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And the timing couldn't be better for the NBA; it's begun talks with the networks on new rights deals » PAGE 12

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A little good news

Broadcasters' new season off to a fast start» PAGE 5

NBC's Crossing Jordan
UPN's Enterprise
CBS' Everybody Loves Raymond
Top Watched Spanish-Language Broadcast Network In America

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To 35 Million United States Consumers

We Are Home...
Top of the Week October 1, 2001

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AMERICA STAYS AT HOME

The broadcast networks started their fall seasons last week and early returns show a surprisingly strong start.  » 5

SPECIAL REPORT

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Synergy, take II

MTV's Unplugged is apparently music to Paramount Domestic Television's ears. The syndicator, which like MTV is owned by Viacom, is looking to bring the concert series into weekend syndication in fall 2002. Unplugged, which has featured such artists as Sting, Nirvana and Elton John, is "especially attractive" in the current economic climate because the cost of repurposing is low. Studios USA's Crossing Over with John Edward already has a similar arrangement—much of the material airs first on Sci Fi before its syndication run. At this point, it's unclear which Unplugged sessions would be part of the syndication deal. MTV is rolling out new episodes on MTV2 shortly. Insiders say Paramount is just waiting for MTV to sign off, with the two still trying to work out what percentage of ad time each would get in the show.

Unconventional ground rules

Washington news bureau chiefs and Pentagon officials met as a group Friday to discuss the media rules of engagement as the press begins covering "Operation Enduring Freedom." Assistant Secretary of Defense for Public Affairs Torie Clarke said Friday's pow-wow at the Pentagon was mostly for "fact-finding" and said the Defense Department is just beginning to work out the process. "We need to figure out together how to give reporters the access and means they need to do their job, while protecting the security and safety of our men and women in uniform," said Clarke, a former spokeswoman for the National Cable and Telecommunications Association. Clarke said Pentagon press officials last week also met with pool reporters to discuss the issue. The meetings will continue as this "very unconventional war" progresses, Clarke said.
America stays at home

TV viewership ticks upwards in Week One, as most shows, old and new, post strong numbers

By Joe Schlosser

It was only one week, but in one small way, it was a good one. Amid unsettled times, the broadcast networks rolled out their new and returning series last week and got the 2001-2002 season off to a surprisingly impressive start.

Veteran sitcoms like Friends, Everybody Loves Raymond and Frasier returned with strong and even record-breaking premieres. Such dramas as Law & Order, The Practice, ER, and JAG popped in the ratings and newsmagazines 60 Minutes II, 20/20 and Dateline NBC drew bigger numbers than normal. Newcomers like Inside Schwartz, The Education of Max Bickford, Crossing Jordan and Enterprise played to large audiences.

Overall—broadcasting and cable—more people were watching TV last week than were watching during the same weeks of 1999 and 2000.

A few new series struggled, including NBC’s Emeril, and reality shows appear to have lost some of their luster (see sidebar, page 6), but overall network executives and advertisers were pleased and optimistic.

“This is clearly terrific news for network television. People want to watch our prime time shows,” says NBC Entertainment President Jeff Zucker. “People are looking for a diversion, they want to laugh, they want to get lost in their favorite programs and clearly what’s going on is people need their old friends both literally and figuratively.”

Says Fox’s Preston Beckman: “There is a reason why we have premiere weeks. Viewers know that come mid-September the networks start bringing back their favorite shows and introducing new ones. They just know it. It’s like in the DNA of this culture.”

But not every network executive was overly excited after the first week.

“Let’s remember it’s still early and we have only had a few shows premiere,” says ABC Entertainment’s co-Chair Lloyd Braun. “I think it’s certainly encouraging that viewers have been coming back, but the situation is obviously fluid. World events are still very, very fragile and I for one am still holding my breath.”

Network executives say they expect at least some prime time pre-epmions over the next several months because of the U.S. war on terrorism. Nonetheless,
American viewers appear to have had enough reality TV over the past several weeks.

As new and returning scripted series got off to fast starts, non-scripted or so-called reality shows took a nose-dive in the national ratings during the first week of the season.

"The reality programs are having a tough go of it," says NBC Entertainment President Jeff Zucker. "There might have been this problem no matter what had happened because of the glut of reality programs. We always knew that could be a problem going in and the current situation in this country has certainly exacerbated that problem."

At NBC and CBS, there were high expectations for Lost and The Amazing Race, respectively, prior to the terrorist attacks. Both debuted with respectable ratings on Sept. 5, but returned in the post-World Trade Center era with diminished numbers. Lost debuted with 9.4 million viewers and a 4.1 rating/12 share in the adults, 18-49 demographic. But, last Wednesday, it averaged only 6.1 million viewers and a 2.6/7 in 18-49. As for The Amazing Race, its premiere averaged 11.8 million viewers and a 5.0/13, but slumped to 8.6 million viewers and a 3.6/9 on Wednesday.

Fox's two-hour reality special Who Wants to Be a Princess? failed to draw much of an audience, averaging 6.6 million viewers and a 2.8/7 in 18-49. Fox's Love Cruise also started slowly, debuting on Sept. 25 with 6.4 million viewers and a 3.6/8 in adults 18-49. However, the next night, it improved to 7.4 million viewers, 4.0/10.

According to an Initiative Media survey conducted after Sept. 11, 56.6% of Americans are "less interested" in watching reality programs. "That could be a bad sign for the third installment of Survivor on CBS (debut Oct. 11) and Fox's second attempt at Temptation Island (Nov. 7)."

"People are looking for a diversion, they want to laugh, they want to get lost in their favorite programs," says Initiative Media's Tim Spengler.

"The fact that the ratings are a little higher or a little lower is not in the short-term, going to jump-start the ad economy, particularly as it pertains to national TV. If the networks continue to hold ratings or grow ratings over time, more money will be planned for the networks."

During the first week, veteran dramas and comedies stole much of the limelight from the newcomers. NBC's Friends opened the year with a whopping 31 million viewers and 15.2/42 in 18-49, while CBS comedy Everybody Loves Raymond opened its sixth season with its most-watched and highest-rated episode ever, averaging 22.8 million viewers and an 8.4 rating/19 share in 18-49, according to Nielsen Media Research. (Raymond also scored big in syndication. See page 19.)

The Practice's two-hour season premiere averaged 17.8 million viewers and a 6.8/15 in 18-49. Law & Order came back with 20.7 million viewers and a 7.5/20 in 18-49. Frasier drew 19.6 million viewers and an 8.4/20 in 18-49. ER followed with 26.6 million with a 14.3/35 in 18-49.

The newsmagazines have been up as well. CBS's 60 Minutes II started the season with 13.1 million viewers, 20/20 averaged 11.2 million viewers and Dateline NBC's Tuesday episode averaged 12.6 million viewers and a time period best 5.6/14 in 18-49.

As for the new shows, NBC's new Thursday night comedy Inside Schwartz, which occupies the plum slot after Friends, attracted the largest audience of all newcomers, 22 million viewers with 11.1/29 in 18-49, but the viewership was down 9 million from Friends.

CBS's drama The Education of Max Bickford, which follows 60 Minutes, averaged 16.5 million viewers and a 4.4/11 in 18-49. NBC's Crossing Jordan (15.7 million and 6.1/15 in 18-49), CBS's The Guardian (15.5 million and 4.2/10 in 18-49) and ABC's Philly (13.6 million and 5.3/14 in 18-49) all posted strong numbers. UPN's new Star Trek series Enterprise brought the network its second-highest ratings ever, averaging 12.5 million viewers and a 6.3/16 in 18-49.
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TWO WEEKS LATER...

DAN SAYS WHEN YOU GET USED TO IT, IT'S A LOT OF FUN.

IT'S A GREAT COUNTRY!

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49. "In this day and age, networks don’t have a lot of time to test new shows, they aren’t as patient as they once were," says Initiative Media’s Spengler. “You really need to get some traction in the first two or three episodes or you are going to be in trouble.”

Fox’s new comedy Undeclared drew only 9 million viewers, but scored a strong 5.1/13 in adults 18-49 in its debut. CBS’s The Ellen Show got a special Monday night launch (its regular slot is on Friday) and averaged 13.8 million viewers and a 5.8/13 in adults 18-49. NBC’s Emeril was the least watched new show at the major networks, averaging 8.7 million viewers and a 3.5/10.

"Obviously I would have liked it to have started with a little bigger number," says NBC’s Zucker. "But if it’s where it ends up, we will be thrilled. We just have to make sure that happens." ■

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Valentine: Do-it-yourselfer

UPN chief to take on programming duties while continuing legal battle with bosses

By Joe Schlosser

Just when it appeared that the situation at UPN couldn’t get any stranger, it did. UPN President and CEO Dean Valentine, who last month filed a $22 million lawsuit against his own network over contract incentives, is expected not only to remain on the job, but also fill the top programming post.

Sources say Valentine, who had been interviewing potential new entertainment presidents for the last several months, will not replace former programming chief Tom Nunan, who departed in July. He will simply take on the responsibilities himself.

Valentine, the former head of Walt Disney TV and Walt Disney TV Animation, who oversaw the development of such hits as Ellen and Home Improvement, is well qualified to handle programming.

Industry insiders say Valentine was having a tough time luring quality candidates to the network that has suffered through ownership squabbles and that has been the focus of intense speculation about which executives will stay and which will go. Valentine has one year left on his contract and is due $2.25 million in salary this year alone. In his lawsuit, he claims UPN owes him as much as $22 million in performance bonuses.

Viacom and Paramount executives who oversee UPN are not commenting on Valentine or the rumors of a shakeup at the network. Valentine isn’t talking either, but he was confronted last week in Los Angeles while on a panel of network executives.

Politically Incorrect’s Bill Maher, who served as the panel’s moderator, bluntly said to Valentine, “So Dean, you are suing the network and yet you are still working there.” After the laughter died down, Valentine responded, “Obviously it’s an odd situation, but it’s a contractual dispute and as weird as Hollywood is, the weirdest part of it is, it’s had no effect on how the network operates and no effect on our relationship.” ■
Oh say, can you see Bill Maher?

Late night show host, news executives criticized for seeming unpatriotic

By Steve McClellan and Dan Trigoboff

Three weeks after the terrorist strike in New York and Washington evidence was mounting that the war on terrorism has spawned a separate battle stateside between those demanding to say their piece, no matter how unpopular, and those rebuking them. Indeed, after last week, maybe PC now stands for patriotically correct.

There were debates in TV newsrooms across the country as to how appropriate it was for on-air people to display signs of patriotism. One public station—KOMU-TV Columbia, Mo., received threats from Republican legislators that funds would be withdrawn after its decision keeping ribbons, pins and flags off the on-air staff.

And there was further fallout for ABC's popular late night show Politically Incorrect whose host Bill Maher made a comment after the attack that some said implied the U.S. military was cowardly compared to the terrorists. (See page 20)

General Motors, the show's biggest advertiser confirmed its displeasure. "We took our ads off," said GM spokeswoman Peg Holmes. "With the current situation it really didn't mesh with our corporate beliefs so we pulled our ads," indefinitely.

According to Competitive Media Reporting, the New York ad tracker, GM was the show's biggest advertiser in 2000, spending $6.3 million out of a total $46.6 million for the year. Two weeks ago, Sears and FedEx confirmed pulling ads off the show, and Friday, drug maker Schering-Plough, the show's third biggest advertiser, pulled out too.

Maher and his show also took heat from affiliates and the White House last week. White House spokesman Ari Fleischer said Maher's comments were "a terrible thing to say... This is not a time for remarks like that, there never is."

ABC confirmed that 17 affiliates had yanked the show off the air, including Allbritton-owned WJLA-TV Washington. By Friday, Sept. 21, Nielsen figures showed the program's U.S. coverage had dropped to 91% from 98% earlier in the week.

There were reports that Disney was considering canceling the show. ABC did not return several calls.

One story also had the White House expressing dismay that NBC aired an interview with former President Bill Clinton. The story, by Salon.com, the online magazine, reported that White House communications staffers were angry that NBC put a "spotlight" on Clinton and that that was not helpful to President Bush's efforts to rally the nation against terrorism. However, both NBC and the White House strongly denied any contact. Nevertheless, Salon stood by its story.

AT&T: Call waiting

After resistance, AT&T seems ready to sell off parts, cable

By John M. Higgins

After opposing Comcast President Brian Roberts' bid for its cable systems, AT&T has cleared a path that would give him what he wants, by looking to sell off the telco's remaining parts.

Industry executives said that AT&T has contacted other Baby Bells to test their interest in AT&T's long-distance and business-services operations. Most interested: BellSouth. AT&T's move was first reported by Business Week.

AT&T's cable systems would be separated and sold to the highest bidder.

Industry executives and analysts said that the move is a sign that AT&T Chairman Mike Armstrong has finally acceded to Comcast's argument that AT&T shareholders are better off merging the cable systems into the MSO in a stock swap than let AT&T keep them. "This is a big change," said one media company CEO.

Comcast has the only bid on the table; AT&T hopes Cox Communications and AOL Time Warner will jump in.

The proposals were made at AT&T's board meeting last week, giving NFL nicknames to possible players: "Eagles" for Philadelphia-based Comcast, "Falcons" to Atlanta-based Cox, and "Seahawks" to suburban Seattle-based Microsoft. A scheme involving Atlanta-based BellSouth was, for some reason, labeled "Brazil."

The telco moved to open formal negotiations with Comcast by asking the MSO to sign a confidentiality agreement with more relaxed terms than the one Comcast refused before. AT&T dropped a clause that would have prohibited Comcast from discussing a joint bid with other firms.
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The Hughleys

Available Fall 2002
NBA’s got game plan
Michael’s back just as league gets ready for new TV pacts

By Richard Tedesco

The National Basketball Association faces a fresh season with the return of an aging superstar and a fluid TV strategy likely to produce a pact with fewer regular season games on broadcast TV—and possibly one with a new cable partner.

The much-hyped return of Michael Jordan, who made his official announcement last week, is seen by some as a tonic for the league’s woeful regular-season ratings record. But even NBA executives aren’t assuming Jordan is a slam-dunk ratings dynamo. For starters, he’s still on a non-contending team. And he’ll probably play for just two years, assuming His Airness still has it and doesn’t lose it.

But Jordan’s return comes conveniently as contract talks in the current exclusive negotiating window with incumbent carriers NBC and Turner Broadcasting get ready to open after being delayed by the terrorist attacks. But really, that roughly month-long window won’t mean much, with the NBA in no hurry to make a deal.

With or without Jordan, the NBA remains one of the big-three pro sports properties in a marketplace where quality programming remains a valuable commodity. But apparently the league is also becoming a big believer in scarcity.

The NBA’s real ratings remedy will be to reduce the number of regular-season games on NBC, which will likely retain its rights, sources say. Observers endorse that approach, arguing that fewer games on broadcast increases the relative value of games to viewers, who have tuned out in droves, dropping last season’s NBC average regular-season rating to 2.9.

“It wouldn’t surprise me if NBC made that suggestion,” says independent sports-media analyst Neal Pilson. “By reducing the number of games, you cut back on your lower-rated games.”

It also plays into the depressed economic backdrop, acceding to a more modest—or flat—licensing fee for fewer games. The NBA expects a modest rise, but nothing like the 140% increase that produced the current four-year pact with NBC at $1.7 billion a year and the Turner networks at $900 million a year, which ends after this season. Revenue-sharing formulas could be adjusted to a lower threshold in the league’s favor.

The league may also consider the addition of another cable partner that might carry a weekly game, or start its own channel on analog cable using its video archives.

Observers see three logical suitors to produce that channel: Turner parent AOL Time Warner, Viacom or Disney’s ESPN, which also could become the sole cable partner. An ESPN spokesman says the cable sports net would be interested in making an NBA deal “if it makes good business sense.”

Observers agree. “I think they do have to go to another cable partner,” says Jon Mandel, co-managing director of MediaCom. “They’ll have to bring in more partners to get the money they need.”

But Mandel dismisses a basketball channel as an “albatross” that would also dilute the NBA’s TV presence. He quips: “They already have an archival channel. Isn’t Michael Jordan coming back?”

Mandel sees the NBA’s flagging ratings as a primary issue in the upcoming talks. Jordan’s return is simply “reminding everybody of how bad it’s been.” ■

XM’s downer upper
Satellite radio launches, with a astral asterisk

by Paige Albinik

XM Satellite Radio finally got off the ground last Tuesday, only to have its stock come crashing to earth two days later.

The company said last Thursday that the power arrays of its two satellites, “Rock” and “Roll,” manufactured by Boeing Satellite Systems Indl., are degrading faster than expected. That may require XM to replace the satellites mid-to-late decade rather than the 12-to-15 years they are supposed to last. (XM’s competitor, Sirius Satellite Radio, which debuts later, has satellites built by Loral Space & Communications, so it isn’t affected.)

“XM anticipates the solar-array situation will have no material impact on its quality of service, conduct of business or cost of operation,” the company said in a statement last week. XM also has notified its insurance carriers that it might be making a claim in coming years.

The news put a damper on XM’s launch events last week, which already had been delayed once in light of the Sept. 11 terrorist attacks on New York and Washington. XM’s stock has been in a steady decline all...
year, hitting a high of $44 last October. After the news about the satellites broke last Thursday, XM’s stock closed at $4.30, its lowest level ever. At press time Friday, the stock was climbing back to previous levels, which had been hovering around $10 in the past month.

XM launched with a more subdued Washington event than the galas it had planned. The company instead gave $10,000 to the New York Firefighters’ 9-11 Disaster Relief Fund and $10,000 to the American Red Cross effort at the Pentagon, said XM President and CEO Hugh Panero.

XM now is beaming 100 channels of music, news, talk and sports to 400 subscribers in Dallas and San Diego, and plans to make service available to the entire South by the end of October. That’s an acceleration of XM’s previous plans, which were to add only the Southwest next month. XM will have the rest of the country online by the end of November, Panero says.

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**Still gung ho on NATPE 2002**

*International contingent holds firm in face of flight jitters, terror threat, syndie defections*

By Susanne Ault

NATPE chief Bruce Johansen says the January show is a firm go, but adds that if the world gets too crazy, holding the convention in cyberspace, rather than Las Vegas, is a possibility.

While downplaying the idea that will happen, he says if international attendees and exhibitors start to bail out, NATPE 2002 might not be viable. So far, he notes, the international crowd is holding firm.

Last week Johansen also disclosed he’d talked with representatives from the Radio-Television News Directors Association about organizing a mini-convention at NATPE, but the news organization later decided against it. RTNDA’s convention, which was to have begun Sept. 12, the day after the terrorist attacks, was canceled.

Barbara Cochran, RTNDA’s president, explained that news directors need the time during NATPE to prepare for February sweeps. Additionally, she said RTNDA is still trying to “resolve financial matters” internally.

NATPE’s international component has, in recent years, made up for declines in syndicators and stations. “We’ve not gotten the sense that people are skittish about coming to our conference in January,” stresses Johansen, adding that he’s talked to attendees in Latin America, Asia and Europe. “No international exhibitor has pulled out since the attacks.”

But he says if there’s a fearful attitude in January, NATPE is “certainly not going to endanger our members’ lives,” and suggests the possibility of an “electronic conference,” or some sort of online networking instead.

However, even if travel and terrorism worries were out of the picture, there’s still the nagging problem of syndicators fleeing the show. And Johansen is not pulling any punches about the half-dozen syndicators that will leave the convention floor and go solo at the Venetian. Paramount Domestic Television is the most recent defection.

“They’re siphoning off the efforts we’re doing,” he says. “They say they support NATPE, but they absolutely do not. They’re nothing more than parasites. I feel very strongly about this.”

In part to dissuade convention-goers from going to the Venetian, NATPE will have all of its seminars at the convention center, not the Hilton next door. “Don’t you wonder why?” Johansen asked, facetiously. He answered himself: “We don’t want to give people any reason to leave the hall.”

But Johansen also adds that after this year’s show, NATPE will be re-evaluating everything—including, apparently, the idea of holding NATPE in a series of hotel suites itself, as was done in its infancy.

“Everything is up for grabs,” he notes, including the time of the year the show takes place.

First there’s the 2002 show. The organization isn’t offering the discounts it normally does to spur participation because NATPE is “already looking at an enormous loss coming out of this conference,” Johansen explains. While declining to give specifics, he says NATPE also lost money at the 2001 show.

At this point, he hasn’t done anything to get syndicators to change their minds. “I’m not crying here, but that’s the reality. We can’t cut costs more.”

Regardless of the syndicators’ mass exodus, “it’s not going to disrupt the show,” he promises. Most will be participating at NATPE in some way, with some executives set to headline panel discussions, for instance. And Columbia TriStar, Tribune Entertainment, Fremantle Media, MGM, NBC Enterprises, Hallmark, New Line Television, MTV Networks, CNN, Discovery, Lion’s Gate Entertainment, Bloomberg, Sun Microsystems and Twentieth Television are all committed to be on the floor.
THE DOWNER CHANNEL
AOL Time Warner sliced its financial forecast last week, saying that the fallout from the terrorist attacks would cost the company $1 billion-$2 billion. Rather than increasing 2001 revenues 12-15% to $40 billion, AOL's looking at 5-7% growth to $38 billion-$38.7 billion. Cash flow will only grow 20% to $9.9 billion instead of the 29% or $11 billion AOL had been promising. The company acknowledged that numbers had been turning downward even before the Sept. 11 attacks. ... Senate Commerce Committee Chairman Fritz Hollings (D-S.C.) postponed an Oct. 3 hearing on copyrighting digital content until later in the month. Since the terrorist attacks, the committee has been swamped with work on aviation and other related issues. ... C-SPAN said it will postpone the second half of its American Writers series until the spring, because of the attacks. "C-SPAN needs to dedicate our complete editorial attention to providing long form coverage of the national response to this serious situation," a network spokeswoman said. ... Financiers last week painted a grim picture of chances for broadcasters seeking funding, especially for television stations. "It's very challenging out there right now, former FCC Chairman William Kennard told members of the National Association of Black Owned Broadcasters in Washington. "We've been hit with consolidation in radio and TV and a weak economy, which got even weaker after the Sept. 11 attacks." Kennard is now a managing director for the Carlyle Group investment firm.

CHUTES AND LADDERS
Hallmark Channel chief Margaret Loesch will not renew her contract as president and chief executive officer of Crown Media U.S. and will be departing the company next month. Loesch said she wanted to spend more time with her family. She took charge of what was then the Odyssey Channel in 1998 after Hallmark Cards' Crown Media took control and moved to convert it from a religious and entertainment network into more of a straight entertainment channel, rebranding it Hallmark Channel in August. She will be replaced by Lana E. Corbi, currently COO of Crown Media Holdings and formerly president of network distribution for Fox Broadcasting. ... Robb Dalton has been named president of programming and production at Twentieth Television. The move reunites Dalton with his former colleague, Twentieth Television President Bob Cook. ... Latinos are playing only eight recurring roles on prime time broadcast television this season, according to a report issued by the National Hispanic Foundation for the Arts and Children Now. That's 2% of total prime time and down from 14 roles last season. ... After selling Fox Family to ABC for $5.3 billion, Fox may launch a digital net for repurposed programming, tentatively called Fox Classic (or perhaps the reverse) and show old programs from Twentieth Century Fox like M*A*S*H. But a Fox spokesman said that there were no concrete plans for a new net. ... Insiders say top CBS station executives are lobbying hard for the folks at Buena Vista to let Regis Philbin do double duty as host of the syndicated as well as the network version of Who Wants to be a Millionaire? The syndicated strip is cleared on several CBS O&Os for 2002. At press time, Buena Vista had no comment.

BACK TO OUR REALITY
Terrorist attacks continue to be big competition for a lot of entertainment-related syndicated programming. By contrast, some day-and-date syndicated newsmagazines have gotten a boost from the appetite for up-to-the-minute news. For example, category leader Entertainment Tonight scored a 6.0 rating/11 share and Inside Edition recorded a strong 3.9/9 in the Nielsen weighted-metered markets for the period ending Sept. 21 (the week following the attacks). For ET, that was an 11% boost from its performance this time last year. And Inside Edition was up 15%. ...
DIGITAL’S THE WAVE OF THE FUTURE.

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GLOBAL CROSSING ® HOW BIG BUSINESS DOES BUSINESS.
Nathanson goes back to work

Ex-Falcon Cable CEO to step up at Charter after Kent breaks with Allen and Savoy

By John M. Higgins

Charter Communications, the nation’s fourth largest cable company, didn’t have to search far to fill the void created by exiting CEO Jerry Kent. It is tapping a member of its own board of directors: cable veteran Marc Nathanson.

Nathanson has been the nearly invisible vice chairman of Charter since selling Falcon Communications to Charter for $3.6 billion in 1999. While active as a member of the board, insiders say Nathanson played no active role in management.

Nathanson traveled infrequently from his Los Angeles base to Charter’s St. Louis headquarters.

That will change. Nathanson will join Charter chairman and controlling shareholder Paul Allen in a sort of “office of the chairman” role. The executive expected to replace Kent as president is Liberty Media Corp. senior vice president Carl Vogel. He is to report in part to Nathanson. It’s not clear if Vogel will get the title of CEO.

Charter now needs a steadying hand. The company’s stock dropped about 40% to $12 because investors fear that Kent’s replacement won’t deliver the same strong cash-flow growth.

Also, Kent’s exit is gouging a deep emotional rift among Charter’s seasoned managers, and Microsoft co-founder Allen is eager to keep them from following Kent out the door. All last week his financial lieutenant Bill Savoy was busy offering “stay bonuses” of up to few hundred thousand dollars to some Charter executives.

Kent announced his departure last Monday to three dozen or so senior officers and staffers at Charter’s headquarters. With his contract up in 90 days, Kent had until Monday to say whether he planned to negotiate a new deal. Even though some executives had been informed over the weekend, the room was hushed.

“Nobody ever thought Jerry would leave his company,” said one executive in the meeting.

“This is not easy. It’s gut wrenching,” Kent said. “It’s like leaving a kid.”

Industry executives attributed much of the problem to a personality clash between Kent on one side and Allen and Savoy on the other. In Kent’s view, Charter with its consistently strong operating results was a success in Microsoft co-founder Allen’s multibillion dollar portfolio of otherwise failed or troubled companies.

Sources said Kent may sell his interest in those shares at around $21 per share, as much as $84 million, or nearly double the current trading price. (Of course, the price is now low because Kent quit.)

All Kent’s recent senior offers to Charter employees were in the range of $20 to 32 per share. Kent’s exit has only raised Charter’s stock price.

Sources said Kent may sell his interest in those shares at around $21 per share, as much as $84 million, or nearly double the current trading price. (Of course, the price is now low because Kent quit.)

Although it was never disclosed to shareholders, Kent has a “put” on a pool of around four million Charter shares held by Charter Investments, the company Allen bought from Kent and his partners to get Charter’s systems.

Sources said Kent may sell his interest in those shares at around $21 per share, as much as $84 million, or nearly double the current trading price. (Of course, the price is now low because Kent quit.)

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"MY EXPERIENCE ALLOWS ME TO UNDERSTAND THIS INDUSTRY'S FINANCIAL NEEDS. MY NEW POSITION ALLOWS ME TO ACTUALLY HELP MEET THEM."

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Programming

FAA keeps TV news choppers grounded

By Dan Trigoboff

TV and radio news choppers remained grounded last week, classified by the Federal Aviation Administration as a potential risk to national security.

By the end of last week, the FAA had eased some of the restrictions that at first grounded all air traffic immediately following the crashing of hijacked planes into the World Trade Center in New York, the Pentagon and in a field in rural Pennsylvania.

But while the government authorized operations in the airspace largely in and around metro areas for balloons, photographers, gliders, skydivers and even crop dusters, it determined that "restrictions continue to apply to ... news reporting [and] traffic watch ... ."

The FAA said the issue was one of national security. News executives suggested it was probably the difficulty of maintaining tower contact with a helicopter improvising its flight over a major metropolitan area, its course undefined by a flight plan.

Some thought the FAA might ease restrictions shortly over less-congested areas, but the agency said it had no timetable for easing the restrictions on news choppers.

In a letter to the FAA, Radio-Television News Directors Association President Barbara Cochran called the restrictions "constitutionally suspect," and in violation of a First Amendment right of access to information. "Our members are puzzled," she said, "by the fact that this is a nationwide ban, rather than one that is geographically limited to sensitive areas. They don’t understand why ‘news-reporting operations’ are prohibited while balloons and skydiving aircraft are allowed in the nation’s skies.

‘The ban on news aircraft takes away one of the most important newsgathering tools stations use to serve the public.’
—Barbara Cochran, RTNDA

“The ban on news aircraft,” Cochran continued, “takes away one of the most important newsgathering tools stations use to serve the public. In large cities such as Phoenix and Los Angeles, helicopters are a necessity in covering the entire community quickly and efficiently.

News directors in those cities confirmed the difficulties.

Los Angeles newscasts, famous across the country for showing drivers fleeing at high speed, haven’t run one since the ban. The ban “has affected us terribly,” said KTLA(TV) Los Angeles news director Jeff Wald. "It’s not just about car chases. Those are pretty trivial and we’ve curtailed our coverage of car chases. Our morning news is mostly about traffic…, and in L.A., the sheer volume of traffic is tremendous at all hours of the day. We still receive tips on traffic, and [the California Department of Transportation] has cameras on the freeways, but they’re not always where we need them to be.

“If the FAA is concerned about our people,” he said, “I wish they’d tell us. If they’re concerned about our people, it seems to me it would be easy to check out our pilots and our reporters.” Moreover, Wald said, “we’re anticipating a major rainy season, which brings flooding. We need the aerial coverage.”

And in Phoenix, KTVK(TV) Phoenix news director Phil Alvidrez, said the inability to fly created a tremendous additional load given the large geographic size of his market. "We understand this is a sensitive time,” he said. "But keeping the flow of information is part of what makes this country what it is. News operations ought not to be treated as less than operators of hot-air balloons or light aircraft.”
Everybody loves laughing

Tragic events seen making escapist entertainment the genre whose time is now

By Susanne Ault

The fallout from the terrorist attacks will continue to cast a long shadow over the nation’s psyche, but that could make moments of respite in escapist entertainment, particularly humor, even more important than before there was so much from which to escape.

For example, King World’s Everybody Loves Raymond got off to a strong start last week in its syndication debut. Its two-day average score last Monday and Tuesday, a 3.4/6 in the averaged Nielsen metered markets, was strong enough to approach the numbers of several high-profile off-net vets.

“I think the whole genre of the sitcom is in a good position coming out of all this,” said King World’s research head, Moira Coffey. “As opposed to some of these reality programs that are too competitive, too dramatic, I think people will be looking for lighter fare right now. I know I certainly am.”

And looking down the road a bit, Twentieth Television is in a position to serve the need for escapism. Last week it locked up UPN sitcom The Hughleys in 65% of the country. Talking about the deal, the studio’s chief Bob Cook said that “there’s no question” people want humor right now. He noted that comedies from his Fox film colleagues are hot at video stores.

Cook also pointed to the performance of off-net comedies King of Hill (2.6/5 in its first week) and Just Shoot Me (1.9/3). Both holding on to almost all of their lead-in audience.

Although Raymond is off 3% from its lead-in average (3.5/6) and off 11% from the year-ago time-period average (3.8/7), that’s still impressive given breaking news pre-emption and continuing signal disruptions in New York, the nation’s No. 1 market. Also, the show lost some buzz when the cast canceled its New York promo.

In addition to launching at a time when people seem ready to be distracted, the show also came at a time when off-net sitcoms have been in a bit of a slump. Friends was the last break-out comedy, and that was in 1998. Though solid performers, highly touted Spin City, Drew Carey and 3rd Rock haven’t been worldbeaters.

Beyond being in the right place at the right time, Raymond seems to have brought some of its network fan base along (its season debut on CBS drew 22.8 million viewers last week, its most ever). The syndicated Raymond is still behind Friends (4.5/8 after two days) and Frasier (4.0/7), which along with Frasier have been the top off-net sitcoms. ■
MUTING MAHER

Sinclair Broadcasting last week pulled Politically Incorrect from the schedules of its ABC affiliates—it has seven, including top-25-market KDNL-TV St. Louis—to protest remarks by host Bill Maher regarding the terrorist attacks against New York and Washington.

Sinclair Vice President Mark Hyman said executives were unaware of Maher's remarks until they received viewer complaints. Maher had addressed the issue of terrorist cowardice, commenting that, “We have been the cowards lobbing cruise missiles from 2,000 miles away. That's cowardly. Staying in the airplane when it hits the building, say what you want about it, it's not cowardly.”

Later Maher said his remarks were directed at politicians, not servicemen and women, and apologized to people “who took it wrong.” Maher subsequently acknowledged that the remarks were ill-timed and could be seen as insensitive. ABC stood by Maher, saying it believed a forum was needed for the expression of diverse opinions.

Sinclair’s Hyman said: “Our freedom of speech entitles us to air what we want.”

UN-MUTING MAHER

Meanwhile, by late last week, Allbritton had restored Politically Incorrect to its late night slot on WJLA-TV Washington and Citadel Broadcasting was planning to restore it as well. Both had pulled it after Maher's WTC comments (see above). Citadel President Ray Cole said he’d discussed his station’s pulling the show with Maher by phone, and found the comedian sincerely apologetic. Cole said Citadel executives were waiting to receive a taped message from Maher in which he acknowledges his hiatus from Citadel’s stations, and offers a note of conciliation. If the message passes muster, Citadel planned to put Politically Incorrect back on the air.

‘SUPERFLUOUS’ GM

Bill Peterson, general manager at WRAL-TV for just over two years, was let go last week after, according to a memo he sent his employees, his job was seen as superfluous. The station determined that it was management-heavy in the current light-advertising market and, Peterson said, his own job appeared to be redundant with Senior Vice President of broadcasting Tom Allen's.

Although Peterson told staff the timing wasn't great and that it was not a happy moment for him, station sources said he appeared relatively upbeat and that his manner was reassuring to the station's staff. Still, a staffer noted, in a time when people are concerned about their own jobs being eliminated, it's less than reassuring to see that even the boss is vulnerable.

FURTHER LOCAL

The Baltimore Sun has reported that sales have risen 6 percent over last year’s quarter. The newspaper is part of the Tribune Publishing Company, which has seen sales rise by 4 percent in the past year, according to the Sun.

Synergy is at work around the clock in Los Angeles. Tribune-owned KTLA-TV is putting a camera in the newsroom of the co-owned Los Angeles Times. The move follows similar efforts by other Tribune-owned stations and newspapers. In Chicago, WGN-TV has a camera in the Tribune newsroom and WPIX(TV) New York has one in newly acquired Newsday's headquarters. The KTLA-TV camera will officially start rolling Oct. 31.

KTLA-TV News Director Jeff Wald says the station has been conducting interviews with Los Angeles Times reporters and editors since Tribune acquired the newspaper over a year ago. “It’s a relationship that has been blossoming over the past year and a half or so and it’s about to blossom even more,” Wald says.

FIRST W. VA. STOP: CLARKSBURG

The $20 million purchase of Clarksburg's WBOY-TV by West Virginia Media Holdings from Hearst-Argyle could be the beginning of a statewide group, the new owners of the 44-year-old station say. The top-rated NBC affiliate, sold by Hearst as it purchased WMUR-TV Manchester, N.H. (Boston), reaches nearly 200,000 households in the north-central West Virginia area.

The new company's owner, Bray Cary, said the purchase was "the company's first step in establishing a West Virginian-owned-and-managed media network in the state." Gary Bowden, with the station since 1973, continues as general manager.

All news is local. Contact Dan Trigoboff at 301-260-0923, e-mail dtrig@erols.com or fax 413-254-4133.
Focus Cincinnati

THE MARKET

DMA rank 32
Population 2,186,000
TV homes 829,000
Income per capita $18,263
TV revenue rank 30
TV revenue $174,800,000

COMMERCIAL TV STATIONS

<table>
<thead>
<tr>
<th>Rank*</th>
<th>Ch.</th>
<th>Affil</th>
<th>Owner</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>12</td>
<td>CBS</td>
<td>Clear Channel</td>
</tr>
<tr>
<td>2</td>
<td>9</td>
<td>ABC</td>
<td>Scripps</td>
</tr>
<tr>
<td></td>
<td>5</td>
<td>NBC</td>
<td>Hearst-Argyle</td>
</tr>
<tr>
<td>4</td>
<td>19</td>
<td>Fox</td>
<td>Raycom</td>
</tr>
<tr>
<td>5</td>
<td>64</td>
<td>WB</td>
<td>Sinclair Brst.</td>
</tr>
</tbody>
</table>

*Cable subscribers 522,270

CABLE/DBS

Penetration 63%
ADS Subscribers** 124,350
ADS Penetration 15%
DBS carriage of local TV Yes

**Alternative Delivery Systems, includes DBS and other non-cable services, according to Nielsen Media Research

WHAT'S NO. 1

<table>
<thead>
<tr>
<th>Syndicated show</th>
<th>Rating/Share***</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wheel of Fortune</td>
<td>10/20</td>
</tr>
<tr>
<td>Network show</td>
<td></td>
</tr>
<tr>
<td>Survivor II</td>
<td>33/47</td>
</tr>
<tr>
<td>6 p.m. newscast</td>
<td>9/19</td>
</tr>
<tr>
<td>WKRC-TV</td>
<td>13/25</td>
</tr>
</tbody>
</table>

***May 2001, total households

Population levels are steady, so TV viewership should remain healthy.

Beating downers with uplifting fare

Like most markets, Cincinnati has been hurt by the advertising downturn—a problem that has been compounded by the terrorist attacks in New York and Washington.

Several blue chip companies headquartered here, including Procter & Gamble and Federated Department Stores, are not generating their usual profits. And now, because of the nation's widespread fear of flying, Cincinnati's Delta Airlines hub has quieted considerably.

"It's been a difficult economic year. This didn't make it any easier," says Rabun Matthews, GM at NBC affiliate WLWT(TV), also noting that the station has spent a lot of money following the story.

His station might benefit from aggressive recruitment of local advertisers, but "we've all been so tied up in this thing that it's hard to think of anything else," he explains.

One positive thing that came out of the tragedy was the $800,000 WLWT was able to raise for the Red Cross relief efforts.

Also, notes WKRC-TV GM Chris Sehring, all of Cincinnati's TV stations and radio outlets have pledged to air more uplifting programming "to promote the healing process." Specific shows haven't been selected yet, "but the good thing is that the community is trying to respond."

Cincinnati should be able to bounce back from financial hardships. For one thing, Cincinnati's population levels are steady, which indicates TV viewership will likely remain healthy. "It's always been considered one of the best cities to raise a family," says Sehring.

Sehring's CBS affiliate, the No. 1 station in the market, does have a lot going for it. Cincinnati skews to the conservative side, so CBS programs "overindex here dramatically."

Even the not-so-conservative CBS show do well. Cincinnati was the No. 1 market for Survivor II. In addition, WKRC-TV has a lot of promotional muscle, doing much of the news programming for the eight sister Clear Channel radio stations in Cincinnati.

—Suzanne Ault

A King-Sized #1!

In Its Season Premiere, THE KING OF QUEENS Is #1 in Households, and Achieves Its Highest Young Adult Rating Ever!

<table>
<thead>
<tr>
<th>Rank</th>
<th>Show</th>
<th>Network</th>
<th>HH Rtg.</th>
</tr>
</thead>
<tbody>
<tr>
<td>#1</td>
<td>The King of Queens</td>
<td>CBS</td>
<td>10.1</td>
</tr>
<tr>
<td>#2</td>
<td>Weakest Link</td>
<td>NBC</td>
<td>7.5</td>
</tr>
<tr>
<td>#3</td>
<td>Millionaire</td>
<td>ABC</td>
<td>6.3</td>
</tr>
<tr>
<td>#4</td>
<td>7th Heaven</td>
<td>WB</td>
<td>5.0</td>
</tr>
<tr>
<td>#5</td>
<td>Who Wants To Be A Princess</td>
<td>FOX</td>
<td>3.4</td>
</tr>
<tr>
<td>#6</td>
<td>The Hughleys</td>
<td>UPN</td>
<td>2.4</td>
</tr>
</tbody>
</table>

Source: Nielsen, Galaxy Explorer, 8/24/01, 8-8:30pm; Young Adult-A18-34
©2001 Columbia TriStar Television Distribution. All Rights Reserved.
Despierta America is Univision's morning program, one of the driving forces behind the network's 6% gains (nearly $632 million) in revenues for the first half of 2001.

Spanish-language TV weathers stormy economic conditions so far

WHAT DOWNTURN?

This year's economic downturn has hurt the TV business across the board from the biggest TV networks to TV stations and cable system operators. And a number of companies in those sectors have downgraded their projected financial performance in recent weeks.

But for Spanish-language TV, the downturn has been a little less damaging, although it has turned what executives had hoped would be a stellar year into something less than that.

Still the numbers show double-digit revenue growth for Hispanic TV. According to Competitive Media Reporting, Telemundo and Univision, the two networks that account for most of the ad dollars in the sector, generated a combined 12% revenue gain for the first half of 2001 reaching almost $885 million.

The CMR data show that Telemundo had the bigger gains, both on a percentage basis and in total dollars (but from a much smaller base), with a 30% gain to $252.6 million. Univision posted a 6% gain to almost $632 million, which in the current ad environment is still seen as respectable.

Analysts remain bullish about the outlook for Spanish-language media. “The long-term prospects are as promising as they have ever been,” says Lee Westerfield, broadcasting analyst, UBS Warburg. “The underlying issue is population growth (up 58% between

BY STEVE MCCLELLAN

BYSTEVEMCCLELLAN
1990 and 2000) and consumer-spending growth and a very well defined consumer group.” The short-term tremors in the economy this year and next, says Westerfield, are “quite separate from the long-term underlying demography advantage.”

The current environment is tough on everyone in the TV business, but less so on Spanish-language broadcasters, Westerfield says. “Hispanic is faring better than the broader market but isn’t growing as rapidly as in the recent past.”

For this year’s upfront, Telemundo sold between $200 million and $225 million in advertising, a gain of between 15% and 20%, says Telemundo Communications Group President and CEO Jim McNamara. McNamara says he’s cautiously optimistic that his network can sustain double-digit growth levels for the foreseeable future, despite the shaky economy.

“I believe that the fundamentals of our market are such that we can continue to grow our audiences in small chunks,” he says. “And I believe that the audience is going to be recognized by the advertisers. So I do believe that we will be able to keep it growing.” (See more on McNamara in The Fifth Estater, page 47.)

Univision has not yet reported its upfront results. To date, the guidance from the company to Wall Street is that this year’s upfront will surpass the $501 million it sold last year. The company says it will release upfront specifics during its next conference call with analysts later this month. Last week, according to sources familiar with the situation, Univision will report a single-digit percentage gain in upfront sales. Both Telemundo and Univision were said to be wrapping up some sales last week.

Whatever the short-term financial results may be, Univision remains bullish about the long-term prospects for the sector—so much so that it is proceeding with plans to launch Teletutura, a second full-time broadcast network starting Jan. 14, 2002. That’s the day after the Home Shopping Network carriage agreements expire for the USA Stations that Univision bought earlier this year for $1.3 billion.

Why a second network? Mario Rodriguez, president, entertainment, Univision Networks, says that last year’s census numbers “were a real eye-opener. The numbers for the Hispanic population were much greater than anybody ever expected. We knew there’d be growth but not to the degree that the census showed. We felt that a country with more than 35 million Hispanic consumers definitely could be served

### Changing America of
America

With seven states now claiming a Hispanic population in excess of 1 million, there’s no doubt that the multi-cultural promise of America is being fulfilled.

<table>
<thead>
<tr>
<th>State</th>
<th>Hispanic population</th>
<th>% of total population</th>
</tr>
</thead>
<tbody>
<tr>
<td>California</td>
<td>10.9m</td>
<td>32.4</td>
</tr>
<tr>
<td>Texas</td>
<td>6.6m</td>
<td>32.0</td>
</tr>
<tr>
<td>New York</td>
<td>2.8m</td>
<td>15.1</td>
</tr>
<tr>
<td>Florida</td>
<td>2.6m</td>
<td>16.8</td>
</tr>
<tr>
<td>Illinois</td>
<td>1.5m</td>
<td>12.3</td>
</tr>
<tr>
<td>Arizona</td>
<td>1.2m</td>
<td>25.3</td>
</tr>
<tr>
<td>New Jersey</td>
<td>1.1m</td>
<td>13.3</td>
</tr>
<tr>
<td>New Mexico</td>
<td>765,386</td>
<td>42.1</td>
</tr>
<tr>
<td>Colorado</td>
<td>735,601</td>
<td>17.1</td>
</tr>
<tr>
<td>Washington</td>
<td>441,509</td>
<td>7.5</td>
</tr>
</tbody>
</table>

Source: U.S. Bureau of Census
CAPTIVATING.
DYNAMIC.
EXCEPTIONAL.
PROVOCATIVE....
HBO LATINO.
A CHANNEL THAT REFLECTS THE PEOPLE IT REACHES.

What the largest growing market demands, only HBO Latino delivers:

Exceptional Spanish language movies from Latin America and Spain
Huge Hollywood hit movies in Spanish
Highly acclaimed HBO® Original Series in Spanish
World Championship Boxing with Spanish simulcast
Colorful educational and fun family programming
The best music videos from top Latin music artists
Original Latino lifestyle programming

Call your HBO rep for more info.

HBO.com AOL Keyword: HBO

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Distribution of Hispanic population, 2000

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL OTHER HISPANIC</td>
<td>28.4%</td>
</tr>
<tr>
<td>Other Hispanic</td>
<td>17.3%</td>
</tr>
<tr>
<td>Spaniard</td>
<td>0.3%</td>
</tr>
<tr>
<td>S. American</td>
<td>3.8%</td>
</tr>
<tr>
<td>C. American</td>
<td>4.8%</td>
</tr>
<tr>
<td>Dominican</td>
<td>2.2%</td>
</tr>
<tr>
<td>CUBAN</td>
<td>3.5%</td>
</tr>
<tr>
<td>PUERTO RICO</td>
<td>9.6%</td>
</tr>
<tr>
<td>MEXICO</td>
<td>58.5%</td>
</tr>
</tbody>
</table>

*Hispanic respondents who did not give a detailed origin answer in the 2000 census
Source: U.S. Census Bureau

by more than two broadcast networks.”

Those population gains translate to huge increases in the Hispanic-household-universe estimates for many Nielsen TV markets. Over the past year, Hispanic TV homes in the Dallas-Fort Worth market grew a whopping 49% (114,810 households) and pushed the market up two positions in Nielsen’s Hispanic TV market rankings to No. 6.

Houston also climbed two spots, to No. 4, adding almost 79,000 Hispanic TV homes for an 8% increase. In Phoenix, the Hispanic universe grew 30% and in Denver it grew 33%. In Atlanta, the Hispanic universe more than doubled with the addition of almost 59,000 homes.

Univision’s new network will be distributed to at least 80% of the U.S. Hispanic TV universe at launch, says Rodriguez. The new network is being scheduled to counter-program co-owned Univision and Telemundo, both of which air wall-to-wall novelas during prime time.

Univision has revealed exclusively to Broadcasting & Cable the premiere lineup of Telefutura programs (with the understanding that some fine-tuning will probably occur between now and launch).

Prime time is movie time on Telefutura. The daypart will consist almost entirely of first-run double-feature movies scheduled for 7 p.m. and 9 p.m. each night. The one exception: Friday nights at 9 p.m., when boxing will air.

Those movies will come from a host of sources both here and abroad, including most of the top studios in the U.S. So far Telefutura has rights deals with MGM, Warner Bros., Paramount, Columbia and Universal, as well as several top film producers in Mexico, Latin America and Spain.

Rodriguez says the prime time strategy targets men, in contrast to Univision and Telemundo that both air female-skewing novelas.

But novelas do have a part in the schedule during the daytime block when they’ll air alongside talk shows. Between 9 a.m. and 6 p.m. women at home are the primary target. He likens the strategy to what Fox did 15 years ago when it launched, and went after younger males that the network believed were being underserved by the three major networks.

Univision believes the new network will expand the total viewing pie for Spanish-language TV in the U.S. and not just take away from other existing Hispanic TV outlets. In addition, Univision’s Andrew Hobson told analysts in August that the company believes 50% of the viewing will come from English-language TV sources. Another 25% will come from Telemundo, and the rest will probably come from Univision.

“We feel strongly that a lot of Hispanics may be watching English-language programming simply because they are not too excited about the current Hispanic offerings,” Rodriguez says.

Besides boxing, Telefutura will have a couple of key sports franchises, including a Saturday afternoon soccer schedule and a nightly sports news and information show. And next year most of the World Cup games will be repeated on Telefutura after airing live on Univision. And the new network will air eight live World Cup matches.

And what does Telemundo think of this second channel? “It’s on our radar screen,” says McNamara. “I don’t think they’re going to get it correct right out of the box—not for any reason other than you seldom get it 100% right, right out of the box. What they’ve shown me over the years is that they study what’s going on, they know how to make moves and they’ll probably keep working it.”

For now, McNamara says Telemundo doesn’t plan to counter with its own second broadcast network. Instead the company is creating duopolies in select markets. “We believe the big opportunity is in local,” he explains. “So we bought a second station in Los Angeles and we’re already picking away at [Univision] in Los Angeles. And we have a second station here in Miami, which we haven’t really developed from the programing standpoint yet. But our plan is to go local here in Miami.

Laura en America is one of Telemundo’s top rated programs and the host, Laura Bozzo, is the network’s own Oprah.
Unique products
Unique information
Unique entertainment

Uniquely Hispanic

HSE, the Spanish language shopping network, recognizes that not all Hispanics are the same. Our diversity is reflected in our wide range of Hispanic products, as well as in our celebrity hosts, who hail from Mexico, Puerto Rico, Cuba, Dominican Republic, Central and South America.

HSE can help your cable system attract the unique and diverse Latin market—the fastest-growing demographic in the United States.

Call our Cable Affiliate Sales Office today 1.800.872.7100.

HSE Home Shopping Español
Hall of Fame
AND
70th Anniversary

HONOREES

KATIE COURIC
Co-Anchor, NBC News Today

MICHAEL J. FOX
Family Ties, Spin City

HAL JACKSON
Veteran Radio Personality, WLIB-WBLS New York

Katie Couric
Michael D. Eisner
Michael J. Fox
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Tom Freston
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LORNE MICHAELS
Executive Producer of Saturday Night Live
Delivering the Human Experience

A SPECIAL ADVERTISING SUPPLEMENT TO

BROADCASTING CABLE
My, how you’ve grown.

Congratulations TLC on your milestone 10th anniversary from your Discovery Networks family.
The Making of Today's TLC
Programming, Marketing Help Lift TLC Toward the Top

The Learning Channel of today bears little resemblance to its 1991 predecessor. Then a mishmash of educational lectures, public domain programs and how-to shows distributed to barely 15 million households, TLC has matured into a high quality, fully distributed programming powerhouse that appeals to men, women and children alike.

In early 1991, The Learning Channel languished under financially strapped ownership. The channel had been born in 1980 as part of the Appalachian Community Service Network (ACSN), designed to deliver educational programming and teacher training via cable to disadvantaged areas. One of the owners, Infotechnology Inc., lay on the verge of bankruptcy. The other, ACSN, was a non-profit organization with little money to invest in building a television service.

"Given the resources they had, they were really doing the best that they could," recalled John Ford, who was handed the task of revamping TLC's programming after Discovery purchased the channel in February, 1991.

Discovery Channel founder John Hendricks could hardly restrain his delight at pairing TLC with his blossoming Discovery Channel.

"It’s an exciting concept," Hendricks said in announcing the acquisition. "Two networks working in tandem to fulfill television's mission to educate and enlighten..."
Jana Bennett joined TLC in 1999 after two decades as an award-winning journalist and producer with the British Broadcasting Corporation. An American native, Bennett began her broadcasting career in 1979 as a BBC news journalist, moving into television production two years later.

Steadily promoted within the BBC, she was appointed Director of Programmes in May 1999, and given oversight of the BBC's 4,500-person production staff.

Bennett holds a Bachelor's degree in Philosophy from St. Anne's College, Oxford University, and a Master of Science in Economics and Political Science from the London School of Economics.

In 2000, Her Majesty Queen Elizabeth II bestowed upon Bennett the esteemed Order of the British Empire for her contributions to scientific education.

Since joining TLC, Bennett has supercharged both programming and marketing efforts, and solidified the channel's foothold in the fields of medical reality and the area she calls "techno-competition."

**B&C: What is TLC all about in your mind?**

**JB:** TLC is a broadly based non-fiction channel that cannot be defined by one genre. That can make it difficult to say in a few words what it is about. What we say is that TLC is "life unscripted." We are trying to convey the fact that you don't know what's going to happen next, and that what you see is not always totally expected. We live our lives in an unscripted way, and the programs we try to create reflect that experience.

**B&C: The channel skewers very strongly female during the day, and somewhat male at night. How are you able to satisfy the divergent interests of your viewers?**

**JB:** When I came in we had a really separate set of dayparts that really didn't speak to each other. If you look at daytime now, with shows like "Baby Story," "Wedding Story," and primetime with "Trauma" and "Junkyard Wars," what they have in common is spontaneity and a reality about them. We are letting the action unfold before your eyes. We have also linked the dayparts with our fringe program, "Trading Spaces," a show that has a lot of serendipity about it. It is much more unscripted than any other how-to program. We have a greater consistency now across dayparts.

**B&C: You have enjoyed some success with this thing you call "techno-competition." Why do these shows work for you?**

**JB:** It is a very original way of combining our viewers' interests in things like technology, basic science and engineering with the human experience. It's really showing people who are passionate, sometimes obsessive, who like working in teams and under pressure with somewhat crazy goals.

**B&C: You are wrapping up production now on TLC's first dramatic documentary. The term "drama" is not one normally attached to non-fiction programming.**

**JB:** It's called "Trapped at Sea: The 'Kursk' Mystery," the story of the Russian submarine that sank in August 2000. We are going for real story telling, but using dramatization where the documentary camera cannot be. It's not a 'based on' story, but rather the telling of a powerful, true story about the international rescue attempt, about those people above the water who were caught in the necessity of obeying orders, and about the families of those trapped in the submarine. It is a very important story to tell.

**B&C: What makes TLC click with viewers?**

**JB:** They describe it to us as being a channel that feels relevant to them. It speaks to them in an informal voice, but has the added value of information. It doesn't take itself too seriously, yet it is entertaining. You can never underestimate the power of entertainment.

**B&C: Her Majesty Queen Elizabeth II recently honored you. That must have been quite an event for you.**

**JB:** It was truly an honor. I received an 'OBE,' Order of the British Empire. It is the British way of recognizing contributions in a certain field, because of my strong commitment and long track record in developing science, medicine and technology programming during my previous stint as head of the science department at the BBC. We probably trebled the science output in the UK in my time.
Congratulations to The Learning Channel on a great first ten years.

From your friends,

Tyler Harcott, host of “Junkyard Wars,”
Screaming Flea Productions,
contributors to “Extreme Machines,”
and all of us at N.S. Bienstock, Inc.

www.nsbienstock.com
Continued from page 6

will be highly valued resources to millions of people.”

Moreover, the acquisition of TLC provided the catalyst to propel Discovery Communications into a global media powerhouse. Discovery Channel, introduced in 1985, was already building a reputation as a quality provider of non-fiction programming, but Hendricks and his then chief legal advisor, Judith McHale foresaw even bigger things.

“We were looking to grow the company,” said McHale, now chief operating officer at Discovery Communications, Inc. “Besides, there was always the possibility that someone else might acquire TLC, and might have programmed it in a way that was not complementary to Discovery.”

A Makeover Story

“One weekend in August we banged out a plan as to what the new Learning Channel ought to look like,” Ford said. His timeframe was short. Hendricks wanted the relaunch to take place on October 1.

Ford concedes the October lineup “was not the best schedule TLC ever had.” As the newly promoted Senior Vice President of Programming he quickly acquired a biography-type series called “Equinox,” and the home repair program “Renovation Zone.” TLC’s first original production, “TeacherTV,” appeared a few weeks later.

Ford later launched anthology series like “Science Frontiers,” and “Ancient Journals,” the syndicated “Connections,” which had previously run on PBS stations, and another original called “Archaeology,” featuring actor John Rhys Davis. Davis hosted the show for several years, and the series won TLC’s first CableACE Award in 1992 for Best Documentary Series.

To establish itself as a destination for families, TLC launched a bold initiative aimed at pre-school children. A six-hour morning program block, “Ready, Set Learn!,” was conceived as a supplement to the limited educational programming available for kids on the Public Broadcasting System. Since shortened to three hours,
Congratulations TLC on ten years of inspiring television.

Thanks for letting us tell your stories.

BANYAN PRODUCTIONS

Congratulations TLC for your outstanding achievement!
We've enjoyed working with you these past 10 years and look forward to a great future together.

The entire staff of New Dominion Pictures wishes to extend their deepest sympathy to all the victims and their families of last month’s tragic events. God Bless!
"Hyperspace," a souped-up special hosted by actor Sam Neill employs some stunning graphics effects to explore life on earth and whether humans are destined to live on other planets. The three-part co-production of TLC and the BBC premieres Oct. 7.

"Inventions We Love to Hate," a one-hour visit with some of the gadgets and machines that sounded great in concept, but have left a legacy of discontent. Among them: car alarms, leaf blowers, boom boxes, even e-mail. Scientists and cultural experts explain why inventiveness sometimes goes horribly wrong and new machines can create more problems than they solve. The special is scheduled to appear in the 4th Quarter 2001.

"Trapped at Sea: The 'Kursk' Mystery," TLC's first factual drama, recounts the story of the most mysterious sea disaster of the last half-century. The special, scheduled for 1st Quarter 2002, explores the events surrounding the tragic loss of Russia's high-end nuclear submarine.

"Trading Spaces," TLC's popular fringe hit, gets primetime exposure starting October 6 when it is added to the Saturday night schedule. Says TLC Executive VP Jana Bennett: "It was getting primetime ratings in fringe, so why not run it in primetime?"

"Sex In Our Century," presents a social history of the sexual revolution from a scientific standpoint. A creation of ABC News Productions, the four-part special will appear December 9 and 10, 2001.

"Trauma: Life in the ER," TLC's top rated series and the foundation of its medical reality primetime lineup, recently began its sixth season.

"Junkyard Wars," a British import, premiered on TLC in January 2000. The mechanically minded competition pits two teams against one another to build machines in 10 hours from parts salvaged from a junkyard. "Junkyard Wars" and "Robotica" form the basis of TLC's "technocompetition" franchise.

"Ready. Set. Learn!" remains on the TLC schedule, and remains commercial free.

The move proved to have the added benefit of helping establish TLC's daytime dominance among women.

"Women 18-to-34 is the age group with pre-schoolers, so we draw a lot of young mothers in the early morning who remain for our daytime programming," said Jana Bennett, TLC executive vice president and general manager.

Ford and his colleagues devoted an enormous amount of effort to audience research to develop programs for the new TLC. The channel's biggest programming hit, however, was very much an accident. After dabbling with medical shows, it was a one-hour special in 1996 that gave Ford the idea to greenlight the series that was to become "Trauma: Life in the ER," still the network's top rated series.
Congratulations TLC!
on a perfect ten years
from the people of
Team and
Clean Cuts Music

Henninger Media Services would like to congratulate

TLC

on 10 exciting years of life unscripted.

We are proud to be a part of your success.
Docs and Bots Fill Primetime
A documentary on killer viruses led to a brainstorming session on other medical related possibilities. Ford settled on the idea of a series that dealt with life and death in a hospital emergency room. “Trauma: Life in the ER” was born. “We thought, gee, we like medical shows, and we liked the work the producers had done on ‘Killer Virus.’ We knew it would be a successful series, and lo and behold it was,” Ford said.

When Ford moved on to lead Discovery Health Media in 1999, he yielded stewardship of TLC to Jana Bennett, a veteran BBC journalist and producer who had partnered with Discovery and TLC on a number of programming projects.

Bennett has tweaked and toned TLC’s programming, solidified the channel’s daytime lineup, and developed its “Life Unscripted” marketing campaign.

“We are trying to convey the fact that you don’t know what’s going to happen next, that what you see is not always totally expected,” Bennett said. “We live our lives in an unscripted way, and the programming tries to recreate that experience.”

TLC’s daytime programming block, including “A Wedding Story,” “A Baby Story,” “A Dating Story,” and “A Makeover Story” ranks number one among its target demographic, Women 18-34.

Bennett came up with the idea for TLC’s fringe hit “Trading Spaces.” The popular program gets its own primetime slot on Saturdays this fall.

Nights on TLC center on the areas of medical reality, and a phenomenon Bennett calls “techno-competition,” with shows like “Junkyard Wars,” and “Robotica.” “It’s a very original way of combining our viewers’ interests in things like technology, basic science and engineering with the
human experience,” Bennett said. “It’s really showing people who are passionate and sometimes obsessive, who like working in teams and under pressure with somewhat crazy goals.”

Bennett sees more dramatic production in TLC’s future. The channel’s first factual drama, the $6 million “Trapped and Sea: The ‘Kursk’ Mystery” is tentatively scheduled for early March, 2002. Although dramatic in nature, the two-hour special is based solely on factual records, fulfilling TLC’s non-fiction directive.

TLC hopes to capitalize on the popularity of its “techno” pro-

JUNKYARD WARS helped TLC blaze the trail to the genre of “techno-competition”
TIMELINE: TLC

2001

**JANUARY** - TLC premiers American version of JUNKYARD WARS - garnering average household rating 1.9

**APRIL** - Premiere of ROBOTICA, TLC’s second techno-competition series

2000

**JANUARY** - TRAUMA ends 4th season with a 2.04 household rating

**MARCH** - TLC and ABC News collaborate on production of 20/20 segments using TLC's documentary footage and storylines from upcoming specials.

**JUNE** - TLC captures record number of views for live broadcast of royal wedding of Edward Windsor and Sophie Rhys-Jones. Earns #1 spot for time period.

1999

**MARCH** - TLC premieres first annual ALIEN INVASION WEEK

**JULY** - TLC launches A BABY STORY daytime series. It becomes basic cable’s highest rated weekday series among Women 18-34

1998

**MARCH** - TLC captures record number of viewers for live broadcast of royal wedding of Edward Windsor and Sophie Rhys-Jones. Earns #1 spot for time period.

**SEPTEMBER** - A BABY STORY premiers

1997

**MARCH** - TLC premieres first annual ALIEN INVASION WEEK

**DECEMBER** - TLC sets a 4th quarter record with 0.77 primetime household average rating

1996

**FEBRUARY** - Series premiere of TRAUMA: LIFE IN THE E.R.

**SEPTEMBER** - A WEDDING STORY premiers

1995

**JANUARY** - DESMOND MORRIS’ THE HUMAN ANIMAL mini-series premiers

**AUGUST** - TLC’s KILLER VIRUS program tackles timely topic of Ebola virus outbreak

1994

**MARCH** - THE LIFE AND TIMES OF JESUS receives network’s highest prime-time rating ever - a 1.2

**APRIL** - James Burke’s CONNECTIONS series returns to television after a 16-year hiatus. The series becomes one of the network’s top five ratings grabbers. The series garners a .6 prime time average for April, a 100% increase over the previous year

1993

**JANUARY** - THE OPERATION series premieres, marking the birth of medical reality programming genre.

**JANUARY** - TLC introduces its award winning GREAT BOOKS series narrated by Donald Sutherland, explaining how classic works of literature are significant to modern times.

1992

**MAY** - Discovery acquires The Learning Channel from Infotechnology and Appalachian Community Service Network

**OCTOBER 1** - TLC celebrates five year anniversary with five new series and surpassing the 50 million subscriber mark

1991

**TLC** launches READY, SET, LEARN!, a commercial-free, weekday-morning programming block for preschoolers.

1990

**MAY** - Discovery acquires The Learning Channel from Infotechnology and Appalachian Community Service Network

**OCTOBER 1** - DCI relaunches TLC with a revamped programming line-up. Sample programs include Dr. Edell's Medical Journal (daytime), Gardening from the Ground Up, Martin Yan's Oriental Kitchen, Renovation Zone, Teacher TV
AUGUST/SEPTEMBER - Premiere of the The Human Face with John Cleese, becomes TLC's top-rated special ever

OCTOBER 1 – TLC celebrates the 10th anniversary of its relaunch under Discovery Communications. Distribution exceeds 81 million.

JUNE - TLC's Jana Bennett is awarded Order of the British Empire – O.B.E. - Conferred by the Queen for Services to Science Broadcasting.

SEPTEMBER - Premiere of TRADING SPACES

SEPTEMBER - A DATING STORY premiers helping daytime block take #1 spot on basic cable for Women 18-34

DECEMBER - TLC breaks 1.0 household rating in primetime, ranks sixth among all basic cable nets in Adults 25-54

OCTOBER - Over 2.7 million viewers watch TLC's VIETNAM: THE SOLDIER'S STORY. The series is among the top five primetime specials in both households and demographics

DECEMBER - TLC surpasses 60 million subscriber mark

DECEMBER - Debut of SURVIVAL IN THE SKY, a four-part mini-series investigating airline disasters, garners TLC's second and third highest-ever ratings, Mini-series remains in TLC's top five rated primetime specials.

DECEMBER - TLC ends the year as the fastest growing cable network, reaching 43 million subscribers

DECEMBER - TLC passes 30 million subscribers

DECEMBER - TLC's average household rating grows to 0.4; distribution reaches 27 million

DECEMBER - TLC distribution reaches 18 million

TLC finishes the year with an average primetime rating of 0.1

Happy Birthday TLC

WORKING WITH YOU IS ALWAYS A PARTY!

(...AND THE RATINGS OUR PROMOS GENERATE IS THE ICING ON THE CAKE)

Evolution Film & Tape, Inc.
WWW.EVOLUTIONUSA.COM
TLC's fringe hit TRADING SPACES will get some primetime exposure this fall

grams by releasing a line of TLC branded toys, games and other items in coming months.

Strong programming, coupled with support from the mighty Discovery marketing machine and an aggressive affiliate sales team has pushed TLC's cable and satellite distribution to more than 81 million (by contrast, TBS Superstation boasts 85.8 million).

Recent independent studies rank TLC #2 in terms of perceived quality by consumers, behind only sister network Discovery Channel.

Operators like quality
The Learning Channel, like its sibling Discovery Channel, is frequently cited as a purveyor of "quality" programming, an attribute that cable operators appreciate.

"Its programming is some of the best on cable," said Allan Singer, vice president of programming at AT&T Broadband. "It's a great brand, great programming, and Discovery has traditionally been an excellent partner to the cable operator."

TLC has received its share of professional accolades as well. Since 1999 TLC productions have been nominated for or have received numerous awards. "On the Ropes" received an Oscar nomination, and a Jury Prize at the Sundance Film Festival. "Intimate Universe: The Human Body" won a Peabody Award, and the TLC series "Great Books." "Trauma: Life in the E.R." and "Breaking News" won accolades in the New York Festivals. Other programs have received numerous Emmy and CableACE awards over the years.

Despite growing cable competition, Judith McHale expresses no surprise at TLC's success.

"We have a reputation for delivering on our promises for both our affiliates and our customers," she said. "When you have great programming, and you deliver on your promises, you can be successful."

This special report was developed and produced by Deadline Media Services Ltd./Atlanta. Phone 770-879-7369. Email: info@deadlinemedia.net
BROADCASTING CABLE SALUTES TLC LIFE UNSCRIPTEDE

On its 10th anniversary of great programming.
To the best teacher, ever.

Thanks, TLC, for 10 fascinating years of learning.
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Fame
nersary Gala

SAM DONALDSON OF ABC NEWS

MARY TYLER MOORE
Dick Van Dyke Show, Mary Tyler Moore Show

JAMES O. ROBBINS
President and CEO, Cox Communications

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BROADCASTING CABLE
More Hispanics Today

As if double-digit revenue gains aren't enough proof that the Hispanic market is for real, *Hispanics Today*, which ran as a monthly series on WNBC(TV) New York and the NBC station group for the last two years, recently upped its frequency to once a week. The half-hour program, produced by TWI, a division of IMG, showcases Hispanic issues and leaders in a broad cross section of industries, from entertainment to politics.

New hosts Maria Arita and Manuel Teodor will help bring the program to more than 83% of the Hispanic TV households in the U.S. as it has cleared 27 of the top 30 markets. That includes 10 of the 13 NBC-owned and operated stations. And top national advertisers have already signed on for the program, including The Coca-Cola Company, AOL Time Warner and Verizon Communications.—K.K.

Just like we've done in Los Angeles."  

Meanwhile Azteca America, the proposed new Spanish-language network from Mexico's TV Azteca and Pappas Telecasting is still alive but significantly delayed from when the partners had originally thought they'd be by now, admits Harry Pappas, chairman of the network and founder of Pappas Telecasting.

Last year, Pappas had hoped the new network would be up and running with about 60% coverage of the Hispanic universe by last June. But major delays in getting the venture's Los Angeles station up and running (largely due to tower issues) caused some lenders to have second thoughts, Pappas explains. The end result was that financing needed to close deals for stations in other markets—namely Dallas, Phoenix and El Paso—dried up. While Pappas was trying to negotiate an extension in Dallas (for KXTV-TV) Telemundo swooped in and bought the station out from under him. The Phoenix and El Paso deals also fell through.

"In essence, all of this has pretty much cost us a year," says Pappas. Now, Azteca America hopes to have distribution in place covering 45% of Hispanic TV homes by second quarter 2002, growing to 65% by the third quarter of next year, assuming deals get done in New York and Chicago.

"We are delayed, but we're nonetheless going to be getting to our ultimate objectives," Pappas says. Interest in the Hispanic marketplace has only grown since he and Azteca announced their venture a year ago, he contends.

Not only has Univision decided to go with a second network, but lots of big media companies—AOL Time Warner, Viacom and General Electric among them—have inquired about buying Telemundo. Hispanic Broadcasting Corp. has even made an approach, offering to merge with Telemundo. Sources close to the situation say would-be buyers have to "officially convey" their interest within the next month.

To help ease the financing burden, Pappas says he's gone back to TV Azteca and convinced them to put up part of the money to buy more stations. Under the original venture agreement TV Azteca was primarily the program supplier and that part of the arrangement and the general terms pursuant to that deal remain in place, says Pappas. Details are still being worked out on how much money TV Azteca would contribute to buy stations.

"Are some of these things going to take a little longer to achieve than we had originally envisioned? Yes. Are they ultimately going to be achieved? Also yes."

---

**Top 25 Hispanic Markets**

*Ranked by Hispanic households*

Below are Nielsen Hispanic population projections for the 2001-2002 television season. Nielsen relies on some but not all U.S. Census data, and combines that data with its own estimates. (Ranking last year in parentheses.)

<table>
<thead>
<tr>
<th>New Rank</th>
<th>Hispanic DMA</th>
<th>% chg. % of households</th>
<th>% of vs. '01 HH*</th>
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<tr>
<td>1 (1)</td>
<td>Los Angeles</td>
<td>1,573,400</td>
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<tr>
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<td>New York</td>
<td>1,142,420</td>
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<td>555,780</td>
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<td>4 (6)</td>
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<tr>
<td>5 (5)</td>
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*% of Hispanic households in market

Source: 2001 Nielsen Media Research
ESPN DEPORTES
100% LATINO

HECHO EN MEXICO

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SPECIAL REPORT

HISPANIC TELEVISION

CHECKING THE CENSUS

Cable recognizes growing clout of Spanish-speaking viewers

BY ALLISON ROMANO

On one channel, there's a Spanish version of Sex and the City. On another channel, MTV Unplugged features singer Shakira and—of course—there's still a steamy Mexican novela or two out there.

No matter the offerings, the menu of Spanish-language cable programming is expanding and Hispanic viewers have a growing number of options. As the Hispanic population in the U.S. continues its growth spurt, cable networks and MSOs are hustling to offer more viewing options.

The 2000 census identified Hispanics as the fastest-growing American minority. Hispanics represent 12.5% of the U.S. population, and one of every six people under 18 is Hispanic. Hispanic media execs say the census figures just prove what they've known all along: Hispanics are a powerful group of consumers.

Cable penetration is much lower among Hispanic households than total American homes. Among Hispanic homes, 63% percent subscribe to cable or satellite, compared with 81% penetration in the overall market. Out of 10.2 million total Hispanic TV homes, only 6.4 million receive cable or satellite service, according to Nielsen Media Research.

That's due partly to language barriers, partly to the cost of cable. Census Bureau data show that the income of Hispanic households is about $28,300, roughly 38% below the $38,900 national average.

Cable and DBS operators are addressing half the equation by adding an array of Spanish-language channels to their lineups, even though primarily in tiered packages requiring an additional fee. Spanish-language nets are trying to feed distributors appetites by moving beyond stock-in-trade TV novela and talk shows into broader programming genres.

Telemundo Cable is hoping to capture the "MTV generation" of Hispanic youth by relaunching its Gems net as Mun2 (it's referred to as "Mundos") on Oct. 10. When Telemundo purchased Gems last May the company inherited a female-skewing net heavily programmed with novelas and talk shows. Mundos will target a trendier demo with music programming and youthful drama series.

Telemundo Cable President Manuel Abud says there's a tremendous need for Spanish-language programming aimed at Hispanics in their mid-20s. "Telemundo and Univision are working on the traditional audiences," Abud adds. "We think we have a good chance of succeeding with attracting the younger audience."

Mundos will reach 2.8 million subs, mostly former Gems viewers, when it relaunches.

Galavision, which is owned by Univision, has seen its distribution spike in the last few years, growing to 28 million homes, 4.3 mil-
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Lo último en noticias en mi idioma

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lion of which are Hispanic households. While most of the growth has been on cable, satellite subs have jumped from .7% to 10% of Galavision’s distribution.

Galavision has seen its audience get younger over the last few years, drawing more 12- to 34-year-old viewers. The channel has changed its programming to reflect its youthful glow, and the schedule now features a daily morning block for kids, afternoon novelas and how-to shows and bicultural programming aimed at youth.

Established English-language networks are also hatching Hispanic alternatives. Most draw off the resources of related domestic and international networks and offer a mix of dubbed and original Spanish-language programming.

“We’re willing to invest a significant amount of money to get a stake in the U.S. Spanish-speaking market,” says John Ford, head of Discovery’s content group who overseas Discovery en Español. Ford declines to elaborate on the startup costs.

Programming execs did say costs are lower than an English-language network because they draw off library programming or make low-cost acquisitions from Mexican and other Latin American producers. But other digital cable nets that repurpose the mother ship’s programming cost $3 million to $10 million a year to operate.

For example, Discovery en Español draws its programming from its international sister Discovery Latin America and from domestic library programming dubbed into Spanish. Ford says his network fills a void in Spanish-language programming. “They don’t have many alternatives to news and entertainment in Spanish,” he adds. “There’s a real shortage of documentaries in Spanish.”

Ford’s explanation of Discovery’s motives is a common refrain. Execs from several nets say they want to provide programming Hispanic viewers can’t get from traditional Spanish-language services. CNN en Español tailors domestic and international news for its Spanish-speaking audience. “We’re not a translation service,” says the network’s President Rolando Santos. “We report the news, gather it, write it and present it from a Latin American or Hispanic American point of view. The CNN en Español network reaches about 1 million U.S. cable subscribers.

Other English-based networks are also offering complementary Spanish-language channels. Fox Sports World en Español and ESPN Deportes offer coverage of Hispanic and American sports while MTV S and VHUnO offer Spanish-language music programming and videos. MTV S also has long-form programming, like MTV Unplugged and dubs some of its popular animated series such as Beavis and Butt-head and Daria. MTV S reaches 3 million subscribers and VHUnO is in 1 million Hispanic homes. And HBO Latino offers original hits like Sex and the City and Sopranos dubbed in Spanish, along with Spanish and English-language feature films.

Unlike other full-service networks, ESPN Deportes is only available on Sunday nights through cable access channels and airs Major League Baseball, pro football and boxing. The broadcasts are a separate feed from ESPN’s English coverage and feature Spanish-speaking crews and graphics.

Most major cable and satellite systems offer these Spanish-language channels bundles in packages. The cable packages, mostly on digital tiers, are less expensive than satellite, typically less than $15,
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Although satellite service offers more channels. DirecTV Para Todos and Dish Network’s Dish Latino charge $19.99 for more than 20 Spanish-language channels.

Some MSOs, such as Adelphia and AT&T, used to offer limited Hispanic programming à la carte, but the new expanded packages have made cable a viable alternative to satellite. And the subscription rates reflect that. Cable has higher penetration in Hispanic households, with about 5.4 million customers, while DBS counts nearly 800,000 subscribers, according to Nielsen numbers for the 2001-2002 television season.

Most of the Spanish packages are only offered on digital cable in major markets like New York, Houston and Los Angeles. Digital carriage means customers face increased costs for equipment and service, and economic constraints may prevent Hispanic viewers from upgrading to more expensive digital service. But operators say there simply isn’t enough space on analog systems to add any more Spanish-language nets.

“The only way that most operators can represent all the diversity in this market is on digital,” says Sandy Perron, Adelphia’s regional director of sales and marketing for Southern California, including Los Angeles. “There is a demand for analog space that I just can’t afford to give up.”

On Perron’s Adelphia system, must-carry networks occupy 31 of the 78 available analog spaces. She says the limited space forces Adelphia to make tough carriage decisions. Which cable nets offer the most value? Which appeal to the widest audience? She says mainstays like ESPN and Lifetime win out. In contrast, digital’s capacity allows Adelphia to fit 12 channels in the space it now takes to carry just one.

While some Spanish-language nets remain limited to digital carriage, others are fighting to keep analog carriage. Galavision General Manager Lucia Ballast-Traynor says her net is adamantly opposed to moving to a digital tier.

“Digital penetration in the general market is low, so you can imagine how low it is in the Hispanic market,” she notes. Galavision’s cable carriage is about 97% on analog and she says analog service is critical for keeping Galavision in front of the largest possible Hispanic audience.

Despite cable’s current subscriber lead, there’s heavy competition between cable operators and satellite providers. Each side claims its advantages, with MSOs touting localized strategies and the value of low pricing while DBS operators push more channels and offer nationwide service, filling in gaps in regional cable service. Cable operators have aggressively rolled out Spanish packages in the last year, but they were late in the game. Now, MSOs are scrambling to make up for any ground they’ve lost to the satellite providers.

For example, Cox Cable offers a digitally tiered Spanish package in 19 markets, including San Diego, Orange County, Calif., and Phoenix. Cox’s Manager of Video Services Nancy Hefferman says a localized strategy gives her system an advantage over satellite.

“The fact that we’re local and we can get very involved in local communities, with Cable in the Classroom, having our executives get involved in Hispanic Chambers of Commerce, all of that makes us a stronger player,” she says.

“I don’t see cable as being a formidable competitor,” says Yolanda Macias, vice president of DirecTV Para Todos. “In the last year cable has woken up to realize they are losing market share.”

DirecTV offers two packages that combine English and Spanish-language channels, while EchoStar’s Dish Latino offers both a Spanish-only and a Spanish-and-English-channel package. Both systems launched their Spanish-language services in October 1999.

“The number of channels for the dollar amount is much better with satellite,” Macias says.

The growing Hispanic market has created demand for new service, but also has challenged operators’ marketing plans.

“MSOs need to realize ... putting out Spanish programming is not where the initiative stops,” explains Vicki Wember, AT&T Broadband video product manager. “You need to have Spanish reps, Spanish-language materials like welcome kits and customer-care information.” AT&T currently offers Spanish packages in eight markets and plans to add two more by the end of the year.

Media buyers say the census results demonstrate to their clients how important the Hispanic population has become, even in a soft ad market where they are looking to trim dollars.

“It’s possible there will be a shift in priorities moving forward,” says Monica Gadsby, Starcom’s director of Hispanic media. “Companies may think twice before they make ethnic advertising the first thing they cut.”
your key to a successful programming package
Gregory Nava brings first Latino family drama to English-speaking broadcast TV

BY JOE SCHLOSSER

Starting next week producer/director Gregory Nava will get back to producing his new drama American Family. It's been 18 months since Nava first produced the pilot for the drama, which is set around a Mexican-American family living in East Los Angeles. PBS executives saw the pilot that was originally commissioned by CBS and opted to order 12 episodes of the series. For Nava, American Family is his first foray into series television, after directing a number of films, including Mi Familia and Selena.

Are you tired of being described as the producer/creator of the first Latino series on broadcast TV?
I'm not tired of it. I think it's marvelous that it's happened and I'm very proud to have been a part of making it happen. I do look forward to the day when having a show from a Latino producer or writer is not unique.

Are we far from that day?
It's hard to say. It depends on the success that we have and other shows that are happening.

How did the idea for American Family come about and how is it working in television rather than film?
The idea came up because people have always told me that the kind of human drama that I've done in movies needs to be brought to TV. I had always wanted to do a TV program because I thought it would be an exciting thing to do. So I received some wonderful offers about a year and a half ago and I decided that I was going to try it.

How do you feel about efforts by the NAACP, National Hispanic Media Coalition and other organizations pressing the networks to raise the levels of diversity in front of and behind the cameras?
I think it's a very, very good thing. You need to do two things. You need to do good work, which is what I try to do, and you also need to have groups that put pressure on people. Otherwise, there will never be change. If all you do is put pressure, then nothing is going to happen. So I think you need to both work to produce fine work and you also need to put pressure on these companies to make sure shows that reflect America are produced.

What does it say about Hollywood that there still are no Asian-American, Hispanic-American shows on the major networks?
I think it shows that there is a gap between what is happening in society and the [networks'] convictions towards minority programming. They've been slow to react to the changes of the country but they will eventually have to react to them.

Cable networks and PBS have been out in front on diversity. Why are the broadcast networks still in need of prodding?
Because of the nature of what PBS and cable networks are they can react much quicker than the major networks can react. And advertising and the Nielsen have to change so they reflect the new audience. There are 35 million Latinos in this country and the networks and advertisers are going to want to reach these people. A show like ours, hopefully, will help accelerate this process.

How has it been for you as a Hispanic American in Hollywood?
It's hard for anybody to have a career in entertainment, so I never like to complain about anything. Is it harder? I think it is, but by the same token I've also been very fortunate to have worked with a lot of wonderful people. This is my So I try to focus on what I'm doing, because if you start looking around and start dwelling on these other things, it just pulls you down.
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FCC’s sizeable shift

Crossownership rules and percentage caps seem headed for big changes

By Bill McConnell

Under pressure, the FCC appears to have scrapped its traditional mantra that the best way to promote a diversity of voices is to impose strict limits on a media company’s size and reach or erect barriers between rival industries.

Instead, because of federal judges and the threat of lawsuits, the FCC appears to be moving toward the approach used by the Justice Department and the Federal Trade Commission, which review mergers on a case-by-case basis, applying formulas for measuring market power to determine whether a merger passes muster.

In proposals released two weeks ago, the FCC offered a glimpse of where it may go with cable-ownership limits and restrictions on same-market newspaper/broadcast crossownership.

The leading proposal on cable ownership is to replace the 30% limit on one company’s share of pay-TV subscribers with what the FCC calls a “safe harbor.” This would allow most deals to go through unimpeded, unless government economists determine that the merged company would have sufficient power to determine the prices of programming networks and competing video distributors.

The FCC has asked for comment on various market-power measurements that could be used. One under consideration is the Herfindahl-Hirschman Index, the most commonly used antitrust model, which estimates how changes in market share affect overall concentration in an industry. Other possible measurements would take into account companies’ ability to influence prices and programming costs or whether they are earning what economists would consider “excessive” profits.

The cable industry, which rejoiced after a federal appeals court struck down the 30% cap in March, has generally supported a switch to some type of antitrust model, although no specific approach has been recommended. Public advocacy groups, on the other hand, say a strict ownership cap should be retained and that existing law requires one. With enough data from the cable industry, the FCC can address the court’s objections to the current rule by providing a better justification for the 30% cap.

When it comes to newspaper
In proposals released two weeks ago, the FCC offered a glimpse of where it may go with cable ownership limits and restrictions on same-market newspaper/broadcast crossownership.

crossownership, the FCC, which is reviewing it on its own dime, may eliminate the restriction entirely.

The rule, first imposed in 1975, grandfathered existing broadcast/newspaper combos, and roughly 40 remain today. Broadcasters and newspaper companies argue there has been no evidence of harm in these markets and the rule should be rescinded, especially in a world where the number of radio stations, weekly newspapers and Internet voices have proliferated.

Public advocates disagree. "The power and influence of over-the-air TV and daily newspapers is so great that other voices aren't comparable," says Andrew Schwartzman, president of Media Access Project. "I don't care how many weekly newspapers or radio stations there are, you decide who to vote for city council based on what you see on TV and read in the daily paper."

The best Schwartzman can hope for, probably, is preservation of a limited form of the ban.

For instance, the FCC may allow crossownership in markets with a certain threshold of separately owned media voices. Another approach may be to prevent the top-two broadcasters in a market from affiliating with a local major daily newspaper. The FCC is even considering a ban on cooperation between the editorial staffs of co-owned papers and stations.

The most difficult part of the FCC's job may be to collect the market data—such as advertising rates, revenue and market share—necessary to craft a rule that withstands a future court challenge. Public advocates complain that media companies are under no obligation to provide information largely considered trade secrets.

FCC Chairman Michael Powell insists the commission won't abandon its obligation to prevent a handful of companies from getting such a lock on major media that they can dictate what types of entertainment and news and political coverage that most American receive.

But his efforts to craft a new regulatory approach could be cut short if the agency is forced to decide on a major merger deal before new rules are in place. AT&T Broadband is already up for sale and any new merger request could pre-empt the FCC efforts to revise cable ownership limits first.

"The FCC will find it very difficult to review mergers case by case before new rules are in place," says former FCC Commissioner Susan Ness, a Democrat who voted for the FCC's 30% cable limit.

FCC Chairman Michael Powell says the FCC will insure that a handful of companies don't have a lock on the industry.
A two-in-one fix for digital TV

Zenith, NxtWave now working together to improve 8-VSB reception, restart stalled service

By Michael Grotticelli

Giving new hope to the beleaguered digital TV service, Zenith Electronics Corp. and NxtWave Communications Inc. said last week that they have been working together for the past five months to develop and license technology to improve DTV reception.

More than 200 stations are on the air with DTV signals, using the FCC’s 8-VSB transmission standard. But the service has been handicapped by poor reception, particularly indoors and in areas prone to multichannel interference. Only 150,000 DTV receivers have been sold.

The alliance is attacking the 8-VSB problem by combining Zenith’s E-VSB transmission technology with NxtWave’s new error-correction decoding chip for receivers. The E-VSB system piggybacks a second data stream designed for reception in weak signal areas on the 8-VSB signal.

In January, the Advanced Television Systems Committee asked for proposals for improving the 8-VSB system. NxtWave, which wants to sell DTV receiver chips, and Zenith, the developer of the original 8-VSB system, were two of 10 companies that responded.

After reviewing all of the proposals, NxtWave President Matt Miller recognized the similarities between the NxtWave and Zenith plans and approached Zenith about a joint effort. Zenith agreed and the two have been working together since March.

“Working with NxtWave enabled us to look at the reception problems from a new perspective and I think that together we have come up with a system that’s better than the two separate proposals and solves all of the issues,” Zenith Senior Vice President Richard Lewis said.

The NxtWave-Zenith system is “backward compatible,” Miller said. Existing digital receivers will be able to receive the new signals. New receivers with the enhanced technology will be able to decode both a standard 8-VSB signal as well as the enhanced signal, with improved multipath performance of both.

“We’ve been able to come up with a system that improves multipath reception for the normal signal, and a second stream that can be received at much lower power levels,” Miller said. “To be successful, you’ve got to build a receiver that can receive a much weaker signal.”

The Specialist Group on RF Transmission within the ATSC (also known as T3/S9) is currently reviewing the various 8-VSB improvement proposals and is trying to put together a system that draws from several of them.

“We always encourage our participants to work together,” said Mark Richer, executive director of the ATSC. “Sometimes technologies are eliminated, and sometimes they are merged. It’s not often that a single technology gets incorporated as a standard in its entirety.”

Richer said that compatibility with existing receivers was a critical requirement that all of the proposals had to meet in order to be considered.

Other companies that submitted proposals include ADC Telecommunications, Broadcom, Conexant Infotainment Systems, Merrill Weiss Group, Patel-Limberg-McDonald, Oren Semiconductor, Philips and Sarnoff Corporation.

According to Richer, the Association of Maximum Service Television and the FCC will begin testing prototype equipment based on the proposals by the end of the year. Those tests will continue into the spring, he said.

Once results are in, the T3/S9 committee will make its recommendation to the entire ATSC next summer. The final specification should have no problem getting approval from the FCC, Richer said, since it will reflect an industry consensus.

Broadcasters will not be required to use the enhanced 8-VSB system. “The important issue for us is that the focus is on backward-compatible strategies,” Richer said.

“What the enhancement ultimately does is
gave broadcasters flexibility. Whether they choose to use the new spec is up to them."

That flexibility includes the ability to use the second data stream to carry an additional channel of programming, ancillary data or foreign-language audio, said Zenith's Lewis.

The NxtWave-Zenith agreement also simplifies the licensing process, said Lewis, as Zenith will serve as a one-stop shop for consumer electronics manufacturers that want to include the technology in their next-generation integrated digital televisions and separate set-top receivers.

Although he would not get specific, Lewis said that a future ATSC system license that includes the new enhancement technology will cost the same as the current license.

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**Technology**

**Tandberg’s TV-pack**

*ENG transmitter goes on back of camera operators; unit weighs just 4.5 pounds*

By Michael Grotticelli

For those camera operators who hate to be tied down, Norway-based Tandberg Television (with offices in Orlando, Fla.) has introduced the Voyager Lite back-pack for news, sports and other wireless video applications.

Weighing about 4.5 pounds, Voyager Lite does not need a line-of-sight for transmission, according to the company.

The unit uses Tandberg's proprietary COFDM D-ENG technology, which, the company claims, delivers microwave signals free from ghosting and other multipath interference.

Voyager Lite can be used with a variety of bit rates and includes a MPEG-2 video encoder and an integrated COFDM modulator/upconverter. It outputs a 2.4 GHz RF signal back to an ENG van or the station.

Selling at $45,000 and available immediately, the product is the first resulting from Tandberg's acquisition of Audio-Video-Systeme GmbH in July, combining scaled down versions of Tandberg's COFDM D-ENG technology with AVS' expertise in RF microwave.

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**THALES SPRINGS INTO ACTION**

On Sept. 11, Southwick, Mass.-based Thales Broadcast & Multimedia (formerly Thomcast Communications) mobilized to help broadcasters knocked off the air in New York City.

At a transmission site in Alpine, N.J. (just north of the city) Thales engineers installed a 30 kW IOX analog tube transmitter for Telemundo's WNJU-TV.

Another analog solid-state transmitter, on its way to Oregon, was rerouted and driven to Alpine for the PBS station WNET(TV).

A third IOX analog tube system, stored in a nearby company office, was quickly put on the air in East Orange, N.J., for Paxson's WPXN-TV. The station plans to move to Alpine later this year.

Sean Brushett, vice president of marketing for Thales Multimedia, said that his team also helped get Fox's WNYW-TV back on the air from the Empire State Building. They sent station engineers an analog exciter to use with their Thales digital transmitter already located there.

**VIRAGE EXPANDS SOFTWARE LINE**

Looking to help media companies manage and distribute their assets via cable TV and the Internet, Virage Inc., San Mateo, Calif., has introduced the latest addition to its SmartEncode family of products: VideoLogger 5.0, Software Developer Kit 5.0 and ControlCenter 2.0.

When used together, the company says, the software automates such labor-intensive processes as video encoding, indexing and delivery and permits sophisticated control over digital files.
CNN changes spots to digital

Network deploys tapeless system that delivers, tracks, stores and airs ads

By Michael Grotticelli

In its continuing effort to reduce cost and streamline operations, CNN has implemented ADTrax, a new in-house ad-trafficking and distribution system.

The system, developed by CNN VP Andy Drooker over the course of more than two years, is eliminates the costs of overnight delivery and duplication of tape. It also enables CNN’s domestic and international sales and on-air operations departments to send and track spots as digital files, showing when they were sent and to whom. And it records exactly when and where spots air.

Going forward, any commercial aired on any of CNN’s networks—CNN, CNNi, CNNfn, CNN/SI and Headline News—will flow through ADTrax.

It was the “significant” costs (nearly $500,000 per year) involved in handling, standards-conversion and make-goods for errant commercials aired on CNN’s overseas channels that first drew Drooker’s attention.

“My main role here is to find products and technologies that can ease the work flow and cut costs,” he said. “We were losing money with the existing system. It was time for a change.”

To create ADTrax, Drooker cobbled together existing software and hardware with the Internet and satellite-service providers.

A key component was ClipMail Pro from Telstream, of Nevada City, Calif. It uses a fax-like terminal and the Internet to transmit MPEG video files in a store-and-forward model. With the system, users may send and retrieve video files just like e-mail.

The first ClipMail Pro terminals were deployed over a year ago in CNN’s Atlanta headquarters and Hong Kong bureau. The results were better than expected, Drooker said.

“From three to four days to get the spot here via a delivery service, it took less than four hours,” he noted. “And that’s getting the spot in the system and on the air.”

CNN later installed Telestream terminals in Argentina, Brazil and London. Paris will be added in November.

Drooker next turned to asset-management software from Media360. It allows the ad department to easily store and manage the digitized spots. And, finally, he arranged to move all of CNN domestic spot delivery via satellite.

“What we’re looking at is the elimination of physical media coming into CNN, not sometime in the future, but today,” Drooker said, adding that most ad agencies have embraced the system because it helps them track ads better and save money as well. The agencies used to spend about $125 per spot to make and send a digital videotape to CNN, he explained. With ADTrax, the cost drops to about $25.

Drooker turned to Net Screen Technologies, Sunnyvale, Calif., for security. It acts as a firewall between the Telestream terminal and the Internet. Only authorized employees can access the files.

Drooker said CNN has maintained the video and audio quality of the spots. The satellite companies offer quality control as part of their service. And with ADTrax, a bad file can quickly be replaced.

If all goes well, he said, other networks in the AOL Time Warner family may adopt ADTrax.

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SeaChange in Tulsa

KOKI-TV installs MediaCluster for play-to-air of programs

By Michael Grotticelli

Clear Channel’s KOKI-TV, the Fox affiliate in Tulsa, Okla., is using a Broadcast MediaCluster digital media server from SeaChange International Inc. to store, repurpose and broadcast programming and commercials, in tandem with Sundance Digital automation software.

Chief Engineer Brian Egan said that the one input/three output MediaCluster is feeding commercials and programs to a second station that Clear Channel manages in the market, KTFO-TV, a UPN affiliate.

The Sundance software maintains the traffic logs and controls the pay-to-air by the server.

If needed, Egan said, his MediaCluster can be expanded to 20 inputs and 64 outputs by adding storage modules and I/O encoder cards.

Other Clear Channel stations that have gone online with a Broadcast MediaCluster: WPNT-TV Memphis, Tenn. (ABC), WFTC-TV Minneapolis (Fox), and WXXA-TV Albany, N.Y. (Fox).
**Changing Hands**

**TVs**

**WBOY-TV Clarksburg, W. Va.**

Price: $20 million
Buyer: Cary Communications, (President Albert B. Cary Jr.)
Seller: Heirst-Arlye TV Inc. (David J. Barrett, president/CEO).
Facilities: Ch. 12; 263 kW; ant. 860 feet
Affiliation: NBC

**WLIW-TV Garden City, N.Y.**

Price: No money involved.
Buyer: Educational Broadcasting Corporation (William Baker, president/CEO)
Seller: Long Island ETV Council Inc. (Donald J. Stewart, chairman)
Facilities: Ch. 13; 3,136 kW; ant. 400 feet
Affiliation: PBS

**Combos**

**KBTU-FM Carmel, KHIP-FM Felton, KPIG-FM Freedom, KMBY-FM Gonzales and KCDU-FM Hollister (Monterey-Salinas-Santa Cruz), Calif.**

Price: $10.25 million
Buyer: Mapleton Communications (Michael Menerey, president), which owns 13 other stations. This deal represents its entry into the market. Mapleton will also enter into an agreement to operate another station in the market, KBOQ-FM.
Seller: New Wave Broadcasting (Charlie Cohn, president)
Facilities: KBTU-FM: 101.7 MHz, 2 kW, ant. 529 feet; KHIP-FM: 93.7 MHz, 28 watts, ant. 1,210 feet; KPIG-FM: 107.5 MHz, 5 kW, ant. 338 feet; KMBY-FM: 104.3 MHz, 3 kW, ant. 309 feet; KCDU-FM: 93.5 MHz, 110 watts, ant. 2,297 feet
Broker: Elliot B. Evers of Media Venture Partners and Frank Higney of Kalil & Co. Inc.

**WSKW(AM)-WHQO-FM Skowhegan, Maine**

Price: $1.8 million
Buyer: Clear Channel Communications, which also owns 1,205 other stations, including WFAU-AM, WABK-FM, WCME-FM, WIGY-FM, WKCG-FM and WTOS-FM Augusta-Waterville, Maine
Seller: Mountain Wireless (Alan Anderson, president)
Facilities: WSKW: 1160 kHz, 10 kW day, 730 watts night; WHQO-FM: 107.9 MHz; 6 kW, ant. 676 feet
Format: WSKW: Sports; WHQO-FM: Christian

**AMs**

**WHLO(AM) Akron, Ohio**

Price: $4.5 million
Buyer: Clear Channel Communications (Randy Michaels, chairman/CEO Radio). It owns 1,206 other stations, including WTOU(AM)-WKDD-FM Akron.
Seller: Salem Communications Corp. (Edward G. Atsinger, president/CEO).
Facilities: 640 kHz; 5 kW day, 500 watts night
Format: Religious

**WCCM(AM) Lawrence, Mass.**

Price: $1.5 million
Buyer: Roman Catholic Archbishop of Boston, which owns no other stations.
Seller: Costa Communications Corp. (Patrick Costa, president).

**Facilities:**

- **WCDU-FM:** 107.9 MHz, 10 kW day, 28 watts, ant. 1,230 feet; KFHR-FM: 107.5 MHz, 5 kW, ant. 338 feet; KMBY-FM: 104.3 MHz, 3 kW, ant. 309 feet; KCDU-FM: 93.5 MHz, 110 watts, ant. 2,297 feet

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**for $7,500,000**

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**Kalil & Co., Inc.**

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Broadcast TV
Bill Snider, retired VP/GM, WTVQ(TV) Rockford, Ill., joins WBBU(TV) Decatur, Ill., as VP/GM.
J.D. Huey, general sales manager, WIAT(TV) Birmingham, Ala., promoted to VP/GM.
Promotions at WDBD(TV) Detroit: David Bangura, local sales manager, promoted to national sales manager; Denny Zinchook, account manager, promoted to local sales manager.
Charles Gordon, general sales manager, WBRC(TV) Birmingham, Ala., joins WXIX-TV Newport, Ky., in the same capacity.

Cable TV
Appointments at Cox Communications: Gary E. Cassard, VP/GM, Gainesville, Fla., system, named VP, systems operations, Louisiana region; Jay Rolls, VP, network engineering, Excite@Home, Atlanta, joins as VP, data engineering, Atlanta.
Appointments at Insight Communications: Jim Hires, GM, Western suburban region, AT&T Broadband, Elmhurst, Ill., joins as VP/GM, Columbus, Ohio; Don Layher, regional director, AT&T Broadband, Salt Lake City, joins as director, marketing, Illinois region.
David Shane, director, public relations and programming, CN8, The Comcast Network, Philadelphia, promoted to VP, public relations, Eastern division, Comcast Cable, Philadelphia.

Programming
Ricardo Rodriguez, senior VP, programming and production, Discovery Networks, International, Silver Spring, Md., promoted to executive VP, international content.
Fred Burrows, VP, CNN NewsSource Sales, St. Louis, promoted to senior VP.
Kristin Peace, VP, Game Show Network, Los Angeles, named VP, development, domestic television division, Paramount Television

People FATES & FORTUNES

Group, Los Angeles.
Ann Blakely, VP, marketing and distribution, WomensNewsLink.com, Washington, joins The National Geographic Channel, Washington, as VP, business development.
Elizabeth Ascencio, manager, affiliate sales, Eastern region, NBC Cable Networks, Fort Lee, N.J., promoted to director, affiliate sales, Southeast region.
Deborah Branch, lawyer, private practice, New York, joins In Demand, New York, as senior director, business affairs, and senior counsel.

Radio
Appointments at Clear Channel Radio: Jake Karger, executive VP, Boston market, named regional VP, Boston trading area; Manuel Rodriguez, regional executive VP, New York, named regional VP, New York trading area; Linda Byrd, market manager, Orlando, Fla., named regional VP, Southeast division; Rick Green, director, Florida radio networks, promoted to VP, Southeast region state networks; Lee Larsen, VP/market manager, AM stations, Denver, promoted to VP/market manager, Denver cluster.
Mark McDonald, manager, news team and programming, WNYC-FM New York, joins WAMU(FM) Washington as program director.
Jose Villanfane, senior account executive, Katz Hispanic Media, Coral Gables, Fla., appointed national sales manager, WNMA(AM) Miami Springs, Fla.
Neal Conan, acting host, Talk of the Nation, NPR, Washington, named host.
Bill Mazer, host, Mazer in the Morning, WEVD(AM) New York, named host, Amazing Mazer, WVOX(AM) New Rochelle,
Journalism

Dan Schillinger, news director, KWCH-TV Hutchinson, Kan., joins KCEN-TV Temple, Texas, in the same capacity.

Mika Brzezinski, anchor/reporter, MSNBC, New York, joins CBS News, New York, as correspondent.

Dan Harden, reporter/anchor, KVOA(TV) Tucson, Ariz., joins WGH(P) High Point, N.C., in the same capacity.

Cameron Harper, main anchor, KTVK(TV) Phoenix, joins KNXV-TV Phoenix, as news anchor.


Doug Bell, weekend anchor, KPHO-TV Phoenix, joins WNCN(TV) Goldsboro, N.C., as weekday evening anchor.

Brian Bolter, reporter/fill-in anchor, WTTG(TV) Washington, promoted to weekend anchor.

Leah Anderson, sports anchor, KEVN-TV Rapid City, S.D., joins WLOS(TV) Asheville, N.C., as sports reporter.

Jenni Lee, weekend news anchor, KBTX-TV Bryan, Texas, joins KTBC(TV) Austin, Texas, in the same capacity.

Associations/Law Firms

Appointments to the Hollywood Radio & Television Society, Los Angeles: Rick Rosen, founding partner/agent, Endeavor, Los Angeles, named president; Kevin Reilly, president, entertainment, FX Networks, Los Angeles, named VP.

Appointments to the board of directors, Broadcast Financial Management Association, Des Plaines, Ill.: Edward Diechman, senior VP/controller, Media General, Richmond, Va., named co-chair, human resource & education committee; Mark Frazier, VP, BIA Financial Network, Chantilly, Va., named co-chair, new media committee; Ronald Gertz, president/founder, Music Reports Inc., Burbank, Calif., named chairman, information technology committee; Leslie Hartmann, VP, finance/corporate controller, Radio One Inc., Lanham, Md., named co-chair, radio committee; Peter Housman, president/CEO, Housman Advisors, Coral Gables, Fla., named co-chair, cable committee; Anthony Vasconcellos, senior VP/CFO, Regent Communications, Covington, Ky., named chairman, accounting standards committee.

—P. Llanor Alleyne
Palleyne@cahners.com
212-337-7141

Obituaries

Thomas J. Pappalardo, vice president of sales services and administration at Twentieth Television, Fox's syndication arm, died of a heart attack Sept. 10 in his home in West Orange, N.J. He was 37. After first moving to California, he became a personal assistant to comedian Alan Thicke but Pappalardo joined distributor Pacific Syndication in 1989 and joined Twentieth Television in 1994; he was last promoted in 2000. He is survived by his partner, William Gentile; his parents, Mary and Joe Pappalardo, a brother and sister and their families, and uncles. —Beatrice Williams-Rude

Solomon Sagall, who considered himself a “televisionary,” died in Manhattan on Sept. 6 at 101. He was an innovator and early advocate of pay TV. His company, Teleglobe Pay-TV Systems, had concepts that aided cable, but cable overtook him because it had the programming. He licensed his pay-per-view technology to cable companies.

Sagall was born in Russia, emigrated to Berlin in the wake of the Russian Revolution, then went to London. He began his career as a journalist, but in 1929, upon reading about a Hungarian engineer’s invention for transmitting video images through the air, Sagall changed his direction. His first company, Scophony, was used to broadcast sporting events to 4-foot-high television screens in London. His goal was for television to make “every home a theater” with “television universities” and “news for breakfast.”

Later Sagall moved to New York and became a leading proponent of pay-TV. He thought that charging a fee would lift the quality of broadcast fare because, as he told Broadcasting magazine “Advertiser-financed television and media quality are as inseparable as Siamese twins.” Similarly, in 1967 he told a House Subcommittee that bad television fare produced “a negative, paralyzing impact, particularly on the minds of the impressionable younger generation.”

In 1984 Sagall was elected a fellow of the Royal Television Society of London.

He is survived by a son, Joel, of New York; two nephews, Sabby Sagall of London; and Myron Sagall of Silver Spring, Md. —B.W.R

Michael Libretti, 37, executive vice president of operations and CFO of Nassau Broadcasting, died of cancer Sept. 16 at his home in Madison, N.J. Libretti joined Nassau, which owns 16 radio stations in New Jersey and Pennsylvania, in 1996 as senior vice president, operations. Before that he was with AT&T Capital Corp. Libretti is survived by his wife, Anne, and two children. —John Eggerton
To the network born

McNamara's route to Telemundo is itself the stuff of novelas

F

resh out of college back in the mid-1970s, Telemundo President and CEO Jim McNamara allowed himself to dream about becoming a professional golfer. But one meeting and a round with Arnold Palmer reaffirmed some nagging doubts that he wasn't going to be the Tiger Woods of his generation.

After 18 holes, Palmer had one question for McNamara: "Have you thought about a career in sports management?"

The good news was Palmer had an interest in a sports-management company and was willing to help McNamara get a foot inside the door. Maybe it was the chutzpah—it certainly wasn't his putting game—but Palmer took a liking to this then-young kid who called him out the blue to seek his career advice.

McNamara ended up talking to International Management Group. Nothing happened immediately, but McNamara kept in touch as he pursued a master's degree in international business. After that, he joined IMG, initially as an agent representing golfers.

In 1980, IMG moved McNamara to Brazil, a base from which he set up sports tournaments (golf, tennis and soccer) all over Latin America. That was comfortable. McNamara, who joined Telemundo as president in 1999, is familiar with the Latino market his network aims to serve. He was born and raised in Panama and grew up speaking English and Spanish.

McNamara's father was a financial executive working for the government in what was then known as the Panama Canal Zone. McNamara spent his entire youth there, until departing for Rollins College in Winter Park, Fla.—"golf country" as he calls it.

In 1985, McNamara joined an educational film company called Learning Corporation of America, which was acquired by New World Entertainment later that year.

McNamara stayed a decade, rising from director of international sales to New World CEO in six years. He made his mark at the company on the international side, where he launched U.S. soap operas like "Santa Barbara" and "The Bold and the Beautiful" into worldwide syndication. In many markets, recalls McNamara, those soaps gave Spanish-language novelas a run for the money.

"My mission in life in those days was to annihilate the world of novelas and we were very successful," he recalls.

But McNamara's mission now is making Telemundo as competitive as possible with Univision, the most-watched Spanish-language TV network in the U.S. Ironically, Telemundo's prime time program mantra now is "all novelas all the time." That mantra was embraced after the network's previous management strayed from the genre, chasing away viewers in the process.

After New World was sold, Universal and its newly named head of TV, Greg Meidel, came calling. Meidel offered McNamara the job of running Universal's international operation as well as its domestic syndication arm. While there he launched two of syndication's most popular series—"Hercules" and "Xena: Princess Warrior."

Meidel, now president of programming at Paramount Domestic Television, says "I just admired his global perspective of the television business. He has enormous insight to where the business is going and he's a tremendous strategic thinker."

But Universal's parent company Seagram sold the studio's TV unit to USA Inc., and McNamara was out, until June of 1999, when Sony TV head Jon Feltheimer offered him Telemundo.

By July 5 he was on the job. "It's been a whirlwind ever since," he says.

But his golf game doesn't seemed to have suffered. He's no Arnold Palmer but if you're a basic weekend duffer and you play him, you don't want to have bet more than a round at the clubhouse afterward.

—Steve McClellan
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Trust but verify

The FCC appears to be leaning toward an antitrust model for merger reviews. If such a change in philosophy does nothing more than speed the process it will be welcome. But it could represent much more than that given the wealth of ownership issues on the horizon. The commission, at the rethinking of its rules on engagement on cable and broadcasting.

Rather than the traditional philosophy of erecting barriers to size and synergy and trying to apply a one-size-fits-all approach to regulation, the commission is considering looking at mergers on an ad hoc basis and with a presumption of innocence rather than guilt. That doesn’t mean that merging companies would receive a “Get-out-of-merger-review free” card on their way to locking up the marketplace and pocketing the keys to the programming vault. What it means is that the FCC would start taking a page from the merger-review experts, Justice and the FTC, and apply various market-power tests to each merger, including the imposing sounding Herfindahl-Hirschman Index (see story, page 40) to gauge how it would affect overall market concentration.

Whatever model or models the FCC chooses should recognize that media voices have been multiplying like rabbits on Viagran and include the Internet (google.com now searches 1,610,476,000 Web sites), satellite TV, broadcast TV, cable TV and newspapers. There may be reasons to deny media mergers, but a scarcity of outlets of expression is not one of them. The scarcity argument has been rusty and running on empty for decades. Now is as good a time as any to junk it.

Silence isn’t golden

OK, enough with the Bill Maher bashing. Clearly our editorial on the subject last week beat around the bush when it should have taken an ax to the root. When we said in last week’s editorial that there was a danger that voices of dissent would be pressured into silence in the wake of the terrorist attacks, this is just what we were talking about. The day after Bill Maher said something politically incorrect (hence the title of the show), we heard a very similar observation expressed by academic types on at least two public-affairs programs on a local public radio station with no ensuing hail of criticism. Maher, on the other hand, was yanked from numerous stations, abandoned by some major advertisers, railed at by the White House and forced into damage-control mode. To suggest, as the administration did, that not only is this not the time, but that there “never” is a time to criticize government policy or to speak against the tide of public opinion, is a bad message to be sending to this country and the rest of the world. If fear turns us into a nation of censors, we will have handed the terrorists some measure of victory.

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