans to buy concert promoter SFX Entertainment.

A stock swap valued at $3.3 billion, plus assumption of about $1.1 billion in SFX debt, the deal is a rare one for radio, but there is “a natural relationship between radio and live music events,” company Chairman L. Lowry Mays said in a news release. Besides pursuing Internet/music strategies, the merger “leverages [Clear Channel’s] marketing and promotional strength...and adds a new component” to sell to advertisers.

On closing its merger with AMFM Inc., Clear Channel will own or operate 867 radio stations. It also owns 19 TV stations and has more than 550,000 outdoor advertising displays.

SFX Chairman Robert F.X. Sillerman owned 72 radio stations until he sold the company in 1997. Now SFX bills itself as the world’s largest promoter, producer and venue operator of live entertainment events. Of its 120 entertainment venues, 31 are in the top 50 markets, nearly all boasting Clear Channel radio stations or outdoor holdings. SFX also produces touring Broadway shows and manages some 650 professional athletes.

Among possible synergies:
- Clear Channel radio stations sponsor SFX concerts, and Clear Channel TV stations and billboards hype them.
- Artists could plug their SFX shows via interviews on Clear Channel’s radio and TV stations and Web sites.
- Clear Channel’s Internet sites could also market SFX concerts and sell related CDs and merchandise.

Pending antitrust and FCC approval, the deal could close early in the third quarter, Clear Channel said.

Clear Channel shares plunged about 11.4% at the merger news, closing last Tuesday at $66.625. But by last Thursday, the price was up slightly, trading as high as $71.25. That’s a dramatic 25.3% drop, however, from its 52-week high of $95.375, hit on Jan. 21.

Hicks widens Internet net

Thomas O. Hicks’ private investment firm, set to be Clear Channel Communications’ largest shareholder, last week announced two Internet-related ventures. Both involve CMGI Inc, an Internet holding company, and Pacific Century CyberWorks Ltd., a Hong Kong-based broadband Internet service provider.

The companies have agreed to acquire “traditional media companies” whose content could be leveraged into new-media holdings, according to Hicks, Muse, Tate & Furst spokesman Ray Winnick. However, Hicks Muse’s AMFM Inc., which is merging into Clear Channel to form the largest radio group in the United States, is not currently part of the deal.

In another venture announced a day earlier, the three companies agreed to kick in up to $150 million each to invest in emerging Internet businesses overseas.

—Elizabeth A. Rathbun

'Unsolved Mysteries’ looks to 'Net

Unsolved Mysteries is the reality show that won't go away.
The former NBC and CBS series, which airs twice daily on Lifetime, is being positioned for a fresh return and also as a big Internet opportunity.

DreamWorks Television has taken over sales for Unsolved Mysteries from the show's producers and is looking to bring the show back with original episodes, new content and a companion interactive Web site. The series will end its current syndication run on Lifetime in October 2002, but DreamWorks' television head Bob Jacquemin says he is looking to get the next syndication sale completed within the next few weeks. "The reason we are trying to get it done now is we want to get the Web site up and running within the next six months," he says. "We want to solidify the broadcast partner now because we think the Internet is going to play a big factor in this show going forward."

Jacquemin says he is talking with a handful of cable networks, a broadcast outlet and several Internet portals about the potential TV and Web-site rights to the series. Sources say Lifetime, A&E, TNN and TNT are all interested. Lifetime executives wouldn't comment but sources claim that Lifetime is the leading contender for the next round of Unsolved Mysteries.

The Robert Stack-hosted series debuted on NBC in September 1988 and remained there through the end of the 1996-1997 season. CBS picked the show up in April 1998 and ran it sporadically through the end of last summer. Lifetime acquired the syndication rights six years ago and has run repeat episodes, many with added content. In all, there are more than 250 hours of Unsolved Mystery programming and close to 1,500 solved or unsolved stories to tell.

John Cosgrove, one of the show’s co-creators, says the 2002 model of Mysteries will probably feature 22 new episodes per season and many follow-up pieces from past shows. And the show is the model for convergence between the Internet and television, he adds: "The Internet will likely play a big role in the show, helping us find cases and solve mysteries."

—Joe Schlosser
Patience pays for ‘Donny & Marie’

Since The Rosie O'Donnell Show launched in summer 1996, no other syndicated talk show has caught on in a big way. Twenty-two syndicated talk shows have been launched, including celebrity chat shows with Terry Bradshaw, Gayle King, Howie Mandel and the soon-to-be-cancelled Roseanne.

Columbia TriStar Television Distribution is hoping that its patience with Donny & Marie can help turn that tide. Donny & Marie is currently in its second season, and CTTD executives are out renewing it for the 2000-2001 season. The show is ahead of all of this year’s newly launched talk shows, with a 1.8 national rating for the season, according to Nielsen Media Research. It’s up 20% from its premiere in fall 1998 and has averaged over a 2.0 national rating for the last eight weeks.

Bill Carroll, vice president and director of programming at Katz Television, says the combination of hit court shows and the failure of so many celebrity-driven talk shows has made it an uphill battle for Donny & Marie. “But I agree with what the Columbia executives are saying now, that it is easier to build a show that already has an identity and is on the air and that the audience has an expectation for, rather than trying to establish a new program, which is the most difficult thing to do,” says Carroll. “Now that the show is close to completing two seasons, they have the opportunity in their third season to see more incremental growth, and the potential is certainly there for just that.”

The show also has a number of positive local-market stories to talk about. On KVTX-TV Dallas, Donny & Marie has averaged a 2.8 rating/10 share through the first three weeks of the February sweeps and has the 9 a.m. time period’s best performance in five years. And on KARE-TV Minneapolis, the show is averaging a 3.5/13 this season, up 13% over last season.

—Joe Schlosser

**TOP 20 SHOWS**

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<td>Wheel of Fortune</td>
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<td>2</td>
<td>Jeopardy</td>
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<td>3</td>
<td>Judge Judy</td>
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<td>4</td>
<td>Oprah Winfrey Show</td>
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<td>5</td>
<td>Friends</td>
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<td>8</td>
<td>The Rosie (wknd)</td>
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<td>9</td>
<td>Hollywood Squares</td>
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<td>Jerry Springer</td>
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<td>Drew Carey</td>
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**TOP TALK SHOWS**

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**HH=Television Households AA=Average Audience GAA= Gross Aggregate Average; 1 Nielsen rating point = 1,008,000 TV Households, which represents 1% of the 100.8 million TV Households in the United States.**
Regis re-ups; Gifford goes

Replacement search is on; Philbin, also signs new ‘multi’ ‘Millionaire’ deal

By Joe Schlosser

While Regis was cashing in last week, Kathie Lee was cashing out.

It was an eventful week at Buena Vista Television’s syndicated talk show Live! With Regis and Kathie Lee—a week that featured new contracts for Regis Philbin on two fronts and a farewell speech from his TV partner, Kathie Lee Gifford.

After 15 years together on TV, the last 12 on Live!, the pairing will apparently come to an end this summer. Gifford, who had been in contract discussions with the Disney-owned studio for the last several months, called it quits on last Tuesday’s episode.

“It’s time,” Gifford told Philbin during the show. “I have loved my years with you. You’ve been the greatest professional partner a person could ever have.”

Any thoughts that Gifford’s on-air farewell was just a negotiating ploy were dismissed by Buena Vista executives and Gifford herself.

“When I first began ... I was single and childless and thinking about myself for a living. It was simple and impacted no one but myself. But now I no longer feel comfortable sharing the ordinary, innocent, everyday details of my family life, only to watch the tabloid media turn them into harmful, misleading and libelous stories.”

The fourth-highest-rated daytime talk show will go on with or without Gifford, studio executives made clear last week. Buena Vista will start a search for a new co-host for Philbin immediately. “We don’t have anybody in mind right now because it just happened. His wife, Joy Philbin, who has served as a fill-in host for Gifford in the past, was one of the names bantered about last week.

As for Philbin, he isn’t going anywhere for a while. The popular host of ABC’s Who Wants to Be a Millionaire? signed a new “multiyear” contract for Live!, and managed to renegotiate his pact for Millionaire as well, last week.

Diallo coverage praised

Mayor calls cameras beneficial; Graham sees O.J. antidote

By Dan Trigoboff

The mayor of New York City, Rudolph Giuliani, immediately after the verdict in the racially charged Diallo case, said the people “can make their own judgment about this case.

“They had the opportunity to listen and to see and to observe all of the witnesses, to observe the judge and the way in which he conducted the case,” said Giuliani, who was a federal prosecutor before seeking political office. “[They could] sit by and listen to all of the analysis that the jury went through, and they can draw their own judgment about this. And I believe that that fact alone, the camera and the television coverage of it, has changed the minds of a lot of people about what happened and again reminds us of the wisdom of trial by jury.”

The Albany, N.Y., trial in which four New York City policemen were acquitted in the killing of Amadou Diallo became a showcase for cameras in the courtroom. “It was the antidote to O.J.,” said Fred Graham, Court TV’s senior anchor and a longtime broadcast and print legal reporter.

Many legal commentators believe the combination of a celebrity defendant, grandstanding lawyers and a judge who lost control of his courtroom led to the carnival atmosphere that pervaded the 1995 criminal trial of O.J. Simpson. But others, including some New York State legislators, believed cameras in the courtroom had a lot to do with it, and a 10 year experiment with televising trials that had been considered successful ended in 1997 (B&C, June 23, 1997).

“Imagine what might have happened with the way the verdict came out if people hadn’t been able to ‘see for themselves’ how the trial was conducted,” said WNBC-TV news director Paula Madison. “There would have been a lot of suspicion about the process. A lot of people are still scratching their heads, but I think that what helped,” she added, were post-trial interviews with jurors. “We saw seven of the jurors; we saw the racial composition and the gender composition. You got to detect the agony on the faces of some of those jurors, how they struggled to be fair and just and right.”

“The reaction of the public might have been different, it might have been worse, if the officers hadn’t been seen testifying and seen showing remorse,” said WABC-TV New York News Director Bart Feder.
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Wall St. eyes KRON-TV deal

Young's depressed stock price has financial community wondering

By Steve McClellan

Will the Young Broadcasting deal to acquire KRON-TV San Francisco be completed? Chronicle Publishing Co. wasn't commenting last week, although Young continues to insist it will.

There was growing skepticism on Wall Street last week, though, given Young's depressed stock price, since NBC announced two weeks ago that it was taking the NBC affiliation away from KRON and selling it to Granite Broadcasting for $362 million.

When KRON and Young announced their deal last November, the plan was for Young to pay $650 million in cash and about $173 million worth of Young stock, based on the trading price of the stock at that time. But as of last week, with Young's stock trading at around $24, the value of the deal had dropped to around $745 million, slightly less than the $750 million NBC had reportedly offered for KRON.

Nothing prevents the two sides from negotiating new terms before the deal is approved by shareholders, which is expected in April. If the Young-Chronicle deal were to be terminated, it is possible NBC could buy the station; the network has an out in its Granite deal if such an event were to occur. Two weeks ago, NBC President Bob Wright said such an occurrence was "unlikely."

But one Wall Street source said last week that Young's stock is likely to remain suppressed given the uncertainty of KRON's future performance without the NBC affiliation: "Clearly, [Chronicle shareholders] have to be thinking that owning GE stock over the next several years is a much more stable investment than owning Young stock."

According to the SEC filing, Young and Chronicle are merging the two companies in a deal that requires Chronicle to dispose of its publishing and other non-broadcasting assets by Aug. 31. Otherwise, the merger can be terminated. Chronicle has already sold about $1 billion in assets but has yet to complete a sale of the San Francisco Chronicle to the Hearst Corp., which is required to dispose of the co-located Examiner.

The merger is also conditioned on Chronicle's remaining to be treated as a Subchapter S corporation, a status that has highly favorable tax consequences for the merger parties. If Chronicle is denied "S" corporation status, Young Broadcasting may elect to have the terms and conditions of the merger agreement superseded and replaced by an asset-purchase agreement that would have essentially the same terms as the merger agreement but less favorable tax consequences.

If Young were to make that election, the filing discloses, Chronicle would then have the right to terminate the merger, subject to a $25 million termination fee payable to Young.

Either party has the right to terminate the agreement if the FCC has not issued a final order approving the deal by June 30 or the FCC elects to hold a hearing on the transfer of the broadcast licenses to Young. But both sides also have the right to extend the termination date to Aug. 31. The same termination rights apply if the merger hasn't been completed.

-- Joe Schlosser

CBS' Falcone to fly

CBS Television CEO Les Moonves is ready to air Falcone. The network will launch the Columbia TriStar action series April 4, and has planned an unprecedented eight-day rollout. Starting Tuesday, April 4, Falcone will air nine times over those eight days, including back-to-back episodes on its premiere night. "We are going to handle it very responsibly," says Moonves of the Mafia-themed show. "There is going to be sufficient warning for people about what this show deals with." Moonves also says CBS is "actively" developing a remake of game show $64,000 Question.

WB resets roster

WB executives have revised the network's schedule dramatically for April, including the addition of Dick Wolf's new drama, D.C. The Law & Order producer's series will debut Sunday, April 2, at 8 p.m. ET/PT. D.C. will take over the slot from Felicity, which moves to Wednesdays at 9 p.m., after Dawson's Creek. The WB has also brought back last summer's half-hour comedy, Movie Stars, which will air at 9 p.m., followed by comedy series Zoe at 9:30 p.m. Other moves at the network include freshman drama Roswell taking over the post-Seventh Heaven time period on Monday at 9 p.m. The time slot had been filled by repeats since the fall after the cancellation of drama Safe Harbor. The one show to be dropped is new drama, Jack and Jill, which will end its first season March 19. It may return next fall. The WB averaged 3.8 million viewers in the February sweeps (through Monday), down more than 25 percent from last year.

Big 'Double Cross'

David Hasselhoff's new action series Double Cross, from Kaleidoscope Media Group, has been cleared in more than 80% of the country for next fall on 13 stations in the top 20 markets, including WCBS-TV New York and KNBC-TV Los Angeles. Sources say a handful of other CBS owned-and-operated stations have also picked up the series.
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Personal reporting

WISH-TV reporter Sandra Chapman would never claim to be objective in her recent story on serious juvenile crime. “It happened to my family,” she told viewers. Chapman’s father, a businessman and active community volunteer, was killed in 1998. The suspect, who is awaiting trial, was a 12-year-old whose brother was coached by her father. Chapman’s story covered her own tragedy, as well as possible deficiencies in the law and the treatment of juvenile offenders. It included an interview with her mother, discussing their tragedy, and with the father of the boy suspected of killing her father. “I wasn’t comfortable doing the story,” she said. “And the decision to do it wasn’t made lightly. But I felt I needed to share.”

Ohio anchor’s stalker gets probation

An Ohio man convicted of stalking WOIO(TV) Cleveland anchor Denise Dufala was given three years probation and ordered to undergo three months of inpatient psychiatric care. “Our laws are not where they need to be,” Dufala commented. On a recent trip to England, she noted that a man convicted of stalking was given two years in jail. “Here, the judge’s hands are tied.” Targeted by several stalkers during her career, she believes that many are mentally ill and refuse to take their medications. “They need to be in a facility they can’t escape from,” she said, “but they need help more than they need to be put away. They need a facility that will give them medication. Many of their families are in denial, and some don’t have families.”

Two scoops of Strawberry?

Apparently the story on Darryl Strawberry’s flunking another drug test was big enough for two TV stations—hundreds of miles apart—to get credit for breaking it. WTVD(TV) in Orlando, in fact, was reported as sharing credit for the scoop until it learned that it was WVT(TV) Cincinnati’s Dave Wagner with whom it was sharing. “Dave’s a good reporter,” said WTVD news director Phil Metlin. “It’s OK if he takes credit.”

Wagner, a newcomer to Cincinnati who worked for years in Tampa, acknowledged that the Strawberry story “doesn’t have a lot of relevance to the city of Cincinnati, but this is a baseball town.” It was Wagner’s Florida baseball sources, gained through more than a decade there, who brought him the story. WLWT may have gotten the lion’s share of the credit for breaking the story, he suggested, because it shared its Florida Department of Corrections documents with other media.

CBS sex suit

A class action suit has been filed against CBS station group, alleging sex discrimination against female technicians at CBS-owned stations in New York, Los Angeles, Chicago, Minneapolis, Detroit and Green Bay, Wis. Plaintiff Linda Karpell won a finding of discrimination last year from the Equal Employment Opportunity Commission on the same facts. She has asked the federal court in New York to join her case with an existing class action lawsuit, brought by the same attorneys, filed last year in Minnesota. CBS is charged with promoting a hostile work environment in which female technicians are demeaned verbally and not given opportunities equal to those of their male counterparts. When contacted, CBS said it had not yet been served with notice of the complaint, but the station group has defended its employment practices in the past.

Okla. broadcasters seek trial access

Broadcast stations in Oklahoma City, Court TV and the Radio-Television News Directors Association, have asked an Oklahoma state judge to allow a camera in the courtroom for the trial proceedings of Oklahoma City bombing conspirator Terry Nichols. In a letter to Judge Robert Murphy, RTNDA, citing the positive reactions to TV coverage of the Amadou Diallo case in New York (see story, page 62) also asked for access to the preliminary hearing and other proceedings. A March 10 hearing has been scheduled on the motion. Nichols faces 160 counts of murder for the April 19, 1995, bombing. He has already been convicted in federal court for manslaughter in the deaths of eight federal law enforcement officers and given a life sentence. Co-defendant Tim McVeigh was convicted of murder and sentenced to death. The federal trials were not televised.

Where there’s smoke...

After nine people were killed in house fires locally, WFR(TV) Rockford, Ill., launched a campaign to give away smoke detectors. In addition to distributing hundreds of detectors along with other local businesses, the Salvation Army and Rockford Fire Department, the station is running several special features on fire safety.

Contact Dan Trigoboff at (301) 260-0923, e-mail dtrig@erols.com, or fax (202) 463-3742.
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ABC widened its lead near the end of the February sweeps, thanks in part to "Who Wants To Be a Millionaire?" taking five of Week 23's top 10 slots.
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SkyStream targets ISP business

New ‘edge router’ is intended to help provide fast, high-quality Internet service

By Glen Dickson

For the past several years, SkyStream Networks has been pitching television broadcasters, satellite operators and cable companies on the idea of a “broadcast Internet”: using broadcast or satellite spectrum to deliver high-quality, bandwidth-intensive multimedia content and thus bypass terrestrial Internet bottlenecks. Now the Mountain View, Calif.-based company, which makes gear to insert data into compressed digital streams, is going after the other end of the IP (Internet Protocol) food chain.

SkyStream’s new product is the SkyStream 2000 edge media router, a product designed to sit at an ISP’s local point-of-presence and receive incoming IP data from satellite or terrestrial signals. The IP content can then be routed to an Internet server and sent over high-speed last-mile connection such as DSL or cable modem to deliver a fast, high-quality Internet experience to consumers.

Previously, SkyStream has focused on “source media routers,” devices that can insert IP packets into MPEG-2 compressed streams before they are uplinked or broadcast terrestrially. Such units sell at $30,000 to $50,000, depending on the size of the customer. The company also makes corresponding data-broadcasting-management software, called JetStream, to control the data-insertion process. SkyStream has spent a lot of time proving its interoperability with various encoding and conditional-access systems and now has sold its data-insertion equipment to a diverse mix of clients, including EchoStar, Loral Cyberstar, CableCom, Granite Broadcasting and IBeam.

With the introduction of the SkyStream 2000, the company believes it now has an end-to-end IP data solution. The edge router is certainly a volume product, both in its price and application. The SkyStream 2000 will sell at $3,000 to $5,000 and is designed to handle up to a satellite transponder’s worth of IP data (roughly up to 40 Mb/s). SkyStream expects that it will initially sell the 2000 along with its source media routers to content providers or distributors looking to deliver rich multimedia to ISPs. But the company thinks that, as IP data becomes more mainstream, it will sell the edge router separately to ISPs, telcos and cable operators.

“The first level of activity will come from people who provide the whole solution first, companies such as IBeam or Edgix,” says Clint Chao, SkyStream’s vice president of marketing. “They go to the ISP and say, ‘I’ll manage the equipment. Let me co-locate.’ But over time, as we see multiple services becoming available through the air, I think independent ISPs will start to own edge receivers so they can tune in to any of the services that are out there.”

Just as cable operators dedicate an IRD to each incoming programming stream, Chao believes, ISPs will dedicate edge routers to particular content providers, especially if they are using different conditional-access systems. In the case of a cable headend, a local operator could connect an edge router to an MPEG-2 IRD to extract IP data that is broadcast simultaneously with video by a cable programmer.

In general, Chao thinks delivering high-quality IP content through the air has enormous potential, particularly for DTV broadcasters. He cites a recent datacasting trial that SkyStream conducted with RealNetworks, Harris Corp. and Granite station KNTV-DT San Jose, where KNTV- TV broadcast multiple 700-kb/s multimedia streams that were received and viewed on personal computers.

“It blew me away,” says Granite President Stuart Beck, opining that the RealVideo approached “stunning 3-D quality.”

C3D Digital, DDD bring 3-D to TV, the Internet

By Ken Kerschbaumer

Sports Illustrated isn’t alone in giving new meaning to 3-D. C3D Digital has signed a deal with Cable America, a Phoenix-based cable system, to bring viewers 3-D programming by the end of the month.

Chris Dyrek, Cable America vice president of operations, says he hopes to have the service available to subscribers by the end of March. “It’s another premium service to add to the viewer’s experience, and we’re looking for anything to give us an advantage in this competitive environment. It also emphasizes what a cable system can do,” he adds. “There’s a wow factor to it.”

Based in Venice Beach, Calif., C3D Digital is a television network and Internet company offering a fulltime 3-D premium TV channel for $9.95 a month. Subscribers place an imaging-system emitter box on the TV and wear liquid-crystal shutter glasses. The box sends an infrared signal to the glasses, allowing the viewer to take in a variety of programming. The company also
"Once you get comfortable in HDCAM, you never want to go back."

—Angus Yates, Executive Producer for Discovery Channel's Eco-Challenge

A 300-mile race, 24 hours a day, through some of the toughest terrain in the Andes. Mountain-climbing, kayaking, canoeing, racing on horseback and on foot—a survival test for man, woman, and camcorder. Listen to Angus Yates, Executive Producer for Discovery Channel's Eco-Challenge.

"There were 20 Sony HDW-700A HDCAM® camcorders covering the shoot. Camera crews were spread out over 700 square miles of wilderness. It was nerve-racking, because nobody had ever taken HD equipment into an event like this. But the camcorders really had what it takes." Teams from over 30 nations raced the course, through some of the world's worst weather. "We got hammered. In the morning, it could be a blizzard with 100mph winds — by afternoon, the sun could be shining."

When it was over, they had 600 hours of incredible HD images shot from both ground and aerial vantage points. They also edited in the field, logged footage and fed daily uplinks. And as you'd expect from Sony, all the equipment came back in perfect working order.

"On a complex human adventure drama, it only makes sense to use a "future-proof" format. Sony HDCAM technology makes this the leading format to originate in. And the HDW-700A has a human engineering component that's remarkably like Betacam®, so even guys who hadn't worked in HD before quickly felt right at home. And once you get comfortable in HD, you never want to go back. Working in HD, shooting, editing, on-line production — it makes you feel like a filmmaker again."
TECHNOLOGY


C3D Digital is also developing its own original programming, and the 3-D aspect adds some new dimensions to production demands. For example, specially rigged stereoscopic camera platforms are used, the latest of which uses two Hitachi HV-D27 cameras. "The cameras take terrific images," says C3D Digital Director of Programming Brendan Kinkade.

C3D Digital can record material in either dual-stream mode, in which each camera sends a signal to a separate gen-locked deck, or multiplex mode, using a multiplexer on board the camera to send the signals to a single deck. Once the material is ready for editing, a combination of linear editing bays, along with Avid and Media 100 nonlinear decks, are used. The editing process, like the shooting process, has some unique considerations. "We're editing with depth," Kinkade says, "and we don't want to create jarring transitions for the eye."

Also believing in the potential of 3-D television, Santa Monica, Calif.-based Dynamic Digital Depth (DDD) has begun the commercialization phase of its strategy, which company President and CEO Chris Yewdall describes as very different from that of C3D Digital.

DDD's approach calls for the 3-D decoding and image processing to take place within the advanced digital set-top box or Internet playback device. The company is currently working with General Instrument on incorporating DDD's 2-D-compatible 3-D transmission technologies into GI's DCT 5000 advanced digital set-top box. Yewdall expects that, by early next year, the company will have core playback devices capable of decoding the 3-D signal.
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Radio dreams of digital
Industry awaits standard to allow improved FM, AM broadcasts

By Elizabeth A. Rathbun

Lacking a technology to make digital radio a reality, broadcasters have had to watch from the wings as entertainment media from music to TV have improved their products by converting to 0s and 1s.

"We are rapidly becoming the last of the analog cowboys here. Every other entertainment medium is transitioning to digital," says Milford Smith, vice president of radio engineering for Greater Media Inc. and chairman of the digital audio broadcasting (DAB) subcommittee of the National Radio Systems Committee. That committee, co-sponsored by the National Association of Broadcasters and the Consumer Electronics Association, has been evaluating digital radio tests to no avail since 1993.

Now, however, radio may be poised to take the digital stage. On Nov. 1, 1999, the FCC launched a proposed rulemaking to consider a technological standard for terrestrial digital radio. The two companies vying to set that standard, Lucent Digital Radio Inc. and USA Digital Radio Inc. (USADR), have long agreed that the best system is In-Band On-Channel (IBOC), but each is taking different technological steps toward implementation.

IBOC is indeed the best way to go in the U.S., Smith says. "The question is, can we do it technologically? We've got our fingers crossed."

A decade in the works
USADR has been working on IBOC since 1991, the year after the FCC opened a proceeding to consider authorizing digital broadcasting on the ground and via satellite. Lucent joined the race in 1996. The companies, after a nine-month joint venture in 1997-98, are now working separately on second-generation systems expected to make AM sound like the current FM band and the current FM to broadcast with CD quality.

"I'm sure there's frustration on the broadcasters' side. I myself am a little frustrated" at the pace of the process, Smith says. However, "it's been a long road — of necessity." Developing IBOC has been "terrifically difficult from a technological standpoint."

The problem is, "there was no drop-in technology that was well-suited to this task," says David Layer, senior engineer in the NAB's science and technology department.
With broadcasters keen for a system that would allow them to keep their dial positions without spending a lot on new equipment, the NAB at least seven years ago dismissed the idea of using new spectrum to carry digital transmissions.

Instead, broadcasters backed IBOC, which surrounds an existing analog signal in the same band and on the same channel (hence, In-Band On-Channel). That’s “something that’s not been done before,” says USADR President Robert J. Struble.

If approved as the nation’s standard, the technology will give broadcasters something they’ve never had before: the capability to offer data services. Possible uses include displaying the name of a song being played, offering news and traffic information, and even eventually carrying images, says Suren Pai, president of Lucent Digital Radio.

In fact, that could be “the killer app,” Smith says. It “ultimately could be more valuable than the audio capacity.”

Report expected soon

The first attempt at devising an IBOC technology was a dismal failure. Hope was resurrected in the late 1990s in the form of technological advances by USADR and Lucent. The DAB subcommittee, which had suspended its activities, regrouped in December 1997 as Lucent contended that “a completely tested and ready IBOC digital system is only months away.” Meanwhile, USADR opined that digital commercial service could begin in mid to late 2000.

Lucent’s Pai declines to speculate about current timing. However, he hopes for an industry consensus by early next year, and “that should get the process rolling.” USADR expects that receivers will be available, and stations covering most of the country IBOC-equipped, by the end of 2001.

The DAB subcommittee is evaluating the companies’ proposals and hopes to have a report ready by the NAB Annual Convention scheduled for April 8-13 in Las Vegas. The group will judge only whether the systems sound better than existing analog. If not, there’s no need to proceed. But if they do—and “the results so far appear to be encouraging,” Smith says—a “formal standard-setting process” will begin later.
this year. That means independent laboratory evaluations (heretofore, the companies have been testing their own data).

Assuming both companies pass the lab tests, the future of DAB is then in the FCC’s hands. The commission will consider whether IBOC—or another technology—should be the DAB standard or whether, in fact, a standard is needed. No deadlines have been imposed, but the FCC’s Nov. 1 notice says it “intend[s] to be in a position to act expeditiously when the time is ripe.”

No need for speed

Most broadcasters aren’t chafing at the slow pace to date. “The process is moving along at appropriate speed,” says William L. McElveen, executive vice president of Bloomington Broadcasting Corp. and president of the NAB’s Radio Board. “We don’t want to rush IBOC to market before it works properly.”

Nor are listeners tuning out because they can’t get radio digitally. “FM radio is very good. Nobody’s turning it off because it sounds so bad. [It doesn’t;] it sounds good,” the NAB’s Layer says.

If and when digital radio does arrive, consumers will have to buy digital receivers. They are expected to cost 10% to 15% more than current receivers. That premium is expected to decline over time, much as the cost of CDs and personal computers have.

But “radios are not all going to get tossed in the garbage” because they’re suddenly useless, Struble says. A transition period, during which both analog and digital signals will be broadcast, is expected to last some 10 to 15 years.

According to Pai and Struble, radio-station costs are expected to run $20,000 or $30,000 to $200,000, depending on how much digital equipment is needed. USADR also plans to charge stations “a small royalty fee” to license its technology, according to Struble; Lucent has pledged a royalty-free plan.

With 12 of the nation’s broadcasters, including Clear Channel Communications Inc., RadioOne Inc. and Entercom Communications Corp., literally buying into IBOC via equity investments in USADR, the FCC is now “the wild card,” Struble says. “But so far, so good.”

Better late than never?

A decade in the works, terrestrial (as opposed to satellite) digital audio broadcasting is still far from a reality. This timeline documents the path that radio has taken so far in trying to go digital.

1990: FCC opens proceeding to consider authorizing digital audio broadcasting (DAB) both on the ground and via satellite.

1991: Westinghouse Electric Corp., CBS Inc. and Gannett Co. Inc. found USA Digital Radio Inc. (USADR) to “develop a viable digital broadcasting system.”

June 23, 1993: NAB Radio Board adopts DAB policy plan calling for development of DAB technology known as In-Band On-Channel (IBOC).

May 12, 1997: USADR and Lucent Digital Radio Inc. agree to jointly develop IBOC technology.


February 1998: USADR and Lucent go their separate ways.


Nov. 6, 1998: FCC issues public notice seeking comments on USADR’s petition for rulemaking, receiving 33 comments through December.

Jan. 17, 1999: Twelve of the nation’s largest radio broadcasters, including Clear Channel Communications Inc., Entercom Communications Corp. and Radio One Inc., buy equity stakes in USADR.

Nov. 1, 1999: FCC launches proposed rulemaking to set DAB standard, which could include use of new spectrum. However, FCC says it considers IBOC “superior.”

Dec. 11, 1999: Digital Radio Express joins forces with USADR.

Jan. 24, 2000: Comments on proposed DAB standard due at FCC.

September 2000: USADR suggestion for when FCC could select a DAB standard.

Date unknown: FCC is expected to name DAB standard.

Compiled by Elizabeth A. Rathbun

Sources: USADR; Lucent; NAB; media reports including BROADCASTING & CABLE
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**TECHNOLOGY**

**CUTTING EDGE**

By Glen Dickson and Ken Kerschbaumer

**TiVo and BSkyB form alliance**

Personal video recorder (PVR) manufacturer TiVo Inc. has struck a deal with News. Corp’s digital satellite television venture, British Sky Broadcasting (BSkyB), to introduce PVR technology to UK consumers. The companies have agreed to develop set-top-size PVRs that will deliver a personal television service co-branded by TiVo and Sky. The TiVo/Sky devices, which will allow consumers to easily record programs by personal preference as well as pause and rewind live broadcasts, will be available this autumn. TiVo is already working with U.S. digital satellite firm DirecTV to market a similar service in the U.S.

**Globecast invests in Philips IP gear**

Globecast, a France Telecom unit that delivers satellite services to U.S. broadcasters and cable networks, has purchased a Philips IP-based compression system that it will use for data transmission and business television clients. Globecast is buying a seven-channel Philips MPEG-2/DVB-compliant compression system extended with the CleverCastPCT Data Broadcasting/IP hub. The Philips system, which Globecast will install in its Miami uplink facility, includes StatCastTM statistical multiplexing technology and the CryptoWorks conditional access system, which allows content to be delivered to both set-top receivers and IP routers.

**Microsoft to buy Peach Networks**

Microsoft is purchasing Israel-based Peach Networks in a move to extend the Microsoft TV platform to include basic digital set-top boxes (STBs), such as the Scientific-Atlanta Explorer 2000 and Motorola DCT 2000 being deployed by cable operators. Microsoft says it can now offer the most scalable enhanced-TV platform in the industry. Financial details of the acquisition were not disclosed, although, in a separate release, Elbit Ltd., which holds a 57% stake in Peach, said it will sell its shares to Microsoft for $43 million in cash.

**CNN adds Sony DVCAM VTRs**

CNN is the first customer to receive delivery of Sony’s DSR-2000 DVCAM VTR, having purchased seven units. CNN’s plans include using six for domestic pool situations to help with playback of 6mm material from other pool members and broadcasters. The VTR is designed to support all 25-Mb/s digital video formats, including those recorded on DV and DVCPRO25 tapes. It can also record and play back 16:9 aspect ratio pictures shot with the Sony DXC-D30WS camera or the DSR-500WS or DSR-PD100A DVCAM camcorder.

**IMagicTV tapped by QuebecTel**

QuebecTel, the second-largest telecommunications company in Quebec, has chosen IMagicTV’s DTV Manager software to deliver interactive services to customers. DTV Manager will allow QuebecTel to use its existing copper network to provide Internet, interactive and multimedia services on either the PC or TV, including digital TV channels, Web-based e-mail, Internet browsing and video on demand. Also involved in deployment of the new service, which is called ZEBTM, are PixStream, Newbridge Networks Corp., Oracle, Pace, SGI and Sun Microsystems.

**China Central picks Leitch products**

China Central Television (CCTV) has selected Leitch’s Genesis modular digital platform and Juno upconverter has part of its upgrade to digital. Modules chosen include encoders, decoders, AES audio embedders and de-embedders, and A/D and D/A converters. The sales announcement comes on the heels of the announce that Leitch’s third-quarter revenues dropped 11% from last year, to $39.4 million, and net earnings were $4.1 million, down from $6.5 million.

**Philips digital switchers head Down Under**

The Sydney Olympic Broadcasting Organization (SOBO) has purchased a number of DD35 and DD10 production switchers from Philips Digital Networks. The SOBO broadcasting center will house 12 DD35 switchers. The largest switcher, a DD35-4, will be located in one of the Olympic Stadium control rooms. The total number is expected to be more than 16 DD35 switchers and as many as 40 DD10s.

Telecast Fiber’s Viper II can handle HDTV serial digital signals.

**Extending Viper fiber system**

Telecast Fiber Systems will look to capitalize on the success of its Viper fiber optic system with the Viper II at NAB. Features include multichannel video and audio, the means to handle HDTV serial digital video (19.4 Mb/s to 1.5 Gb/s) and 24-bit digitized audio or AES/EBU. It also has a universal 16-slot card cage. Joining the Viper II will be the HDTV Cobra, extending HD cameras with fiber and offering the support of multiple cameras on one fiber cable.
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Out in front on HDTV

As of Nov. 1, all Indianapolis network affiliates were required to be HDTV-ready. CBS-affiliate WISH-TV, though, was up and running a year earlier. Parent company LIN Television had already HD-cast a Rangers game out of Texas in March 1998, broadcasting it in the Dallas area on KXAS-TV and feeding it to experimental station WHD-TV Washington via fiber optics. Terry Van Bibber, director of engineering for the station, was responsible for laying down the technical path for migration into HDTV. In an interview with Edmond M. Rosenthal, he discusses what was involved and how the HDTV marketplace is developing.

**How are you using your digital channel?**
We’re multicasting. We run a high-def channel and upconvert a lot to high def. Also, we’re running a low-bit-rate local live weather show, which we feed to cable systems using the multicast channel for distribution.

**What did it cost the station to set up for digital TV?**
Going high-def, we probably spent $2.2 million to $2.5 million, mostly in ’98. That was really to get high def from the network and broadcast it—a transmitter and new antenna along with encoding and some other things. We don’t produce any local programming in high def.

**What was the most difficult part of that transition?**
Availability of equipment at the time we were doing it. Our [Larcan Channel 9 solid-state] transmitter wasn’t hard to get. Some of the encoding equipment proved to be a bit of a hassle. We purchased a Divicom encoding system, and delivery dates were later than when we wanted to go on the air. LIN did a package deal with Comark Digital Services, [which was] marketing the Divicom equipment, so they helped us with a loaner Mitsubishi encoder and with some of the technology. Getting any kind of receiving equipment—just so we could monitor what we were doing—was tough. There were a few instances where, in converting from high-def serial digital interface to analog parallel interface, it was tough to find what we needed. Sony had one of the conversion units we needed, and we were able to get it in at the last moment.

**Did you experience any operational problems?**
Several years prior, we had built a whole new transmitter [facility] in anticipation of high def. We probably had more problems just building an all-new transmitter site—getting FAA clearances and things like that—than with the high-def portion.

**What power are you transmitting at for HDTV?**
Our ERP is 15.3 kW. The output of our transmitter is at 2.8 kW. That’s average power, not peak power.

**How is CBS’ early adoption of HDTV helping you?**
It gives us programming to broadcast, and we work very hard to carry all that CBS programming in high def. I believe the figure is 15 hours a week in prime time.

**Have you carried anything in HDTV other than CBS programming?**
We did a demo in January ’99 at a home show. One of the electronic stores here set up a Panasonic high-def TV in a show home, and CBS provided a high-def tape of the John Glenn launch. We were able to rent some Sony HD camcorders and play that back.

**Are you doing much work with local retailers to promote the medium?**
The Indiana Historical Society opened a new facility, and, with the help of Ovation Electronics, one of the high-end electronics chains in this area, we set up a “history of broadcasting” demo area—from black-and-white days through high def.

And we’re getting ready to do a promotion in March, where we have permission from CBS for the first couple of rounds of the men’s NCAA Basketball Tournament, to carry all the games. We’re going to multicast all four games on our digital channel in standard definition. This will be a special promotion with one of the electronics stores in town. Thomson Consumer Electronics, which is headquartered here, is going to be the high-def underwriter of the Final Four for CBS.

**What’s your next progression into HD programming?**
We have no immediate plans for local programming. Maybe our next step is to be able to play back high-def syndicated product.
A Massive download
Ex-studio bigwigs launch digital video delivery service

By Richard Tedesco and Joe Schlosser

A quartet of media heavyweights unveiled plans last week to attempt a quantum leap in enabling downloads of digital video content, including pay-per-view access to TV shows or movies and outright purchase of programming online. Massive Media Group (MMG) aims to create a free-form model for delivering video content on the Internet, or on DVDs and CDs, through a secure digital downloading technology from InterTrust Technologies Corp. The executives involved certainly know the respective video businesses they’re attempting to draw on: Frank Biondi Jr. is former chairman and CEO of Universal Studios and Viacom; Howard Weitzman is former executive vice president of Universal Studios; Greg Meidel once was chairman of Universal Studios TV Group; and Michael Kassan is former president and COO of Western Initiative Media Worldwide.

Their basic strategy is to tap into existing video libraries—including TV shows, movies, movie trailers, sports, music videos and digital music libraries—and act as an online broker to enable broadband users to rent or buy on demand. “You could create a pay-per-view model. You could create a model for repurposing old content,” says Weitzman, CEO of MMG. “Our concern is to get a system in the marketplace for intellectual property holders that allows them to distribute their content and not get ripped off.”

Those models could require Web surfers to pay $2.95 for access to two replays of a sitcom episode they missed or $4.95 to purchase a permanent copy, according to Weitzman. He also foresees the prospect of pushing movie trailers and encouraging redistribution by downloaders who would get incentives—movie tickets—to play a role in the promotion chain. And then there are vintage TV and classic sports events, which could find an audience willing to pay a fee for another look. “It will mostly be repurposed,” says Weitzman.

But he also foresees using MMG’s infrastructure as a path for producing TV pilots. And he believes the major studios will eventually seek to distribute feature-length films on the Internet, within the next five years. “I think you will see long-form getting out there,” he says. “The margins keep getting slimmer.”

That will start to happen, he believes, when the studios are confident that the downloading technology is there to enable secure transactions and prevent piracy in initial downloads or illicit secondary distribution. MMG figures InterTrust’s digital rights-management (DRM) technology, called FlyingMedia, can provide the essential platform to drive its downloading business and defuse fears about misappropriated content.

InterTrust currently carries a market cap of approximately $7 billion. Thus far, its DRM technology has been used to facilitate digital music downloads. It has worked with Universal Music Group and has been developing a relationship with BMG, according to a spokeswoman.

“It’s clearly a pure technology play in that we are not going to mess with their content except to help enhance the distribution of it,” says Kassan, president of MMG’s advertising and e-commerce unit.

MMG bases its business model on taking a percentage of each transaction it facilitates. It plans to strictly play the role of middleman and has no aspirations to license or develop content. “We are not trying to acquire content,” says MMG president and COO Meidel, citing MMG executives’ contacts in the studio and music businesses as a prime asset in making their proposition work.

“We go in and demonstrate how we can enhance value in their library or the new content that is being produced.”

The Santa Monica, Calif.,-based start-up already has “some arrangements” in place for video from content providers, according to Weitzman, who says the company expects to start putting programming online by the third quarter, launching the full-blown service in the fourth quarter.

He acknowledges that bandwidth is still a stumbling block to building a business in delivering video content with sufficient quality to prompt Web surfers to pay for it and tune it in on their PC screens. “Obviously,” he says, “a lot of this is dependent on bandwidth.”

Eventually, MMG plans to apply the same InterTrust technology to enable downloads of content to DVDs or CDs for replay on TV screens. “What’s unique about the applications we’re using,” Weitzman says, “is that you can use them online or you can use them on CDs or DVDs.”
AOL, Microsoft get wireless

Competing cyberspace powers are both angling to go anywhere and everywhere

By Richard Tedesco

W ebheads won’t have to be plugged in to access AOL or MSN anymore.

America Online struck a series of deals to deliver AOL content wirelessly, while Microsoft mirrored its rival’s moves in plans to deliver MSN content and music via its Windows Media Player the same way.

The two companies may be based on opposite coasts, but they’re moving in the same strategic direction. And the Redmond, Wash., software behemoth even seems to have adapted the “AOL Anywhere” mantra of the Dulles, Va., bulldozer now linked to Time Warner.

“Our overall vision is to deliver services anywhere, any time on any device,” says Deanna Sanford, lead product manager for MSN, echoing a line originally coined by AOL.

The import of last week’s deals was as strikingly similar as the rhetoric.

AOL inaugurated its newly formed wireless unit with pacts to provide its content to users of Sprint PCS Internet-ready phones, and Motorola and Nokia handheld devices. AOL will use BellSouth’s network to transmit its AOL Mobile Messenger service and will deliver its e-mail and instant messenger services to consumers equipped with smart BellSouth wireless devices. It also enlisted the aid of Arch Communications to provide two-way messaging capacity for its mobile messenger service and will also send its services to consumers armed with Arch devices.

The BellSouth deal is probably the first of several with major telcos, but Dennis Patrick, the former FCC chief and new AOL Wireless president, declined comment on other deals in the works, saying only, “We’re talking to all of the carriers.”

Apart from e-mail and messaging, the AOL services to be delivered to wireless devices are practical applications, including its personal finance “channel,” its Digital City urban guides, MovieFone and MapQuest.

“Eventually we’re going to be delivering music and other multimedia to these devices,” says Patrick.

Microsoft is getting the drop on AOL there, with plans to deliver music to handheld devices with its Windows Media Player, enabled by Windows CE licensing deals with Compaq, Casio and Hewlett-Packard. Digital music files downloaded to PCs can, in turn, be downloaded to the wireless devices. “Certainly this is a huge win for our format leadership,” says Michael Aldridge, product manager of Microsoft’s digital media division.

Back on the practical application side, Microsoft will develop mobile versions of its MSN portal service and its Expedia travel service for wireless handheld units. And it will develop wireless receiving devices, including smart phones and pocket PCs.

Microsoft also intends to deliver multimedia content to remote devices as well. “Once higher-speed access is available, we’ll be able to take advantage of that content as well,” says MSN’s Sanford.

New media, new - oof! - superheroes

Stan Lee Media is bringing a new class of superheroes in cyberspace, destined to find their way back to traditional media.

The site (www.stan-lee.net) is the brainchild of Stan Lee, who created Spiderman and the Incredible Hulk. The characters in these online Flash animation “Webisodes” sound no less fantastic, but a bit more existential: Stone, Man, Accuser, Drifter and Ogre. And alter egos of the Backstreet Boys will be featured in an animation series now in development.

Merchandising and what Stan Lee Media co-founder and partner Peter Paul calls “unobtrusive” sponsorships will fuel the site financially. But Stan Lee Media itself has already shown extraordinary strength as a media start-up: a public company since August, it currently carries a market cap of more than $300 million.

The first offering from the company’s creative Skunkworks unit is a seven-minute episode of The 7th Portal, featuring a multinational cast of kids who assume the identity of avatars in cyberspace to battle evil forces threatening our solar system.

The overall idea behind the Web venture is to capitalize on the audience of 250 million PC users equipped with Macromedia’s Flash software to deliver animation that looks good on a slow Web connection.

Paul expects 7th Portal to transmute into a syndicated TV series, and he says the company is negotiating with two production studios toward that end. The same is intended for the rest of new Stan Lee superhero crew. “The future will show that content will originate on the Internet.”

—Richard Tedesco

Comic-book maven Stan Lee is bringing new characters to cyberspace on his new Web site.
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ABC play-alongs

By Richard Tedesco

Oscar fans and Millionaire wannabes can get vicarious thrills from ABC.com this month with enhanced content directly tied to live programming. Film buffs can predict the winners on the big night March 26 at Oscars.com and keep track of their record versus other aspiring critics. ABC will use the same software it used for football broadcasts this past season to create enhanced features on the site it co-produces with The Academy of Motion Picture Arts and Sciences. Trivia questions, statistics and a running list of the winners, all synchronized with ABC's on-air coverage of the awards ceremony, will be online this year.

ABC's online coverage is to include streamed video of the stars arriving and wall-to-wall streamed coverage of backstage events.

ABC's site seeks to cash in on growing online interest in Who Wants to Be a Millionaire? by synchronizing its online version of the game show with the live nightly telecast, says Brian Bowman, vice president and general manager of ABC.com.

ABC.com has already had a good experience with its extension of the game show: It claims 43 million Millionaire games played since the feature first appeared on the site in January, with 800,000 participants entering the sweepstakes contest. Its traffic during January doubled from the previous month, according to Media Metrix, and ABC claims 2.5 million visitors checked out the Millionaire winner's page.

More innovative elements for the site are ahead, with ABC planning to plug mid-season replacement shows this month with some kind of enhanced online treatments of the new shows, according to Bowman.

RealNetworks scores music deals

RealNetworks bolstered its Internet music initiative last week with a series of deals linking its RealJukebox to music retailers.

Borders, Musicland, TransWorld Entertainment, Virgin JamCast & Megastore and Wherehouse Online Stores will push their respective customized versions of RealJukebox through some 3,300 retail outlets and their Web sites. The deal gives the retailers links to the 25 million registered RealJukebox users already using the digital music player, and the customized players enable them to promote specific artists.

The deals give RealNetworks a leg up on Microsoft, which is hot to establish its Windows Media Player as the player of choice for digital music downloads.

RealNetworks gains new paths to push its software to music fans through connections to music retailers, who will undoubtedly be sources for digital music downloading in the near future. "Music retailers realize this market for digital downloads of music is really beginning to happen, and they're making sure that they participate," says Dave Richards, vice president of RealNetworks' consumer products unit.

The major recording labels say they plan to authorize digital downloads of their music inventories through established music retailers.

NBC's cyberspace DEN mate

NBC may be playing a new role in cyberspace as it assumes a minority stake in Digital Entertainment Network. NBC's relationship with DEN includes the prospect of co-producing episodic Web shows with the cutting-edge Web programmer, or developing some of DEN's offbeat content for NBC air, according to Greg Carpenter, DEN CEO and COO. "There's potential for both," he says.

DEN's current episodic series, refreshed weekly or bi-weekly include Frat Ratz, Aggarnation and Fear of a Punk Planet.

NBC is participating in a $24 million round of financing, kicking in cash to the Santa Monica start-up and promotional time on NBC properties. Spots will appear in shows aimed at DEN's Generation Y demographic, according to Carpenter.

NBC's investment in DEN is the network's latest in a long string of Web properties, including stakes in CNet, Talk City, iVillage, Inter-tainer, Xoom.com and VideoSeeker. The network recently struck an unusual 30-year, $150 million deal with Ralph Lauren Polo, indicating NBC's twin priorities to develop broadband content and emphasize e-commerce in its strategic partnerships.

The relationship with DEN indicates possible aspirations for NBCI, NBC's Internet arm, as a content producer. Marty Yudkovitz, NBCI president, cited the potential for the DEN partnership to advance NBC's "convergence strategy."

DEN plans to use the $24 million to develop new programming and further develop its infrastructure, according to Carpenter. He says DEN will seek to acquire original content this year, both new episodic Web shows and short films, to add to its current lineup of 13 "Webisodes." —Richard Tedesco
THERE ARE A NUMBER OF GREAT REASONS TO ATTEND CABLE 2000...

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### Construction permit for KTLM(TV) Rio Grande City/Brownsville/McAllen, Texas

**Price:** $600,000  
**Buyer:** Sunbelt Multimedia Co., Rio Grande City (Sam F. Vale, president); no other broadcast interests  
**Seller:** Starr County Historical Foundation, Rio Grande City (Sam F. Vale, principal/president of buyer); no other broadcast interests  
**Facilities:** Ch. 40, 1,450 kW visual, ant. 371 ft.

### PROPOSED STATION TRADES

#### THIS WEEK

- **TVs:** $4,200,000  
- **Combos:** $3,885,000  
- **FM:** $2,925,000  
- **AM:** $9,000,000  
- **Total:** $20,010,000

#### SO FAR IN 2000

- **TVs:** $50,773,415  
- **Combos:** $633,830,816  
- **FM:** $251,541,530  
- **AM:** $61,602,059  
- **Total:** $1,416,908,561

#### FM

- **KNSH(FM) Nags Head, N.C. and WYND-FM Hatteras, N.C.**  
  **Price:** $1.3 million  
  **Buyer:** OBX Broadcasting LLC, Rocky Mount, N.C. (E. Wayne Gibson, manager); no other broadcast interests  
  **Seller:** Coastal Broadcasting Co. Inc., Wanchese, N.C. (Kenneth L. Mann, president); no other broadcast interests  
  **Facilities:** WNSH: 92.5 mHz, 18.5 kW, 203 ft.; WYND-FM: 97.1 mHz, 48 kW, ant. 558 ft.  
  **Format:** Both country  

- **KCRZ(FM) Tipton, Calif.**  
  **Price:** $850,000  
  **Buyer:** Westcoast Broadcasting Inc., Tulare, Calif. (Larry W. Woods, president); owns KJUG-AM-FM Tulare  
  **Seller:** Lemoore Wireless Co. Inc., Beverly Hills, Calif. (Ken Mann, principal); no other broadcast interests  
  **Facilities:** 104.9 mHz, 2.3 kW, ant. 528 ft.  
  **Format:** Oldies  
  **Broker:** Exline Co.

- **WINQ(FM) Winchendon, Mass.**  
  **Price:** $775,000  
  **Buyer:** Aritaur Broadcasting Inc., Newport, R.I. (William P. Collatos, Joseph V. Gallagher and Robert J. Maccini, each 33.3% owners); owns WMVF(FM) Tisbury. Collatos also owns three AMs and six other FMs; Maccini also owns one AM and three other FMs  
  **Seller:** CAT Communications Corp., Claremont, N.H. (Jeffrey D. Shapiro, principal). Shapiro owns five AMs and 12 FMs  
  **Facilities:** AM: 700 kHz, 2.5 kW day; FM: 99.9 mHz, 1.85 kW, ant. 407 ft.  
  **Formats:** AM: news/talk; FM: hot AC

#### AM

- **KSRY(AM) Dallas**  
  **Price:** $7.5 million (plus seller gets KPRZ-FM Fountain/Colorado Springs, Colo.)  
  **Buyer of KSRY and swapper of KPRZ-FM:** Salem Communications Corp., Camarillo, Calif. (Edward G. Atsinger III, president); owns/is buying 38 AMs and 15 FMs, including KWARD-FM Dallas  
  **Seller:** AMFM Inc., Dallas (Thomas O. Hicks, chairman); owns/is buying 124 AMs and 318 FMs, including KBEF(FM) and KZPS(FM) Dallas, KHKS(FM) Denton/Dallas, KTOO(FM) Fort Worth/Dallas and KGEE(FM) Gainesville/Dallas, all Texas. Note: AMFM is being bought by Clear Channel Communications Inc., which owns/is buying 20 TVs, 175 AMs and 342 FMs, including KDMX(FM) Dallas and KEGL(FM) Fort Worth/Dallas  
  **Facilities:** 660 kHz, 10 kW day, 660 W night  
  **Format:** Christian  

- **WHYZ(AM) Greenville, S.C.**  
  **Price:** $1.5 million  
  **Buyer:** Entercom Communications Corp., Bala Cynwyd, Pa. (David J. Field, president); owns/is buying 32 other AMs and 59 FMs, including WYRD(AM)/WPCR-FM Greenville, WDOU(AM)/Easley/Greenville, WOLT(FM) Greer/Greenville and WOOR(AM) and WSPA-AM/FM Spartanburg/Greenville, S.C.  
  **Seller:** WHYZ Radio LP, Tampa, Fla. (Glenn Cherry, CEO); owns two Florida AMs  
  **Facilities:** 1070 kHz, 50 kW day, 1.5 kW night  
  **Format:** News/talk  
  **Broker:** Blackburn & Co. Inc.

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**Compiled by Alisa Holmes**
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DATEBOOK

MAJOR MEETINGS

April 8-13—National Association of Broadcasters Annual Convention. Las Vegas Convention Center, Sands Expo, Venetian Hotel Center, Las Vegas Hilton. Contact: (800) 342-2460.


May 22—George Foster Peabody Awards, 59th annual presentation and luncheon. Washington. Contact: Dr. Fred Newton (202) 547-3787.

July 26-19—Cable & Telecommunications Association for Marketing Summit. Hyatt Convention Center, Boston. Contact: Seth Morrison (703) 837-6546.


March 8-10—CTAM Digital Pay Per View Conference. Century Plaza Hotel and Tower, Las Vegas. Contact: Seth Morrison (703) 837-6546.


ALSO IN MARCH


March 24-26—NAB Education Foundation Making News: An Executive Seminar in Broadcast Journalism. Swiss Hotel, Atlanta. Contact: John Porter (202) 775-2539.


April 28—SCTE Fiber Technology for Technicians. Embassy Suites, Phoenix. Contact: Jessica Dattis (800) 542-5040, ext. 239.


April 7—Texas Associated Press Broadcasters Annual Convention. Marriott Quorum, Dallas. Contact: Diana Heidgerd (972) 991-2100.


April 7-9—Radio and Television News Directors Foundation's 37th Annual Conference. Hyatt Regency Hotel, Las Vegas. Contact: Janice Adam (217) 793-2636.

April 7-10—Broadcast Education Association 45th Annual Convention & Exhibition. Las Vegas Convention Center, Las Vegas. Contact: (202) 429-5354.


April 10—Television Bureau of Advertising 14th Annual Marketing Conference. Las Vegas Hilton Hotel, Las Vegas. Contact: (800) 342-2460.


April 21-22—College Broadcasters Group 22nd Annual Black College Radio Convention, The Renaissance Hotel, Atlanta. Contact: Lo Jecks (404) 523-6136.


April 29—Television News Conference Anchor Training. 1510 H St., NW, Washington. Contact: Herb Brubaker (301) 340-6160.


May 7-11—CMP Media Inc. 3D Conference & Expo. Santa Clara Convention Center, 5001 Great America Parkway, Santa Clara, Calif. Contact: Kathleen Sachs (415) 278-5343.

May 10—Quinnipiac College Fred Friendly First Amendment Award presentation. Metropolis Club, New York City. Contact: Lou Adler (203) 288-5251.


JUNE


June 3-6—CAB presents its 7th annual Local Sales Management Conference, Denver. Contact: Nancy Lagos (212) 506-1229.


—Compiled by Beatrice Williams-Rude (williams@cahners.com)
James Cicconi may have wondered how he was going to better himself after serving as special assistant to President Ronald Reagan at age 29.

But he has only moved up. At 47, he is AT&T Corp.'s general counsel and chief lobbyist, overseeing hundreds of corporate lawyers and crafting the company's policy positions.

Cicconi has never worked for a giant multinational corporation, but he's still suited to the job. In past lives, he was one of the Republican Party's primary policy-shapers and one of Washington's top law firms' top lawyers.

Along the way, he has also made some friends in high places.

"Jim Cicconi has been a winner all his life," says former ambassador to the Soviet Union Bob Strauss, founding partner of Akin, Gump, Strauss, Hauer & Feld and Cicconi's former boss. "He does things well, has a sense of responsibility and judgment, and gives a damn about what he's doing. That's a very important thing."

"I saw Jim Cicconi up close and personal at the White House," says former President George Bush. "As president, I greatly benefited from his knowledge and skill and still depend on him today for good advice."

Apparently, what's good for presidents is good for corporate chairmen. AT&T Chairman C. Michael Armstrong and his top lieutenants got to know Cicconi when he served as outside counsel to the company as a lawyer with Akin Gump.

Cicconi learned early the benefit of good connections as well as hard work. He met former Secretary of State and top Reagan aide James A. Baker III while working part-time in the Texas legislature and attending law school at the University of Texas. After graduating, he became issues director in Baker's campaign for Texas attorney general. When Baker lost, Cicconi went to work as general counsel for the Texas secretary of state.

Baker's loss was Reagan's gain, though. In 1981, Baker went to Washington as President Reagan's chief of staff and called Cicconi to the White House as special assistant to the president and special assistant to Baker.

There Cicconi learned the very delicate art of political negotiation, a skill he carries into the corporate boardroom. "In any decision-making structure, you often find that there's an expedient course and there's a principled course, and sometimes the right decision is a melding of the two," he says. "Occasionally, it may be important to stand firm on a principle, even if it means not achieving your near-term objectives."

Cicconi left the White House in 1985 to become an associate at Akin Gump. In what seems to be typical Cicconi style, he made partner in three years.

But he wasn't long out of the political scene. In 1989, he served as senior issues adviser to Vice President George Bush's campaign for the presidency. When Bush won, Cicconi took a leave of absence from the law firm to serve as deputy chief of staff. His old mentor, Baker, became secretary of state, and Cicconi had to choose between two jobs: one at the State Department and one at the White House. The White House won out.

He stayed for two years but served as senior issues director for the '92 Bush campaign. Since then, however, politics have ceased to occupy his full-time focus.

As for George W. Bush's presidential run, Cicconi says, "The responsibilities I have with AT&T are so consuming that it's just not possible for me to spend a great deal of time on a campaign. They've got a very skilled and able group of people running that effort, and I certainly am happy to yield that up to others."

Working closely with Baker all those years served Cicconi well, say Washington associates.

"He combines the substantive skills of being a terrific lawyer with excellent political skills," says Ivan SchLAGER, one minority chief of staff on the Senate Commerce Committee and now a lawyer with Skadden, Arps, Slate, Meagher & Flom.

"He was trained at the feet of the master: James Baker. He follows the Baker rules: You return phone calls; you're accessible."

Indeed, several cite Cicconi's accessibility even with an enormous workload.

"One of the first things he did when I took this job was give me his home phone number and e-mail and pager," says Robert Sachs, who became president of the National Cable Television Association last fall.

Some may say Cicconi's success started when he had the good fortune to meet James Baker. Perhaps. But, as former Akin Gump boss Strauss notes, "You know what they say: 'The harder I work, the luckier I get.' I think that's true with Cicconi."

-Paige Albinak
Channel One and president of Primedia Broadband Video unit.

Judy Milestone, vice president, network bookings, CNN, New York, named senior vice president.


Jon Keller, has signed a five-year contract to remain as political analyst for WLVI-TV Boston’s The Ten O’Clock News and as host of the weekly political talk show Keller at Large.

Christine Cha, M.D., joins KIRO-TV Eyewitness News Team, Seattle, as medical editor. Dr. Cha is a radiation oncologist at Virginia Mason Medical Center.

Nancy Cole, vice president, business development/sales, Event411.com, joins KCTD-AM Los Angeles as vice president/general manager One-On-One Sports.

Bob Mackay, general sales manager, KTTR(FM) Houston, rejoins Emmis Radio, Indianapolis, as vice president/director of national sales.

Appointments, Radio Unica: Teri Vila-Caballero, regional sales manager, Hispanic Broadcasting Corp., Miami, joins as Southeast regional manager, there; Alberto Martinez, sales manager, KKPW-FM, Fresno Calif., joins as national and local sales manager, station 940-AM Fresno.

Appointments, Channel One Sports.

Appointments, TVN Entertainment, Transactional Content Group, Burbank, Calif.: Gregory A. Thomas, COO, Guthy-Renker Television Network, joins as president, COO; James P. Riley, vice president, business development, Guthy-Renker Television Network, named senior vice president.

Denise E. Palmer, vice president, development, strategy, finance, Chicago Tribune Company, Chicago, named president, CEO CLTV News, there.

Angela Leaney, head of planning and research, Ogilvy & Mather, Los Angeles, joins Noggin, New York, as vice president, marketing.

Jaye Gamble, area vice president, Comcast Cablevision, Baltimore, named regional vice president, Washington, D.C./Virginia.

Mike McCarley, director, communications, USA Triathlon, named director, sports communications for NBC Olympics, New York.

Appointments, The NBC Agency, NBC Network, Burbank, Calif.: Barbara Blangiardi, formerly at Premier Horse Network, joins as vice president, account services; Scot Chastain, director, affiliate advertising & promotion services, NBC Entertainment, named vice president.

Douglas H. Murphy, regional director, sales and marketing, Southeast territory, E! Entertainment Television Networks, joins Fox News Channel, New
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York, as eastern regional vice president of affiliate sales.

**Caran Frater**, director, affiliate relations, The WB, Burbank, Calif., named account executive, media sales for The WB 100+ Station Group, Burbank.

Appointments, Court TV, New York, advertising sales: **Joanna Lisanti**, Nickelodeon brand director, retail group, Viacom, joins as director, advertising sales promotion; **Michael Labriola**, director, advertising sales, Jones International Networks/Great American Country, joins as director, New York advertising sales; **Debra D’Arinzo**, director, finance, Cable Network Services, joins as director, sales, planning and pricing.

Appointments, Odyssey Network, New York: **Katrina Monroe**, regional sales manager, Scripps Networks, joins as director, network distribution and service, Northeast region; **Christopher Joyce**, senior account executive, named vice president, Midwest advertising sales, Chicago.

**Nicolas J. Valls**, vice president, integrated sales and marketing, UniVision. Los Angeles, named senior vice president, network sales and marketing.

**Steve Sloane**, regional account executive, WPLG-TV Miami, joins WAMI-TV there as local sales manager.

Appointments, Suzanne Rothenberg Communications, New York: **Karen Levine**, account supervisor, marketing, Robert Marston & Associates, joins as account director; **Gabrielle Torello**, public relations, Four Corners Communications, joins as account director.

**INTERNET**

**Alan Parcell**, news editor, CBS News, New York, joins Internet Broadcasting Systems Inc. as senior launch director.

Appointments, Excite at Home, Redwood City, Calif.: **Don Hutchinson**, senior vice president, general manager, named chairman and CEO of Work.com, a new joint venture with Dow Jones & Co.; **Mark O’Leary**, vice president, managed network services, AT&T Solutions, named senior vice president, general manager, Work.com.

Appointments, Boxerjam, Charlottesville, Va.: **Daniel Capone**, vice president, marketing, development, Time Warner Inc./Warner Home Video, joins as chief marketing officer; **Del Wood**, vice president, information systems, Value America, joins as chief information officer.


Appointments, Ifilm, Los Angeles: **Skip Paul**, named chairman of the board;

**Kevin Wendle**, co-founder, CNET and executive vice president, Fox Broadcasting Co., joins as CEO; **Doug Sylvester**, co-founder and general manager, E! Online, named president, COO.

**Marc Brody**, vice president, distribution, East Coast, CNX Media, New York, named senior vice president, distribution, North America.

**Linda M. Fisk**, vice president, marketing and communications, Gaylord Entertainment Co., joins Belo Interactive Inc. as vice president, marketing.


**James B. Singleton**, associate general counsel, Metromedia Co., New York, joins Centerseat LLC digital media and entertainment, New York, as senior vice president, business development and general counsel.

**SATELLITE/WIRELESS**

**Steven P. Gavenas**, executive vice president, corporate strategy, WorldSpace Corp., Washington, joins XM Satellite Radio there as senior vice president, new business development.

**ASSOCIATIONS/LAW FIRMS**

**Kerry Moyer**, staff director, audio and video divisions, specialty audio and home theater subdivisions, Consumer Electronics Association, Arlington, Va., named director, product divisions.

**Dennis FitzSimons**, executive vice president/media operations, Tribune Co., and president, Tribune Broadcasting, elected to board of directors, Robert R. McCormick Tribune Foundation.

**RETIREE**

**Reynard A. “Rennie” Corley**, president, general manager of wxii-Tv, Greensboro/Winston-Salem, N.C., and a veteran broadcast television executive, is retiring at the end of this year after almost 40 years in the business. He has been at the helm of wxii-Tv, a Hearst-Argyle station, for 21 years. He began his broadcast career at wrwd-TV in Augusta, Ga., and worked for several stations—from wisp-Tv Columbia, S.C., to kettv-Tv, Omaha, Neb., to wmar-TV Baltimore—in various sales and management positions. Corley has also been an enthusiastic community activist. He received distinguished service awards from the March of Dimes, the North Carolina Association of Broadcasters and the North Carolina Triad Black Media Professionals.

—Compiled by Patricia A. Carter
Selling Station Manager needed for Florence, S.C. radio station. Ideal climate, one hour from Myrtle Beach. Rapidly growing business center. Ideal for someone with good sales skills, aspiring to work in sales/station management. Phone George Buck, 7:30 P.M. E.T., (504) 525-5000.

General Manager Seeks Southwestern Opportunity: Currently Managing two Stations in upscale Northeastern Market. Years of major and medium market experience as General Manager/Sales Manager, Program/Promotion Director. I can make your property viable, involved and profitable. Please reply by to Box 01645 EOE.

Station Manager: Station Manager needed for NBC affiliate in Helena, Montana. Previous experience as a small market manager preferred. Sales experience a must! Must be an excellent motivator and strong person. Please send resume and salary requirements to Ralph Toddre, Executive VP, Sunbelt Communications Company, PO Box 7160, Reno, NV 89510, or email: rtoddre@kmv.com. No phone calls.

NATL. SALES MGR: Jacksonville, FL, station needs a person to direct all national sales efforts including working with Natl. Reps in developing effective sales presentations and packages to properly market the station. Must represent the station in an ethical business manner at all times, and develop strong client and agency contacts. This position requires extensive written and verbal communication skills with substantial national travel, experience in television sales a must. Send resume to P.O. Box 12 Jacksonville, FL 32202.

Are you looking to join one of the finest broadcast groups in America? Are you challenged by high revenue performance expectations? Do you understand market pricing and inventory control? We are in search of a General Sales Manager with 3-5 years experience on the national rep or station side. Candidates must possess full knowledge of local traffic systems, ad and sales software systems, and have some previous exposure to qualitative software as well as added value sales drivers. Ability to develop new local client revenue, train local AEs, and develop alternative revenue streams an absolute must. If this describes your talents please send a resume to Steve Scollard, Director of Station Group Sales, Catamount Broadcast Group, c/o KMVT-TV, 1100 Blue Lakes Blvd. N., Twin Falls, ID 83301. EOE. Drug-free work environment.

HELP WANTED SALES

HELP WANTED MANAGEMENT

Red River Broadcast is looking for General Sales Managers. Qualified applicants must have radio or TV experience. Great opportunities with high pay. Start working today with a growing television and radio company. Send resume to: Ro Grignon, President, KVRR-TV, PO Box 9115, Fargo, ND 58106 EOE. No phone calls.

HELP WANTED SALES

HELP WANTED MANAGEMENT

General Sales Manager: Need dynamic, creative and innovative sales manager to lead established staff of 24. A leader in the 41st market, WWL-TV is searching for a proven manager who will be aggressive in developing non-traditional revenue, while building key relationships in the local/national marketplace. Must have experience as a television LSM, NSM and GSM. Send resume to HR Director, WWL-TV, 1024 North Rampart St., New Orleans, LA 70116, A.H. Belo Corp./WWL-TV is an Equal Opportunity Employer.
HELP WANTED TECHNICAL

Vice President, Engineering & Operations: KDVR Fox 31 has an exciting opportunity for an experienced, senior-level, engineering manager. The station is currently constructing a new, state-of-the-art facility in preparation for a FOX-style news launch (check it out at www.kdvr.com), and we're seeking the right person to oversee the technical and operational departments. Job duties include: responsibility for all engineering and technical aspects of KDVR’s facilities; managing all technical operations for news, including start-up; overseeing all maintenance and operational functions encompassing all areas of engineering; planning, coordinating and implementing capital projects, including budgets, timelines and organization; acting as liaison between engineering and all departments, including news, for on-going, daily operations, major events and special projects.

Requirements: 5 years experience as a chief engineer in a medium to large market as a proven project manager, staff developer, and administrator of television engineering operations required; several years management level experience in a news environment required; strong knowledge of FCC rules and regulations required, knowledge of computer and transmission systems, engineering certification strongly desired. No phone calls, please. Qualified candidates should send or fax resumes with salary requirements to KDVR Fox 31, Attn: Human Resources/VPE, 501 Wazee St., Denver, CO 80204. Fax (303)357-3953. EOE.

Television News Technical Manager-Engineer Department Responsibilities include supervising the technical operations relating to all newsroom functions, including field and studio news, SNG and transportation facilities. Also responsible for the maintenance of all news related equipment. Must participate in establishing technical needs and crew requirements for news events. Oversees various technical and operating procedures to troubleshoot and solve potential problem prior to air. Serve as liaison between the News and Engineering Departments. Associate Degree or equivalent in Engineering or Communications strongly desired. Significant television and technical operations experience required. Three to five years of management experience and strong interpersonal skills a must. Please send resume and letter to: Director of Broadcast Operations and Engineering, KPRC-TV, P.O. Box 2222, Houston, TX 77252.

HELP WANTED Operations

Director Web Operations: Department Head position will oversee the conceptualization and development of WABC-TV web site and integration within Disney’s go.com network. Candidate must be able to work with existing station personnel, build web staff, develop strategic partnerships between TV Stations and outside clients. Candidate must be team player and current with state of the art web technology. Familiarity with broadcast industry and internet marketing strong plusses. Send resume to: Tom Kane, Assistant News Director, WABC-TV, 7 Lincoln Square, New York, NY 10023. No telephone calls please. We are an Equal Opportunity Employer.

Director: Medium Market Affiliate in the Northwest seeks artistic creative individual who can demonstrate qualitative leadership for local news environment. Must have high initiative and diverse skills demonstrating advanced production techniques. This is an opportunity for small market TD/Director to move up. Tape, salary requirements, references to c/o Blind Box #1647 EOE.

Meteorologist: WBTV, the CBS affiliate in Charlotte, NC is looking for a meteorologist who lives for hurricanes, severe storms, and fast changing weather. We’re a major market operation with all the toys, and a team of experienced meteorologists that takes weather seriously. To get this job, you must have a Meteorology degree with the AMS seal and/or 2 years experience forecasting weather for television. You must be willing to work flexible hours, have computer and graphics skills, and the ability to produce and present under pressure. Experience with the WSI Weather Producer a plus. We’re located in a beautiful, growing city that’s a great place to live. Send tape, resume and references to: Kathy Cloud, WBTV, One Julian Price Place, Charlotte, NC 28208. Jefferson-Pilot Communications Company is an Equal Opportunity Employer.

Executive Producer: Toledo’s news leader is looking for a competitive person who knows how to produce viewer friendly newscasts and who can deliver No-1 ratings shows. We need a leader who can interface well with all in the newsroom. Someone with high production standards, who works well under pressure, has sound news judgment, who understands the viewer and who has fun! Respond with resume, tape, and news philosophy to Personnel Administrator-137, WTOL-TV, P.O. Box 1111, Toledo, Ohio 43699-1111. No phone calls. EOE.

Investigative Photographer: KRIV FOX 26, a state-of-the-art facility in Houston, has an immediate opening for an award winning photographer with very high editing and production skills. Primary responsibilities include surveillance and undercover work with hidden camera. Must be able to shoot interviews and documents creatively and be able to edit with high standards, lengthy complicated stories. Experience with non-linear editing preferred. Send non-returnable tape and salary history to KRIV FOX 26, Recruitment, P.O. Box 22810, Houston, TX 77227-2810.

Director:统领市场的附属机构在北美洲寻求一位艺术家创意个体，具备领导力和多样技能，展示高级生产技术。这是一个小市场的TD/主任导演晋升的机会。带录音，薪水要求，及推荐信至c/o Blind Box #1647 EOE。

Meteorologist: WBTV，CBS附属机构在夏洛特，NC寻求一位气象学家，对飓风、严重风暴和快速变化的天气感兴趣。我们是一个大型市场运作，拥有所有工具和一个团队的气象学家，他们认真对待天气。要获得此职位，你必须拥有气象学学位和AMS认证，或2年气象预报工作经验。你必须愿意工作灵活时间，拥有计算机和图形技能，能够生产并展示在压力下。在WSI Weather Producer是加分项。我们位于一个美丽的，成长的城市，是一个很好的生活地点。邮寄带子，简历和推荐信至：Kathy Cloud, WBTV, One Julian Price Place, Charlotte, NC 28208。Jefferson-Pilot Communications Company是平等机会雇主。

Executive Producer: 托莱多的新闻负责人正在寻找一位竞争型的个人，了解如何制作观众友好的新播客，并能够制作排名第一的节目。我们需要一位可以与新闻室所有人员良好协作的领导者。一个拥有高标准，能处理复杂故事的摄影师。非线性编辑经验优先。邮寄不归还带子和薪酬历史至KRIV FOX 26, Recruitment, P.O. Box 22810, Houston, TX 77227-2810。
HELP WANTED RESEARCH

RESEARCH MANAGER
NEW YORK CITY

Tribune Entertainment Company, a syndication division of one of the country's most successful media companies, is looking for a Manager to join its research team in New York City.

This multi-faceted position is heavily involved in supporting both programming and national advertising sales. Duties include presentation writing, trend reporting, ratings estimates, competitive analyses and training. The ideal candidate must possess 4+ years of research experience at a syndication company or at other media research departments. Knowledge of Nielsen data (local and national) and software, as well as Microsoft Office are desired. Strong writing, and analytical and interpersonal skills are essential.

We offer a competitive compensation and benefits package. For immediate consideration, send your resume and salary history to: Tribune Entertainment Company, Attn: P. Pulse, 5800 Sunset Blvd, Los Angeles, CA 90028. Fax: (323) 460-5904. We are an equal opportunity employer.

HELP WANTED MARKETING

Director of Marketing and Promotion: Nexstar Broadcasting seeks a Promotion Manager for WJET-TV the ABC affiliate in Erie, PA. We need an energetic and aggressive marketer to oversee promotion for both WJET and WFAX, the Erie FOX affiliate. The successful candidate will manage two producers and one graphic designer, be responsible for station branding, creative direction, on-air look, news promotion and other media advertising. Computer skills are a must. Please send resume and reel to: WJET-TV, 8455 Peach Street, Erie, PA 16509. WJET is an Equal Opportunity Employer.

HELP WANTED FINANCE & ACCOUNTING

Director of Finance: FOX5/WAGA-TV in Atlanta is seeking a Director of Finance to oversee day to day accounting operations of fast paced television station; performing month-end closing and reporting, participating in budget preparation process, monthly forecasting, as well as special projects. Responsible for supervising staff of 2-4 accounting personnel, with duties including payables and payroll. Bachelor's Degree in Accounting/Finance, CPA preferred. 3-5 years experience in accounting field with supervisory experience. Thorough background and knowledge of account analysis and reconciliation, all facets of general ledger accounting and reporting, cash flow management, fixed asset maintenance and budgeting. Proven ability to create, analyze and interpret a variety of financial reports. Must be proficient with Excel and mainframe financial reporting, JD Edwards a plus. Send resume to Human Resources/FOX5 1551 Briarcliff Rd., Atlanta, GA 30306 or fax 404-724-4426. EOE. No phone calls.

HELP WANTED CREATIVE SERVICES

News Graphic Artist (Vacation Relief): WABC-TV, NY seeks highly qualified vacation relief Graphic Artist. Candidate must have 3 to 5 years of experience with Quantel Paintbox. News graphics experience and ability to handle tight deadlines is required. Please send resumes and video tape examples of your work to: Fronz Janos, Assistant Art Director, WABC-TV, 7 Lincoln Square, New York, NY 10023. No telephone calls or faxes please. We run an Equal Opportunity Employer.

Graphic Design Supervisor: Looking for a graphic designer to lead the art department at WPVI-TV. Responsibilities include designing promotional and news projects, as well as supervising other designers. Must have strong organizational skills. 5+ years experience in TV graphics design Quantel paintbox, Hal, MAC, Photoshop. Send non-ret. VT/resume (no calls/faxes) to Caroline Welch, Director of Creative Services, WPVI-TV, Suite 400, 4100 City Avenue, Philadelphia, PA 19131 EOE.

Avid Editor: We're looking for a self-motivated, highly creative individual to work with our Creative Services and Promotion Departments. Must have a 3-5 years hands-on experience: MC 1000 with 3D, Photoshop and AfterEffects. Shooting and producing skills valuable. Good client skills essential. Resume and tape of your best to: Personnel Director-138, WTL, P.O. Box 1111, Toledo, Ohio 43699-1111. EOE.

ABCD七Los Angeles is seeking a Graphic Artist to join our expanding design team. The successful candidate will be very creative and must know their way around a newsroom. Expertise with Quantel Paintbox and HAL is required. MAC experience with Adobe-After Effects and Photoshop is a plus.

Please send resume and a non-returnable videotape to: ABC7 Los Angeles, Attn: Kimberly Castillo, Dept. GA/BC, 4151 Prospect Avenue, Los Angeles, CA 90027. No phone calls please. Mail your resume to: Personnel Department, 500 S. Chinowth, Visalia, CA 93277. An E.O.E/M/F/D. Women and minorities are encouraged to apply.

Broadcasting & Cable...THE MAGAZINE THAT STAYS ONE-STEP AHEAD

MARCH 6, 2000 / BROADCASTING & CABLE
**HELP WANTED SALES**

Account Executive: Odyssey Network-Chicago is in search of a bright, energetic Account Executive to represent our Family network throughout the Midwest. Two-three years cable planning/ad sales experience required. If you are the right team player and possess the skills to market the wonderful products of Hallmark Entertainment and Jim Henson, please send your resume with salary history to Chris Joyce, 205 N. Michigan Ave. #812, Chicago, IL 60601, fax 312-819-2920 or e-mail cjoyce@odysseyhyn.com EOE.

Radio-TV-Cable-Internet Media Sales Recruitment - $295 Total Cost to Employer; Free to Candidates! Over 1600 Employed Sales Executive looking... Over 125 jobs need to be filled immediately! Employers Advertise your position at www.birschbachmedia.com or call birschbach media sales recruitment 303-368-5900. Candidates apply free at www.birschbachmedia.com and fax resume to 303-368-9875.

Tribune Entertainment Company, the syndication division of one of the country's most successful media companies is seeking a V.P. Cable Sales. Primary responsibilities will be to sell syndication to cable channels. The successful candidate will have 5+ years in cable or related media experience, great negotiating, verbal, written and presentation skills. This position may either be located in Los Angeles or New York. We offer a competitive compensation and benefits package. For immediate consideration, fax cover letter, resume and salary history to 325-480-5904.

**HELP WANTED TECHNICAL**

Manager of Newsroom Technology

Time Warner Cable's Local News Group is seeking a Manager of Newsroom Technology who will be responsible for researching and implementing the technology and production tools used for its local news and programming operations. This position requires knowledge of newsroom production, playback and automation systems. Candidates must have 3-5 years of progressively responsible experience in video/audio systems design, computer/network design and technical facility construction. If you are looking to combine your engineering, production and computer skills to build the next generation of local content production systems, fax or e-mail your resume and salary history to: FAX: 203-328-3294 EMAIL: jobs@twcnews.com

**TIME WARNER CABLE**

Chief Engineer (Electronic Technician II) Responsible position available in the City of Kansas City, Missouri. City Communications Department. Responsibilities include: design, installation, repair and maintenance of video and audio systems for cable television station KCCG-TV2. Requires high school graduation or state issued GED, and five years of progressively responsible experience as an Electronics Technician with knowledge of computer systems and computer based video production equipment. Three years of experience as a television engineer with SBE Certification preferred. Non-residents, if appointed, must establish residency within city limits. Salary range $2,760 to $4,300 per month plus excellent employee benefits. Successful completion of a pre-employment drug screen and post offer physical required. Send resumes by March 20, 2000 to City of Kansas City, Missouri, Human Resources Department, 12th Floor, City Hall, 414 E 12th Street, Kansas City, Missouri, 64106. Resumes may also be faxed to (816) 513-1373.

Chief Technician/Engineer: The National Cable Television Center and Museum, a 74,000 sq. ft. broadband telecommunications center scheduled to open in mid 2001, is looking to expand its technical staff by seeking an individual experienced in baseband audio and video signal processing equipment, RF distribution systems and data networks. This is a unique opportunity to get involved with the design, installation and operation of a broadcast television and editing facility, cable TV Headend, six theaters and several data networks. The ideal candidate will have a working knowledge in each of these areas as well as contact with equipment manufacturers. However, individuals with strong experience in only several areas are encouraged to apply. Send resume with cover letter in confidence by 3/15 to: Mr. William Riker, Chief Technical Officer, The Cable Center, 2327 East Evans Avenue, Denver, CO 80208, Fax: 303-871-4514.

**HELP WANTED MANAGEMENT**

**Vice President Production**

This is a newly created position senior management position with overall management of the Turner Studios broadcasting network. 12-15 years of production/television management experience. 5 years minimum fiscal management responsibility. Proven track record of attracting & retaining diverse staff; 10+ years of people management responsibility. Experience with new key technology & process implementation. Corporate environment experience and effective all-level communication skills.

Turner Studios is the digital post/production facility for Turner Entertainment, WCW and Turner Sports.

Mail: Eleanor Quin, Turner Studios Human Resources 1050 Techwood Dr NW, Atlanta, GA 30318 Email: turnerstudios.jobs@turner.com Fax: 404/575 5167
JOIN THE MOST DYNAMIC RESEARCH TEAM IN THE INDUSTRY!

TBS Superstation, the leader in innovative media and consumer research, welcomes qualified, creative professionals to apply for the position of:

**Senior Research Project Manager**

**Movie Programming Team**

As manager of movie research you will be an active network team member, providing TBS Management, Programming, Marketing, Public Relations, Sales and Strategic Planning with information and expertise regarding theatrical and original movie programming. Responsibilities include the analysis and interpretation of data obtained from a variety of sources, including Nielsen Media Research and syndicated studies. In addition, development of primary research studies related to the development and marketing of original movies and high profile theatricals would be a major area of responsibility.

Qualified applicants will have 5+ years experience in media research and proficiency with Nielsen Media Research data is required. A solid understanding of television programming and marketing strategy, as well as advertising and affiliate sales principles are also key requirements. Experience with movie development and/or film acquisition research will be given special consideration. The ideal candidate will possess strong communication skills and the ability to interact comfortably and confidently with network clients.

For consideration, please send resume and salary requirements to:

Jane Glasgow, Director of Research
TBS Superstation Research
1050 Techwood Dr., N.W.
Atlanta, GA 30318
Fax: 404.885.4287
Email: Jane.Glasgow@Turner.com

A Time Warner Company. Equal Opportunity Employer
Minorities and Women are encouraged to apply

### ALLIED FIELDS

**FOR SALE STATIONS**

Central Texas - Attractive community oriented AM facility, immaculate condition. Good opportunity for experienced entrepreneur or working couple. Mayo Communications, 813-971-2061.

Radio Cluster NY State, 5 station. Good facilities, centralized operation, excellent ratings. Owned RE. Profitable. 5.2M. Broker - Sales Group 781-848-4201.

**HELP WANTED INTERNSHIPS**


### HELP WANTED DEAN

Dean/College of Mass Communication and Media Arts, Southern Illinois University Carbondale. Southern Illinois University Carbondale invites nominations and applications for the position of Dean of the College of Mass Communication and Media Arts. The College of Mass Communication and Media Arts has three academic departments—the Departments of Cinema & Photography and Radio-Television and the School of Journalism which publishes the Daily Egyptian and one service unit—the Broadcasting Service with NPR/PBS affiliated radio and television stations. The College enrolls 1,225 undergraduate students and 146 graduate students served by 44 faculty. 42 civil service staff, 55 administrative/professional staff. The College delivers baccalaureate, master's and doctoral programs. Qualifications: An earned terminal degree appropriate to the mission of the College. Recognition for excellence in teaching, scholarly research and/or creative activity, and professional achievement with credentials for tenured appointment at the rank of Professor in one of the departments within the College. Evidence of academic leadership and administrative ability. Applications: Submit a letter of application, full curriculum vitae, and the names of at least five references (with contact information). They will not be contacted without prior permission of the candidate. Initial screening of the applications will begin March 17, 2000, but the search will remain open until the position is filled. The position is available July 1, 2000. Please check our website for more information: http://www.siu.edu/departments/cmcma/ This is a security-sensitive position. Before any offer of employment is made, the University will conduct a pre-employment background investigation that includes a criminal background check. Address all correspondence to: Dr. Lyle White, Chairperson; Search Committee for Dean of Mass Communication and Media Arts; Provost and Vice Chancellor for Academic Affairs; Southern Illinois University Carbondale; Carbondale, Illinois 62901-4305; email: mhwaworts@siu.edu; Phone: 618-453-1838 Fax: 618-453-3340. Southern Illinois University Carbondale is an Affirmative Action/Equal Opportunity Employer.

### HELP WANTED MANAGEMENT

Maslow Media Group, Inc. for over a decade, recruits for the broadcast, cable, film, and new media industries. Our client, a leader in the broadcast industry is in search of smart senior executives to fill the following posts: VP Communications with an eye on the future and a solid track record in developing and executing consistent communications and outreach strategies; VP Operations with expertise in telecommunications, policy management, and project management; Sr. VP Media who is proactive and in touch with changing national demographics, and the role of new media technologies; VP Program Strategies to manage, plan and execute new initiatives, including those utilizing new media technologies. Resumes - fax: 202-965-6171 Attn: Jackie or email: fulltime@maslowmedia.com Visit our website at www.maslowmedia.com to post search jobs and resumes. Other Jobs Listed: Chief Engineer; Talk Show Producer, Creative Dir.; Art Dir.; Web Content Producers; Dir. of Production; Business Dir.; Executive Assistant. 2134 Wisconsin Ave. NW, Washington, DC 20007.

### CLASSIFIEDS

**HELP WANTED RESEARCH**

**NEED A #1 SOURCE WITH A FIRM GRASP ON WHAT'S HOT IN THE MARKET? DON'T MISS BROADCASTING $ CABLE CLASSIFIEDS.**

**HELP WANTED MANAGEMENT**

**MARCH 6, 2000 / BROADCASTING & CABLE**
DEAN SCHOOL OF COMMUNICATION

American University announces a national search for a Dean to lead its School of Communication. Nominations and applications will be accepted until the position is filled.

The university, located in Washington, DC, is a private institution chartered by Congress in 1893. Its strategic plan puts a high priority on globalization and diversity. American University has approximately 11,000 students, evenly divided between graduate and undergraduate students. The student body comes from all 50 states and more than 140 nations around the world.

The School of Communication is one of six major academic units of the university, with an enrollment of approximately 800 undergraduate students and 400 graduate students. It has 40 full-time faculty members and 70 adjunct faculty drawn from Washington's professional communications community. The school awards bachelor's and master's degrees in three disciplines: Journalism, Public Communication, and Visual Media. The school has a strong professional and public policy focus, as well as strong ties to the communications industry in Washington, offering students and faculty unique opportunities for scholarship and practical experience.

The Dean must be able to articulate a vision for the fast-changing field of communications education and must possess the stature and leadership to bring that vision to reality. It is expected that the Dean would have high-level professional experience in one or more of the school's three fields. Through educational or professional experience, the Dean should be familiar with the requirements for leading and managing in an academic environment.

The school is building programs that reflect the convergence with electronic communication technologies that are reshaping the media world. The new Dean must be a major force shaping these programs and in the fund-raising efforts that will be essential to their implementation.

American University is an EEO/AA employer committed to a diverse student body, faculty, and staff. Minority and women candidates are encouraged to apply.

Please forward nominations and applications (which should include a letter of interest and a resume or curriculum vitae) to:

Professor Rodger Streitmatter,
Chair Dean's Search Committee
School of Communication American University
4400 Massachusetts Avenue, NW
Washington, DC 20016-8017

Atwood Chair of Journalism: The University of Alaska Anchorage maintains a pool of nominees and applicants from which the Distinguished Professor of Journalism, Atwood Chair of Journalism is filled. New nominations and applications are sought at this time for the 2000-2001 academic year and future years. Applications will be reviewed beginning April 17, 2000. This is a distinguished visiting professorship filled annually by a nationally recognized journalist or journalism educator. Previous teaching experience is desirable but not required. Applicants should exhibit ability and desire to teach. Salary is $65,000 for nine (9) months. A moving allotment is also paid. To apply: Send letter, CV, and three references by April 17, 2000.

HELP WANTED TECHNICAL

Maintenance Engineers: Want to get in on the ground floor of a great organization just beginning its transition to digital? Want to work in an environment where technology is tops and talented, skilled and committed engineers are respected? Want to leave behind wall-to-wall newscasts and the grind of daily local production? We're a state educational TV and radio network serving over fifty independent educational TV, radio and other affiliated services throughout Ohio. We're spending upwards of $6 million in new technology including a state-of-the-art traffic and automation system. We've already installed a statewide digital fiber network and a digital router. This summer we will replace our VTR's with a digital video server that in time will provide over 40 concurrent program channels and thousands of hours of online storage. And there's more to come. We offer a good salary and fabulous benefits. Interested? If you have 2 to 3 years of TV broadcast maintenance experience, especially digital, and are hip on computers, and digital technology, send us your resume now! We have two positions open, so we're ready to hire! Resumes to HR, Ohio Educational Telecommunications Commission, 2470 North Star Rd., Columbus, OH 43221. Fax: 614/644-3112. The State of Ohio does not discriminate on the basis of race, color, national origin, sex, religion, age, disability or veteran status or the provision of services.

April 10, 2000 Issue

Bonus Distribution at NAB!

Deadline:

April 3, 2000
tions for 37614-0667.

Chair of the Broadcasting Search Committee, phone numbers, and action employer. Send vita and the names, tele-

degree program. Review of applications will

When sending your ad-salaries collection claims to CCR, please include your rate card and a list of available. Because after we "sell" your over-due clients on the wisdom of paying the balance, we'll include a new order in the deal (If you like).

Call/Write: CCR • George Stella
1025 Old Country Road • Suite 303S
Westbury, NY 11590
Tel: 516-987-2000 • 212-786-0851 • Fax: 516-987-2071
E-Mail: CCRCollect@AOL.com

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HELP WANTED FACULTY

Broadcasting - Search extended and modified. The Department of Communication at East Tennessee State University invites applica-
tions for a tenure-track position as an assistant pro-
fessor commencing August, 2000. The suc-
cessful candidate will have an earned Masters degree, Ph.D. preferred, and at least three-five
years commercial Television news experience. The candidate will advise and supervise daily newscasts over WETS-FM-TV, teach under-
graduate and graduate courses in Radio/TV News Writing and Reporting, develop and teach under-
graduate and graduate courses in Produc-
ing the Newscast, Media Ethics, Long-Form
Newswriting, and/or related courses, help support the general mission of the Department of
Communication and the University through ser-
vices activities and conduct a program of re-
search/creative activity. The Broadcasting
division is administered by the Department of
Communication, which has more than 400 under-
graduate majors and a newly established gradu-
ate degree program. Review of applications will
begin immediately and continue until the position
is filled. ETSU is an equal opportunity, affirma-
tive action employer. Send vita and the names, tele-
phone numbers, and addresses of
e-mail addresses of three references to: Tom Headley, Chair of the Broadcasting Search Committee, Department of Communication, East Tennessee State University, Box 70667, Johnson City, TN 37664-0667.

Assistant Professor, tenure track. SUNY Col-
lege at Brockport Department of Communication. Teach undergraduate and graduate courses in broadcasting, mass communication, new media. Student advisement and department/college ser-
vice expected. Ph.D. (by June 2000), record of un-
dergraduate teaching, knowledge of quantitative methods and media criticism, record of ongoing research and publication, ability to work with diverse student population and commitment to multicultural education required. Salary com-
petitive. Application review begins March 17. Let-
er of application; curriculum vitae; names, phone
numbers and e-mail addresses of three refer-
cences to: Richard D. Meade, Faculty/Staff Re-
cruitment Office, SUNY College at Brockport, 350 New Campus Drive, Brockport, NY 14420-2929. SUNY Brockport is an Equal Opportunity/ Affective Action employer.

Visual Communication: Tenure-Track Faculty Position, School of Visual Communication, Col-
lege of Communication, Athens, Ohio. Ohio Uni-

course's interactive multimedia sequence. Applicants must be strong
in two or more of the following areas: 2-D anima-
tion, 3-D animation, digital audio and video, digital illustration, interactive concepts,

FOR SUBSCRIPTIONS: 800-554-5727

CLASSIFIEDS

MARCH 6, 2000 / BROADCASTING & CABLE
CLASSIFIEDS

BROADCASTING & CABLE'S CLASSIFIED RATES

All orders to place classified ads & all correspondence pertaining to this section should be sent to BROADCASTING & CABLE, Classified Department, 245 W. 17th St., New York, NY 10011. For information call Brent Newmoyer at (212) 337-6962 or Yuki Atsumi at (212) 337-6960.

Payable in advance. Check, money order or credit card (Visa, Mastercard or American Express). Full and correct payment must be by either letter or FAX. Payment is made by card, indicate card number, expiration date and daytime phone number.

Deadline is Monday at 5:00pm Eastern Time for the following Monday's issue. Earlier deadlines apply for issues published during a week containing a legal holiday. A special notice announcing the earlier deadline will be published. Orders, changes, and/or cancellations must be submitted in writing. NO TELEPHONE ORDERS, CHANGES, AND/OR CANCELLATIONS WILL BE ACCEPTED.

When placing an ad, indicate the EXACT category desired: Television, Radio, Cable or Allied Fields; Help Wanted or Situations Wanted; Management, Sales, News, etc. If this information is omitted, we will determine the appropriate category according to the copy. NO MAKE GOODS will run if all information is not included. No personal ads.

The publisher is not responsible for errors in printing due to illegible copy—all copy must be clearly typed or printed. Any and all errors must be reported to the Classified Advertising Department within 7 days of publication date. No credits or make goods will be made on errors which do not materially affect the advertisement. Publisher reserves the right to alter classified copy to conform with the provisions of Title VII of the Civil Rights Act of 1964, amended. Publisher reserves the right to abbreviate, alter or reject any copy.

Rates: Classified listings (non-display). Per issue: Help Wanted: $2.75 per word, $50 weekly minimum. Situations Wanted: 1.35 per word, $27 weekly minimum. Optional formats: Bold Type: $2.90 per word, Screened Background: $3.00, Expanded Type: $3.70 Bold, Screened, Expanded Type: $4.20 per word. All other classifications: $2.75 per word, $50 weekly minimum.

V-ad count: Count each abbreviation, initial, single figure or group of figures or letters as one word each. Symbols such as 35mm, C00, PD etc., count as one word each. A phone number with area code and the zip code count as one word each.

Rates: Classified display (minimum 1 inch, upward in half inch increments). Per issue: Help Wanted: $240 per inch. Situations Wanted: $109 per inch. Public Notice & Business Opportunities advertising require display space. Agency commission only on display space (when camera-ready art is provided). Frequency rates available.

Color Classified Rates

Online Rates: $50 additional to cost of ad in magazine Blind Box Service: (In addition to basic advertising costs) Situations Wanted: No charge. All other classifications: $35 per issue. The charge for the blind box service applies to advertisers running listings and display ads. Each advertisement must have a separate box number. BROADCASTING & CABLE will now forward tapes, but will not forward transcripts, portfolios, writing samples, or other oversized materials; such are returned to sender. Do not use folders, binders or the like. Replies to ads with Blind Box numbers should be addressed to: Box (number), c/o Broadcasting & Cable, 245 W. 17th Street, New York, NY 10011.

Confidential Service. To protect your identity seal your reply in an envelope addressed to the box number. In a separate note list the companies and subsidiaries you do not want your reply to reach. Then, enclose both in a second envelope addressed to CONFIDENTIAL SERVICE, Broadcasting & Cable Magazine, at the address above.

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Order Blank (Fax or Mail)

CLASSIFIED RATES

Display rate: Display ads are $240 per column inch. Greater frequency rates are available in units of 1 inch or larger.
Non-Display rates: Non-Display classified rates (text only) are $2.75 per word with a minimum charge of $50 per advertisement. Situations Wanted rates are $1.49 per word with a minimum charge of $27 per advertisement.
Online Rates: $50 additional to cost of ad in magazine Blind Boxes: Add $35.00 per advertisement

Deadlines: Copy must be in typewritten form by the Monday prior to publishing date.

Category: Line ad □ Display □
Online: 1 Week □ 2 Weeks □

Ad Copy:

Date(s) of insertion:

Amount enclosed:

Name:

Company:

Phone: Fax:

Address:

City: State: Zip:

Authorized Signature:

Payment:

Check □ Visa □ MasterCard □ Amex □

Credit Card:

Name on Card:
Exp. Date: Phone:

Clip and Fax or Mail this form to:

B & C
245 W. 17 Street • NYC 10011 • Attention: Yuki Atsumi or Brent Newmoyer
FAX NUMBER: 212-206-8327
yatsumi@cahners.com bnewmoyer@cahners.com
The satellite industry last week joined forces to ask the FCC to delay Northpoint Technology's spectrum-sharing plan, in which Northpoint would use direct broadcast satellite frequencies to deliver programming terrestrially. Satellite companies—including DBS companies DirecTV and EchoStar Communications and emerging non-geostationary fixed satellite services (NGSO FSS)—say Northpoint's service would interfere with existing satellite services. Northpoint maintains that, in two months of its own testing, no interference was detected. The satellite companies want to delay the proceeding, which the commission already delayed for six months on Feb. 9, while the FCC directs an independent party to conduct tests using a Northpoint transmitter.

Eddie Murphy's Claymation series 'The PJs' will likely wind up at The WB next season, sources confirmed Thursday. Imagine Television and The WB are said to be close to a deal for the series that has been on hold at Fox for several months. Fox has let an option of committing to another season expire, and The WB is said to want the series for next season. Fox currently has a summer run scheduled for The PJs. Executives at The WB, Fox and Imagine were not commenting.

This month's cancellation of KPTM(TV)'s 3½-hour morning show, Good Day, and its noon news means layoffs for about half the Omaha station's news staff. The staff was beheaded up for the summer '98 launch, but operating costs have proved too great. The Pappas-owned Fox affiliate will be left with one hour of late news, and, since some of the morning staff will move over to the evening news, cuts will be made in both staffs, with contract employees getting preference. The station has not announced programming replacements.

Disney and Pixar's animated series 'Buzz Lightyear of Star Command' will join Disney's One Saturday Morning and Disney's One Too programming blocks next season. The new series centered on the Toy Story superhero will join three other half-hour series on the six-day-a-week One Too lineup in the fall. One Too airs on UPN and on local stations representing about 25% of the country in syndication. The series, produced by the trio behind Disney's Hercules and Aladdin, will be added to ABC's Saturday-morning children's lineup in the fall as well.

Disgruntled workers at Univision's KTVN(TV) Fresno moved into their third week of a hunger strike for better wages last week. Local members of the National Association of Broadcasting Employees and Technicians said that four days of talks had produced no agreement, and talks, with a federal mediator present, are scheduled for this week. The NABET members had hoped to confront Univision President Henry Cisneros, who

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**High court turns down libel-suit appeal against '20/20'**

The Supreme Court rejected without comment an appeal from the subject of an ABC 20/20 news story, who said the network show made him look crooked.

The 1991 20/20 story suggested that Alan Levan, chairman of BFC Financial Corp., took advantage of real estate investors. He had won a $10 million libel judgment against the network but lost it in a federal appeals court, which determined that Levan did not prove ABC acted maliciously. He appealed to the Supreme Court, arguing that the appeals court should not negate so thoroughly the jury verdict and urging the court to limit how far appeals courts can go in second-guessing juries' findings in libel cases.

Levan and BFC, then known as BankAtlantic Financial Corp., sued ABC and 20/20 producer William Wilson over a broadcast that portrayed them as unfairly taking advantage of investors in complex financial deals. The report focused on investors who had joined limited real estate partnerships to buy commercial properties and saw their interests plummet during a nationwide decline in real estate values. Some said Levan had bilked them in deals known as "rollups," in which their interests in real estate were swapped for bonds issued by Levan's struggling savings and loan, BankAtlantic.

After a seven-week trial in 1996, a federal jury in Miami awarded Levan $8.75 million and BFC $1.25 million in compensatory damages. But the 11th U.S. Circuit Court of Appeals ruled last September that ABC did not have to pay a cent. Lawyers for Levan and BFC had failed to prove that ABC aired the story with "actual malice"—either with knowledge or reckless disregard of its falsity. Public figures who sue for libel must prove falsity and actual malice, but private citizens need prove only that the statement was false and made negligently.

Lawyers for Levan and ABC disagreed over the gist of the ABC report. Levan's lawyers said it was that he knowingly misled limited-partner investors, but ABC's lawyers said the gist was merely that the rollups were unfair.

"We conclude that the answer is somewhere in between: ABC clearly implied that the limited partners got a raw deal, one so bad that a viewer would believe Levan must have known that the deal was unfair...particularly in light of his financial expertise," the appeals court said.

In the appeal acted on last week, Levan's lawyers said the appeals court wrongly supplanted its own view for the jury's "regarding a broadcast's gist and its falsity." They said appeals courts "have no license to supplant the jury so thoroughly."

Levan's limited partners eventually collected on an $8 million settlement in class-action lawsuits over the rollups, but congressional and regulatory investigations yielded no criminal charges.

—Dan Trigoboff
Progressives, conservatives blast Channel One

An eclectic mix of progressive and conservative organizations and leaders have called for government and business to end involvement with Channel One, the in-school TV station that mixes educational programming with advertising.

The coalition, which includes Ralph Nader-affiliated activists and conservative icons like Phyllis Schlafly and Rev. Donald Wildmon, has called on Congress to withdraw federal support for the channel; on state governors to "take all steps within their powers to remove Channel One from their state's public schools"; on advertisers to cease their advertising; and on partners to end those relationships. Armed services and government-sponsored anti-drug messages are among the commercials run on the channel, along with commercial products targeting children.

"Channel One, under the guise of a news show, delivers two minutes of advertising each school day to a captive audience of approximately 6 million children in 12,000 schools," the coalition said in a letter to more than 200 business and government leaders. "I doubt there's anything else all these people agree on," said Gary Ruskin, director of Nader-founded Commercial Alert, which has organized the campaign.

The coalition's letter argued that the Primedia-owned channel forces children to watch ads, wastes classroom time, promotes materialism and junk food and corrupts public education, Channel One officials could not be reached for comment, but the company has defended itself on the basis of its content, noting that similar charges of commercialism have been leveled at kids programs like Sesame Street.

—Dan Trigoboff

was in Fresno for a speech late last month, but they report, he left without meeting with them. The hunger strikers had purchased a table for Cisneros' luncheon speech at the Valley Business Conference—although, they say, they didn't eat—and stood throughout the address.

MTVI, MTV's Web unit, and House of Blues Entertainment struck a two-year deal to promote and present pay-per-view concert Webcasts on HOB.com, the House of Blues site. The two companies will develop areas on the MTV, VH-1 and SonicNet sites to promote the concert events. MTV and VH-1 will also run on-air spots plugging the events. HOB.com currently streams weekly PPV Webcasts for $7.99 per ticket but plans to stream nightly PPV events later this year.

FCC Commissioner Gloria Tristani has added two more station deals to her list of agency-approved transactions that, in her view, violate both the spirit and the letter of a statute governing radio market concentration. The deals in question, approved by the agency last week, allowed Cox Radio to acquire four outlets in the Stamford-Norwalk, Conn., market and Citadel Communications to buy four stations in the Augusta-Waterville, Maine, area. Tristani said the deals permit both companies to own more stations in each market than allowed under FCC concentration limits. They were approved because different market-size measurements were used to determine how many radio stations are in a market and how many outlets each company owns in the same market. "The only way [these transactions] could be approved," she said, "is through the regulatory sleight-of-hand to which I have objected repeatedly."

A New York State Supreme Court judge questioned last week whether there was a need to stop the Viacom-CBS merger, because of potential harm to UPN. Chris-Craft subsidiary BHC Communications, 50% owner of UPN asked the judge to stop the merger for just that reason, arguing that Viacom violated a non-compete clause in the UPN joint venture when it agreed to buy CBS. But at a hearing on Feb. 28, Judge Herman Cahen said BHC still has the option of suing Viacom and CBS for damages to UPN after the completion of their planned merger.

WFOR-TV, the CBS-owned station in Miami, went from fifth to first in the late-night news race for the February sweep. The station climbed almost 2 full rating points and 3 share points to an average 7.5/13 for its 11 p.m. newscast. NBC affiliate WTVJ and Univision station WLTV tied for second with a 7.4/13. WFOR also dethroned WTVJ in prime time among English-language stations, although Spanish-language WLTV remained the overall leader in that daypart.

Correction

The Technically Speaking interview in last week's issue failed to identify Harlan Neugeboren's current employer. He is director of engineering and technology for Time Warner Cable.
Not seeing spots

Johnny Carson once quipped that scientists had finally discovered the smallest unit of time: the time in New York City between when the light turns green and the cabbby behind you hits his horn. Well, we think the AAAA and the ANA may have stumbled on an even smaller measurement: the time CBS dedicates to public service announcements in prime time.

According to the advertising trade groups' latest "clutter" report, the network set aside, on average, just one second per hour for PSAs in November 1999. Put another way, that's a little more than one 15-second spot per week. Needless to say, we find CBS' contribution inadequate. If it's going to be a good corporate citizen, it has to do better. PSAs are powerful forces in helping people and positively influencing their behavior. But not if they are kept in a plastic box on a shelf. They need air.

We don't mean to pick on CBS, but it had the worst PSA total among the Big Four at last count. NBC and Fox are not much better: NBC offered just three seconds per hour; Fox offered four. The networks do better during their morning shows, when they average almost two 15-second spots per hour. But let's face it, prime time is the prime time to reach viewers. The PSA story seems to be much the same among the major cable networks, although it is tougher to gauge because cable nets are sampled (only five hours per day) rather than continuously monitored. Researchers found few PSAs during the monitored hours. In fact, they came up empty on Country Music Television, E! Entertainment, Fox Family, Headline News, MTV, The Weather Channel, USA, VH-1 and Nickelodeon.

The networks' PSA totals are particularly unsettling in light of the record highs in overall non-programming material—the so-called "clutter" that is the real point of the AAAA-ANA study. The networks always seem to be able to find room for one more spot, as long as somebody is paying for it.

Currently, the Ad Council is pushing spots aimed at everything from domestic violence and drunk driving (current campaigns) to housing, hunger and safe gun storage (coming this spring and summer). Give them a click or a call.

Open question

The Radio-Television News Directors Association has joined a group of broadcasters trying to persuade a judge to allow pool coverage of the state criminal trial of Terry Nichols. Nichols has already been convicted of charges relating to the bombing of the Murrah Federal Building in Oklahoma City in a trial that took place in federal court, where cameras are forbidden. Cameras in the courtroom had a great showcase last month in the coverage of the potentially incendiary trial of the four policemen who killed immigrant Amadou Diallo. Some observers last week were crediting the airing of evidence and court procedure—particularly footage of testimony of apparently remorseful policemen—with helping reduce the intensity of reaction to their acquittal.

New York City mayor and longtime prosecutor Rudolph Giuliani praised the judge in that case for allowing the broadcast and giving the public a chance to see exactly how the trial was conducted.

The Nichols case creates less controversy but is of great interest to a public that had to live through the tragedy of Oklahoma City. It would be fitting for TV, which riveted the nation with its coverage of the tragedy, to complete the circle by showing the judicial repercussions of that crime.

There is no good reason to continue to discriminate against the electronic media in trial coverage, or to rely on artist's renderings of reality, or to exclude most of the public from public trials when the technology is readily at hand. Justice is supposed to be blind, not its proceedings. We join RTNDA and the others in asking that this public trial be opened to the TV public.
"Wild thing, you make my heart sing."

"Will you still love me tomorrow?"

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