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While broadcast and news nets plan to commemorate that horrible day, others will offer viewers diversions
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BROADCASTERS MUST GRAB HOLD OF DTV—NOW
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COMMENTARY BY HARRY A. JESSELL
And Again!

Now Sold Through 2007 To The ABC O&O's!

Now...More Than Ever!
And Again,
Syndication's #1 and #2 Shows Have Been Renewed Again...
Top of the Week August 5, 2002

REMEMBERING 9/11 On Sept. 11, some cable channels will offer an entertainment refuge, while the broadcast and news nets focus on remembering the horror. » 8

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NOT SO FAST ON VOD Cox isn't alone in scaling back VOD plans as MSOs continue the search for a business plan. » 11

Networks are going in various directions to commemorate the first anniversary of the 9/11 terror attacks. While broadcast and cable news networks plan extensive news specials, some entertainment networks have concluded that some viewers need refuge from memories of that mournful day.

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MORNING SHOWS

Shelved, baby!

NBC’s Today Show producers couldn’t find room for Gene Shalit’s less-than-groovy review of Austin Powers in Goldmember until a week after its opening (which set a comedy box-office record, pulling in $76 million its first weekend). But the week leading up to the movie’s release was a Today love-in that would have made James Bond blush, including an extended segment on Katie Couric’s cameo in the film and three separate interviews with the film’s stars on a special Austin Powers Today Show set. The logical capper would seem to be a review of the movie on opening day, but Shalit’s review was nowhere to be seen. According to NBC, it was not discomfort with the tone of the piece but simply a lack of room: “The show was full,” said an straight-faced insider.—K.K.

Point by point not taken

In defending Clear Channel’s shock jock Bubba the Love Sponge from an FCC indecency inquiry, Wiley Rein & Fielding attorneys tried a novel approach. When the FCC asked the company to verify transcripts of 10 different Bubba segments aired over four Florida stations between July and December 2001, Wiley Rein lawyer John Burgett declined, instead asking the FCC to specify which portions of the transcripts were being questioned. If successful, the move would have allowed the lawyers to rebut each charge point by point. But the FCC investigations chief, Chuck Kelley, declined and, in late July, ordered Bubba to stick with standard procedures: Confirm or deny the broadcast, then refute specific sanctions on appeal. Burgett says Bubba’s initial response will be submitted by today (Aug. 5).—B.M.

PROGRAMMING

Acme plans a Buzz

Acme Communications, the station group controlled by Turner Broadcasting head Jamie Kellner, is going after new ad dollars with a 6-9 a.m. news show, The Daily Buzz, to be launched this fall at Acme’s WBTV (Dayton and fed to the rest of the Acme station group. With kidvid no longer viable in the time period (The WB dropped its own weekday-morning cartoon lineup a year ago), Acme sees a future in morning news. Buzz will have local news and weather inserts for stations carrying it in other markets; syndication is possible too. Acme President Doug Galey says just a 1 rating with adults 18-49 would boost Acme’s revenue in the time period five-fold. And what about launching from Dayton? Well, it worked for Donahue.—S.M.

ESPN'S
UNUSUAL
TRIBUTE
TO 9/11

ESPN will remember Sept. 11 with a documentary, Blood Brothers, about the New York Fire Department’s football team, which lost 22 of its 58 members Sept. 11, and the struggles of its surviving members to deal with that loss. A subplot is the fierce rivalry between the FDNY squad and the New York Police Department’s football team. ESPN will air the hour program Sept. 10 as part of its Tuesday-night original-programming block.—A.R.
How best to remember 9/11?

At some networks, somber tributes; for others, lighter fare is the way to go

By Allison Romano

Beginning at dawn on the first anniversary of Sept. 11, the broadcast networks and cable news channels will go nearly wall-to-wall with commemorative coverage.

No surprise. Millions of viewers likely will not want to relive the experience, but news executives still feel a responsibility to offer it. “It is far better to err on the side of giving too much coverage,” CBS President Leslie Moonves told TV critics in Pasadena last month.

For sure, no one can fault the logic, but other networks also believe that many millions of Americans would like to get through Sept. 11, 2002 without lingering too long on Sept. 11, 2001.

Those viewers craving normalcy will seek refuge on cable. The ESPN crowd still wants sports, and MTV devotees want videos. “They don’t want the world to stop because it brings back painful memories,” said TV historian and Lifetime Television research chief Tim Brooks. (Though on MTV they’ll get both. Starting Sept. 10, for 31 hours MTV will show videos interspersed with rock artists’ reflections on the World Trade Center and Pentagon horrors.)

Unlike the painful breaking news of last Sept. 11, the first anniversary is largely a staged event. (See page 6.) CBS’s coverage is headlined by Scott Pelley’s exclusive interview with President George W. Bush on 60 Minutes II at 8 p.m. ABC also will go all day with news, filling prime time with stories that closely examine the attacks, as well as what happened inside the World Trade Center towers. NBC will ease off its news coverage in prime time, making way for one entertainment show, likely West Wing. It then will air a taped memorial concert from Washington, D.C., hosted by anchor Tom Brokaw.

Fox News is lending two of its prime time anchors, Brit Hume and Shepard Smith, to Fox for a two-hour, commercial-free special.

After a five-week road trip across the country, MSNBC’s Ashleigh Banfield will return to the World Trade Center site on Sept. 11, where her reporting turned her into a star. As part of its coverage, CNN will air 30 in-depth reports that try to look forward. “We are looking at the specific questions that you need to have answered now, a year later,” CNN Chairman Walter Isaacson said.

Still, there’s a balancing act between too much 9/11 and not enough, between lightening up and getting too light. Says Marcy McGinniss, senior vice president of CBS news coverage, “It will be the kind of coverage that you can take in doses if you want. But I think it is a day when it would
be odd to be playing game shows.”

In New York City and Washington, D.C., the anniversary is also a local story. Stations in both cities will preempt much of their regular schedules for a combination of network and local programming.

Local news outlets lacking a major-network news affiliation, like WPIX(TV) New York and cable net New York One, will carry their own live coverage and packages. New York One will skip commercials on both Sept. 10 and 11.

On cable, only Fox News Channel is opting to go commercial-free on Sept. 11. Other news nets will scale back commercials. CNN is seeking three or four exclusive advertisers, said EVP of Sales Greg D’Alba. Fox aside, the broadcast nets are taking ads, but trying to persuade advertisers to air tasteful spots. It’s not an easy sell, though; some advertisers are shying away from the day altogether.

At some networks, ideas have been batted around for almost a year. “I just hope networks do what’s right for their audiences and don’t get exploitive,” said Abbe Raven, the History Channel’s EVP and GM.

Similar concerns are prompting entertainment channels like USA, TNT, TBS, FX and Lifetime to stick to standard fare, as will kids nets Nickelodeon and Cartoon Network.

Execs say they’ve painstakingly selected counter-programming for Sept. 11. Programmers are combing through shows, on guard for sensitive content. In the immediate aftermath of Sept. 11, Lifetime went so far as to scrutinize Golden Girls episodes for inappropriate material. This year, no doubt, everybody’s just as cautious.

TBS Superstation is trading its Wednesday-night originals, Ripley’s Believe It Or Not and Worst Case Scenario, for mindless movies The Wedding Singer and Look Who’s Talking Now. Sister net TNT opened up prime time to re-air its miniseries Mists of Avalon.

Nostalgic themes will run through some channels. Turner Classic Movies pulled together 13 Manhattan-themed movies, from 42nd Street to King Kong to Manhattan, and CMT: Country Music Television will offer up patriotic videos and a Toby Keith special.

National Geographic, the History Channel, A&E, Oxygen, ABC Family, Discovery, TLC, MTV and HBO are among networks with specials planned for Sept. 11 or the days leading up to it.

After previewing its lineup, Comedy Central slated two Saturday Night Live and South Park episodes for Sept. 11, but decided to shelve The Daily Show With Jon Stewart (as it did after the attack itself). “It’s Comedy Central, not Somber Central,” says SVP of programming Kathryn Mitchell.

But for all networks, large and small, it will be a job of drawing a line between stirring up too much grief and, on the other hand, seeming not to care enough. The fact is the whole world will be watching. Much of it will be crying and others will be trying to forget. For programmers, it’s a day no one wants to make a mistake. —Paige Albinak and Dan Triguboff contributed to this story.

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**Remembrances**

Here’s a quick rundown of how major news divisions and news networks will cover 9/11.

**ABC:** 9/11. Coverage on Good Morning America at 7 a.m.-5 p.m. ET; World News Tonight prime time. Highlights: a reconstruction of the attacks and a look at events inside the WTC before and after. Close with special edition of Nightline.

**CBS:** 9/11: The Day That Changed America. Scott Pelley’s exclusive interview with President Bush on 60 Minutes II from 8-11 p.m. ET. At 7 a.m. ET, five-hour edition of The Early Show, then live coverage of the day’s events in New York City, the Pentagon and Shanksville, Pa., anchored by Dan Rather. On Sunday, Sept. 8, special one-hour edition of Face the Nation; repeat of documentary 9/11 that evening.

**CNN:** America Remembers. Live coverage at 6 a.m. ET with Paula Zahn, Aaron Brown from the rooftop of CNN’s New York bureau; correspondents include Christiane Amanpour in Kabul, Afghanistan, and Carol Lin in Pennsylvania. In prime time, Connie Chung, Aaron Brown anchor a two-hour special; Larry King Live from New York City. Coverage simulcast on CNN International.

**CNBC:** Live coverage focusing on Wall Street, reflecting attacks’ economic impacts, 5 a.m.-5 p.m. ET. I Remember, interviews with financial leaders and Treasury Secretary Paul O’Neill.

**Fox:** 9/11 – The Day America Changed. Anchor Brit Hume hosts commercial-free special 8-10 p.m. ET; Shepard Smith reports from the World Trade Center.

**Fox News Channel:** Plans in progress; live coverage from 5 a.m.-11 p.m. ET. So far, the only cable news net going commercial-free.

**MSNBC:** Prime time, remembering Sept. 11; simulcasts NBC’s coverage with Brian Williams 4-6 a.m., and Ashleigh Banfield will again be on site this 9/11 for MSNBC.

**PBS:** We Remember. Frontline’s “Faith and Doubt at Ground Zero” on Sept. 6; on Sept. 11, repeating on Sept. 11, on how survivors, families deal with their faith; followed by live concert, “A Requiem for September 11.” Also, Caught in the Crossfire, about three Arab immigrants, and Heroes of Ground Zero, about WTC firefighters: on Sept. 10, a 90-minute film, America Rebuilds, on rebuilding efforts at Ground Zero.

**C-SPAN:** September 11 First Year Anniversary. Covers special session of Congress in downtown Manhattan on Sept. 6; on Sept. 11, live coverage of all the day’s events.
The Joy of Independent Thinking...

Week Two:
July 22-28, 2002

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<th>#1 Eyewitness News 10-10:30pm versus all network programming</th>
<th>#1 Eyewitness News 5, 5:30 &amp; 6pm</th>
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<td>WJXT is #1 in Total Day!</td>
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<td>RATING/SHARE</td>
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<td>&quot;WJXT Eyewitness World News with Tom Wills&quot; continues to beat the CBS and ABC evening news every night. On Monday and Tuesday WJXT beat everyone!</td>
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<td>WJXT's &quot;Entertainment Tonight&quot; on Sunday beats CBS's &quot;60 Minutes&quot; and NBC's &quot;Dateline&quot;!</td>
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<td>WJXT's &quot;Access Hollywood&quot; (weeknights) beat all network programming on Tuesday and Wednesday nights!</td>
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<td>WJXT's primetime beat ABC by 76% in ratings! Plus, is a highly competitive force against NBC and CBS!</td>
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<th>#1 Total Day</th>
<th>#1 9am-Noon Texas Justice, Maury, Supermarket Sweep, Shop till You Drop</th>
<th>#1 Oprah</th>
<th>#1 Inside Edition</th>
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<td>Keep your eye on WJXT!</td>
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<td>Represented Nationally by MMT 212 319-8008</td>
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Source: Nielson week ending 7/28/02
Powell boosts DTV

Now he'll impose rules on copy protection, in-set tuners

By Bill McConnell

Frustrated by foot-dragging in some industry sectors, FCC Chairman Michael Powell this week will push ahead with digital copy-protection and TV-receiver requirements, looking to break some logjams believed to be stalling the switch from analog to digital television.

Powell's plans to resolve intra-industry disputes over the technology are sure to provoke intense lobbying and court battles over the next few months. In fact, late last week Thomson Multimedia floated a plan that would extend some of Powell's deadlines for requiring DTV tuners in most sets.

Consumer electronics manufacturers and the computer industry even question whether the FCC has legal authority to impose copy restrictions, an issue the FCC will address in the proceeding. But Senate and House leaders two weeks ago urged Powell to go ahead with the measures, apparently handing him sufficient political cover to proceed.

Copy protections for broadcast programming are "imperative" to the switch to DTV transmission because consumers won't buy digital sets until compelling programming is available, wrote Senate Commerce Chairman Fritz Hollings. Reps. Billy Tauzin and John Dingell, the chairman and ranking Democrat, respectively, of the House Energy and Commerce Committee, penned a similar message. Movie and TV studios say they won't make marquee digital content available until there are adequate safeguards against illegal copying and streaming.

The copy-protection mandate is slated to be proposed at the FCC's monthly meeting Aug. 8. If the plan becomes a rule, it could be in place by next year. The proposal will seek public comment on a broad range of issues, including whether the FCC has authority to impose a copy-protection regime and whether the mandate should include a "broadcast flag," which could limit copying of some programming aired by TV stations.

Details of the proposal are still in the works. One source predicted the proposal will seek debate on a broadcast flag standard now being reviewed by movie studios, broadcast and cable networks, consumer electronics makers and the personal computer industry. A broadcast flag is technology that sends a message to copying devices not to allow unauthorized copying or distribution.

Broadcasters insist their free over-the-air programming, not just cable and satellite, be included in any copy protection standard. Without that protection, broadcasters won't have access to new movies and other high-value content. Although they have become less opposed to the idea, the cable industry and movie studios have been reluctant to include broadcasters in copy-protection standards, complaining the requirements for stopping free over-the-air programming are too complex.

Set makers have warned that strong copy protection standards generally will be used to infringe on consumers' legitimate home recording rights, not just to block illegal Internet streaming.

Technology experts also question whether a broadcast flag will work. The technology isn't difficult to defeat and a couple of million digital receivers will be on the market before the safeguard can be incorporated into new equipment.

The FCC initiative has the approval of Rep. Tauzin, who is drafting sweeping DTV legislation that would seek to resolve copy-protection and other technical disputes. Various industry parties failed to meet the Louisiana Republican's July 15 deadline for settling copy-protection disputes.

In another move sure to anger set makers, the FCC is said to be putting the final touches on a requirement to put digital tuners in nearly all TV sets by Dec. 2006. The rule would be voted on Thursday. Powell last month publicly rebuked the Consumer Electronics Association for rejecting his call for a voluntary phase-in of DTV tuners. CEA has vowed to fight any DTV-tuner mandate in court. "This would amount to a multibillion-dollar tax on consumers, and the FCC has no jurisdiction to mandate digital tuners," said CEA technology policy chief Michael Petricone.

Jack Goodman, regulatory attorney for the National Association of Broadcasters, countered that there's "no doubt" the All Tuner Receiver Act, which gave the FCC authority to mandate including of UHF receivers in TV sets, covers a digital tuner mandate.

In April as part of a wide-ranging DTV initiative, Powell called on TV makers to equip half of the sets 36 inches and larger with DTV tuners by Jan. 1, 2004; 100% of them by Jan. 1, 2005; and all sets 13 inches and larger by Dec. 31, 2006.

The DTV-tuner mandate 'would amount to a multibillion-dollar tax on consumers, and the FCC has no jurisdiction to mandate digital tuners:'

—Michael Petricone, Consumer Electronics Association
Media giants tip-toe to recovery

*With major exception of Disney/ABC, quarterly earnings are beginning to look up again*

**By Steve McClellan**

All it a recovery in progress. That seems to be the case if the recent mid-year earnings reports from a number of media companies are any indication.

It's also true for under-the-microscope AOL Time Warner, although its double-digit revenue and cash-flow gains for the quarter have been overshadowed by two separate inquiries into the company's accounting practices—one by the SEC and the other by the U.S. Department of Justice. If the inquiries turn up problems, the company's full recovery could be years, not months, away.

Of the big three networks, Disney's ABC appears to the only one where the recovery hasn't really started yet, at least based on earnings for the first half of the calendar year. But within the last two weeks, both Viacom and GE reported solid gains for CBS and NBC, respectively, for the quarter ended June 30.

Viacom said its television group, led by CBS network and owned TV stations, had a 4% revenue gain and a 7% operating income gain. GE reported NBC's 2Q numbers last week, showing a 9% increase in revenues and an 11% increase in operating profit. Big assets: An improved ad performance, the addition of Telemundo and the absence of the failed XFL.

NBC's second-quarter revenues were $1.987 billion up $156 million over 2Q 2001. Operating income totaled $545 million.

ABC continued to suffer, it reported last week. Revenues at Disney's broadcasting unit (the ABC network, TV stations, ABC radio and Buena Vista Television) were down 16% (pro forma) to $1.2 billion for the quarter.

Operating income for the unit was down 69% to $76 million. Disney's cable unit (ESPN Networks, Disney Channel, ABC Family, Toon Disney and Soap Net) showed a 12% drop in operating profits to $212 million, on a 1% revenue gain for the quarter to $923 million.

The two units combined, which make up Disney's Media Networks segment, showed a 10% revenue dip and a 40% drop in operating profit. For the first nine months, Disney Media Networks revenues were down 7% to just over $7.3 billion with a 47% drop in operating profit to $843 million.

“The timing, strength and pace of economic recovery are still uncertain,” said Disney CFO Thomas Staggs, who added that Disney 4Q earnings would also be down versus the same period a year ago.

Disney president Bob Iger said he was very encouraged about the company's prospects in the coming quarters. He cited ABC's upfront market, which he said totaled $2.1 billion and "exceeded internal projections in every daypart. We're optimistic that the strength of ABC's upfront sales is not only an early sign of a decent ad market but an important leading indicator of the potential of ABC's new fall schedule."

Media companies with a better story to tell avoided overstating gains over last year—the worst since the recession of 1991-92. Hearst-Argyle Television reported an 8% gain in broadcast cash flow to $88 million for 2Q, on a 3% revenue gain to $182.3 million. But Hearst-Argyle's CEO David Barrett was cautious in his statements to analysts and investors last week. Its 2Q performance represented "a second step in the recovery we're working to accomplish this year," he said, noting that 1Q earnings were also up. For the first six months, the company reported a 10% broadcast cash-flow gain to $149 million on a 4% revenue climb to $337 million.

Other broadcasters reporting last week also showed year-to-year gains, including Acme Communications, Granite Broadcasting and Sinclair Broadcast Group. All three groups reported higher revenue and broadcast cash flow in 2Q 2002 versus the same quarter in 2001. Acme said revenue was up 11% to almost $21 million, while cash flow was up 4% to 4.7 million. For the first six months, revenue was up 7% to almost $38 million, though cash flow was down 8% to $6.8 million. Granite said its 2Q revenue was up 6.7% to $32.5 million; cash flow was up 64% to $7.6 million. For the first six months, revenue was up 33% to $76 million; cash quadrupled to $22 million. Sinclair reported a 2% gain in both revenues and broadcast cash for the quarter.
Dingell race tightens

Broadcaster-friendly Energy and Commerce vet in a fight for Democratic nomination

By Paige Albinak

Although nearly 50 years in Congress, Rep. John Dingell (D-Mich.), the top Democrat on the House Energy and Commerce Committee and the senior member of the House, is running the toughest race of his life.

After House Republicans successfully redrew the boundaries of his district, Dingell suddenly found himself in a tight race with fellow Democratic incumbent Lynn Rivers, a working mother of two who wasn’t even born when Dingell was first elected to Congress in 1955.

A poll, conducted two weeks ago by Dingell’s pollsters, Garin Hart Yang, showed him ahead by 12 percentage points. But two other, slightly more recent polls show Dingell and Rivers running neck and neck.

The winner of Tuesday’s primary faces a poorly funded Republican candidate in a Democratic district and is virtually guaranteeing the seat.

If the standard, unwritten rules about campaigns hold true, Dingell has the edge. His name recognition in his district (his father held the seat for 15 years before him) is 10% higher than Rivers’s; he is the longest-serving member of Congress; and he has plenty of money flowing into his campaign.

“There are very few voters, whether they are new to being in Dingell’s district or not, who have not heard of Dingell or seen him supporting the United Auto Workers, the National Rifle Association or healthcare since they were little children,” says Andrew Schwartzman, president of non-profit law firm Media Access Project.

According to the Center for Responsive Politics, as of June 3, 2002, Dingell had received $857,912 from political action committees, compared to Rivers’s $106,400. At the end of June, Dingell had raised $2.38 million to Rivers’s $1.26 million, and none of that counts undisclosed money spent on campaigns by interest groups.

The Walt Disney Co. has given $11,000, making it Dingell’s biggest media contributor. Other media companies/organizations include Viacom, $8,000; the NAB, $6,000; NCTA, $4,999; MPAA, $3,000; Universal Studios and Charter Communications, $2,000 each; and AOL Time Warner, ASCAP, Paxson and Sony, $1,000 each.

Media companies are also supporting him because they fear the ascension of Rep. Henry Waxman (D-Calif.) to the chairmanship, though that would be no shoe-in, even with a Dingell loss. The Democrats would have to win back the House and Waxman would have to choose Energy and Commerce over his other committee, Government Oversight. Waxman has been a frequent media critic, including grilling network news heads and NBC in particular, over 2000 election coverage.

The only media-related organization backing Rivers is AT&T, which gave her campaign $3,000. AT&T is an old foe of Dingell, who tends to take the regional phone companies’ sides in disputes.

Clearly, a nasty radio suit

Spanish Broadcasting wants $1.5B from Clear Channel for allegedly tampering with merger

By Bill McConnell

Rivulous” was the word Lowry Mays used to describe a lawsuit filed by superstar lawyer David Boies against his Clear Channel Communications in June. But Mays isn’t taking his defense lightly.

At the same time that Spanish Broadcasting Systems (SBS) last week declared it was seeking $1.5 billion in damages in the suit, Mays, the president of the country’s largest radio group, hired famous trial attorney Stephen Susman to defend it against charges of interfering with operations of Spanish Broadcasting, including interfering with its public offering in 1999 and with some sales relationships.

It will be a legal battle of big guns. Boies’ highest-profile cases were the U.S. government vs. Microsoft. He also was former Vice President Gore’s attorney in the 2000 election case. Susman currently is defending Enron against investor lawsuits.

Susman characterized Spanish Broadcasting’s suit as a “publicity stunt” and called the company’s litany of complaints “nuty.”

In its latest filing last week, SBS charged that Clear Channel scuttled merger negotiations between SBS and Hispanic Broadcasting Corp. Instead, HBC was “required” by Clear Channel to merge with Univision.

The filing also appeared an attempt to tar Clear Channel’s accounting methods for HBC.

Two weeks ago Clear Channel announced that it would replace radio-group head Randy Michaels and denied rumors that the company would be the latest corporation caught in the wake of accounting scandals.
Video without demand

Is VOD a business? Cox, Insight start to ponder its promise versus its reality

By John M. Higgins

As cable operators push to make video on demand the "next big thing," they continue to scratch around to figure out how to make what is clearly a great product into something that is more clearly a great business.

The biggest move came from Cox Communications last week, as the MSO disclosed that it was trimming back its ambitious plan to launch VOD service in seven markets this year, about 40% of the company's cable footprint. Instead, Cox is going to hold VOD to four markets, including two—San Diego and Hampton Roads, Va.—where the service has already been deployed.

Other MSOs are making similar deployment tweaks. For example, Insight Communications has ceased marketing VOD to its subscribers, planning to resume in September. That's in large part because of the Chapter 11 filing by Diva, which provided Insight with VOD equipment, movies and other programming. As Diva withered, so did the quality of the movie product the company delivered. Insight plans to come back not just with movies but shows from cable networks offered as subscription VOD packages. Cablevision is also tinkering with pricing on its VOD product.

Cox COO Pat Esser acknowledges that, once the company determined that VOD technology was sound, "I think we got caught up in the euphoria of how wide we could roll this out" and that reducing the number of VOD markets is aimed partly at reducing capital spending. But he added that working in fewer markets lets Cox focus on pricing, packaging, marketing, product supply and developing opportunities for advertisers. "You've figured out the system, now legitimate business models are built on your back. This is not a bad day for VOD, it's a good day for VOD."

But Sanford Bernstein & Co. media analyst Tom Wolzien remains wary, particularly since no operator, including Cox, will disclose much buy-rate data from early VOD users, which presumably means they're not promising. "This is still a technology in search of a business plan."

Cox's news came as the company joined Comcast in posting strong earnings results for the second quarter, including 15-16% operating cash-flow growth and 1% basic-subscriber growth. Insight and Time Warner Cable posted similarly strong results two weeks ago, a stark contrast with the dramatic 70% drop in MSO stock prices in recent months.

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DOJ EYES AOL
The Justice Department is investigating allegations of accounting irregularities at AOL Time Warner. “In the current environment, when anyone raises a question about accounting, it’s not surprising that the relevant government agencies will want to look into the facts,” the company said last week in a prepared statement. The Justice Department probe comes on the heels of a previously announced Securities and Exchange Commission investigation.

Unlike the SEC, which can only levy civil fines and sanctions, the DOJ can bring criminal charges against a company and its officers. The investigations follow reports two weeks ago by The Washington Post detailing the company’s efforts to boost bottom-line numbers with aggressive accounting maneuvers. …

Also last week, Charter Communications blasted back at lawyers behind a class-action suit, denying the company employs improper accounting practices that inflate its reported earnings. The suit, filed in U.S. District Court in Central California, piggybacks on recent concerns about accounting in the cable industry. …

The CEOs and CFOs of big media companies are among the executives having to file a statement to the SEC promising that, “to the best of their knowledge,” their companies’ quarterly and annual reports do not contain incorrect statements, omissions or other inaccuracies. The policy is part of a new corporate accountability initiative to insure that top executives are held accountable for the sort of accounting practices that rocked Enron, WorldCom, Adelphia and the financial markets.

THE NETWORKS
In the last year, CMT: Country Music Television has been added in nearly 13.75 million new homes, making it the fastest-growing cable network over the last 12 months. According to Nielsen Media Research August universe estimates, CMT is now distributed in 63 million homes. A close second was the Hallmark Channel, picking up 13.74 million new homes since August 2001. That brings Hallmark’s total reach to 46.3 million. …

Lifetime remained in first place, but it was the second-place finish of USA Network that was the most striking performance among cable’s prime time Nielsen households in July. Lifetime scored a 2.0 for the ratings month ended Monday, but that’s off 5% from the same period last year. USA, by contrast, was up 12%, besting both TNT and TBS. That’s notable because the beleaguered network and USA President Doug Herzog successfully bet heavily on two new original series, Monk and The Dead Zone, which regularly score 3.0 and better. Big drops for the quarter include CNBC (off 50%); SoapNet (off 50%); AMC (off 30%) Travel Channel (off 25%); and Discovery (off 25%). …

Atom Films, a streaming video company, is taking its content to VOD. Comcast will be the first cable operator to have the service, bringing five hours of programming per month to viewers this fall on its Philadelphia system. Atom hopes to launch a 24/7 cable network in early 2003.

CHUTES AND LADDERS
Dennis Swanson’s talent hunt continued late last week. The CBS station group’s new COO snagged Joe Ahern, general manager at ABC-owned KGO-TV San Francisco, to run long-troubled WBBM-TV Chicago. Current GM Walt DeHaven will be reassigned, Viacom said. Ahern had been Swanson’s station manager when he was general manager of Chicago’s ABC O&O WLS-TV during the ’80s. …

Cabletelevision Advertising Bureau President Joseph Ostrow, 69, plans to exit the trade group next March. CAB has formed a search committee to find a replacement by the end of the year. He’ll remain a consultant. He joined CAB in 1994. …

In the wake of stagnant ratings and failed programming, Allen Sabinson, A&E’s senior VP of programming since spring 2000, stepped down last week. Dan Davis, currently executive VP and GM for A&E, will take over until Sabinson’s replacement is found. …

Despite accusations that his family misused billions of company dollars, Adelphia Communications founder John Rigas contends he did nothing wrong. “I really believe that what we did was completely acceptable,” Rigas told the Buffalo News last week. Rigas told the newspaper he still believes he will be cleared. “I still have confidence in the American system,” he said. “I really do.”

HOLLINGS WARNS CABLE
Sen. Ernest Hollings (D-S.C.) warned that the cable industry may face a new regulatory push. During a hearing on the telecom meltdown, Hollings said rising rates and low penetration in broadband services may prompt Congress to impose pricing restrictions and Internet mandates on cable. Responding to lawmakers’ questions, FCC Chairman Michael Powell said the FCC will accelerate its review of whether cable and telephone companies must offer competing Internet providers access to their high-speed networks.
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Sink or Swim
With a set-top box of their own, TV broadcasters can take their place in the digital future

By Harry A. Jessell

“There is a tide in the affairs of men, Which, taken at the flood, Leads on to fortune.”
—William Shakespeare in Julius Caesar

The tide for broadcast television is more at ebb than at flood these days. In the opinion of many, its defining moment—its tipping point, for better or worse—is at hand. Broadcast television’s future depends almost entirely on the medium’s response to the promise and inevitability of digital television. So far, that response has been sometimes valiant, but almost always short of the mark.

Hundreds of millions of dollars have been spent—many reluctantly—by broadcasters following the letter of the law of the digital transition. What has been missing is a willingness to reinvent their medium in ways that would have been unthinkable to the television pioneers of the 20th century. Digital broadcast pioneers have leapt but halfway across the digital chasm.

Today, broadcast TV is at a disadvantage. It cannot provide multichannel offerings and is confined to one revenue stream (advertising). The 1,600 over-the-air television stations (1,300 commercial) have left reception largely to others and are now dependent on cable and satellite to reach most of its audience. It’s a flimsy foundation for a business. Only a one-vote margin in the Supreme Court supports laws that say cable and satellite must carry just one signal from each TV station. Broadcasters must take charge of their own destiny.

The good news is that they can—by exploiting fully the potential of their digital channels. To do that, however, they need a Manhattan Project-style crash program to:

- Improve the reception of DTV stations so that it is at least as good as that of their analog stations and;
- Explore the economic and technological feasibility of subscription-supported multichannel broadcasting through a broadcast-only set-top box.

A NEW GATEWAY
The broadcasters’ set-top would be their new gateway into the home. With it, they could compete head-to-head with cable and satellite, offering a mix of the long-promised high-definition television, and standard-definition television, data for computers and possibly even Internet access. And like cable and satellite, they could begin to enjoy the second revenue stream of subscriber fees.

For consumers, the broadcast box would represent more choice, an alternative to the cable and satellite TV and one that, through the magic of broadcasting, could be enjoyed on any set in any room in the house. Assuming cooperation (and that’s a big assumption), a local consortium of stations could deliver at least 20 or 30 channels, including possibly popular cable networks like ESPN, Lifetime and CNN. Some of the channels could be free. Some pay. Some HDTV. Some SDTV.

Interest in reviving broadcasting as a stand-alone medium independent of cable and satellite is taking hold in the industry. And much of it is being focused by the Association of Maximum Service Television, a Washington-based trade group dedicated to getting the most of the over-the-air technology. With the backing of some of major station groups on his board, MSTV President David Donovan is trying to rally broadcasters around the
idea of a broadcast lab, an industry-funded R & D center to make DTV work.

“We are looking at the core fundamentals—getting the signal out off the tower and into the back of the set with a simple antenna,” Donovan says.

“The coming of the digital age presents us with unique technical challenges and opportunities,” he says. “It offers the promise of becoming a wireless facilities-based competitor to cable and satellite, delivering the long-promised HDTV and other services.”

Creating a broadcast lab is not the only approach. The industry could wait on the marketplace. Indeed, WOW Digital TV Inc., a start-up company, has been testing an STB with “flying wing” antenna since February in Salt Lake City. The box receives the digital signals of the city’s nine DTV stations—HDTV and SDTV—as well as WOW’s proprietary content (video games and Internet-like news, sports and weather) that it is broadcasting over KJZZ-TV, an independent station owned by Utah Jazz owner Larry Miller. Encouraged by the trial, the company hopes to begin selling the boxes through retail stores in the fourth quarter. The price tag: $200.

This magazine first advocated a set-top box for broadcasters more than a year ago (April 23, 2001) in a three-page article by my predecessor as editor in chief, Donald West (“Digital Box to the Rescue”). Now, West and a number of associates—including John Abel, the founder of GeoCast—are refining the concept under the trade name VideoEdge. Their emphasis is as much, if not more, on the business plan for digital as on the technology itself.

SPEND MONEY TO MAKE MONEY
But because of the complexity of the technological problems and the urgency, Donovan and leading broadcasters believe a lab is the way to go. It won’t be cheap, but even spending many millions a year is miniscule when measured against the potential. The National Association of Broadcasters could help by dipping into its $85 million reserve fund.

Whatever the cost, the eventual pay-off could be great. Since they still deliver the most popular programming carried by cable and satellite, broadcasters have long believed they deserve a big share of cable and satellite subscription revenues, which are approaching $35 billion this year. Where retransmission consent failed in getting that share, the broadcast-only STB could succeed. “Whoever collects the fees controls the game,” says the head of one Top 25 station group. “Let’s build a box so that we can collect the fees.”

Broadcasting’s digital opportunity comes from Congress. In 1996, it awarded each TV station a second digital channel with the understanding, but not the requirement, that it would be used for HDTV. The idea was that broadcasters would build digital stations and operate them in parallel with their analog stations. Once 85% of TV homes had new TV sets with digital tuners—one by law had made the transition from analog NTSC to digital HDTV, in other words—the broadcasters would turn off the NTSC service and give back the analog channels.

That plan has hit high dead center. Although more than 400 stations have turned on digital stations, few have any idea of how to recoup their considerable investment in transmitters and antennas, let alone how to create a profitable new business. In fact, if not for the FCC’s build-out schedule, digital stations might number in the 10s rather than the hundreds. And many of the new digital stations are empty shells, broadcasting at low power to meet the letter, not the spirit, of the law.

Meanwhile, the consumer electronics industry has run into great difficulty selling integrated digital receivers—that is, TV sets containing tuners and the other electronics necessary to watch over-the-air signals. There was a market for big-screen digital monitors—over two million have been sold—but fewer than 200,000 contained the electronic guts to enable broadcast reception.

To speed the digital transition, FCC Chairman Michael Powell is now talking about a rule that would require set manufacturers to integrate digital tuners in new sets over the next several years. The Powell initiative should be appreciated, but it’s not the answer.

EMPOWERING THE ANALOG TV SET
The answer to broadcasters’ digital future is analog. There are now 260 million television sets in the United States. But for the few hundred thousand digital sets (with tuners) sold in the last five years, they are all analog. Another 30 million analog sets join that population each year. Essentially, they never die.

The digital broadcast scheme now in place would relegate all those sets—and the television homes they occupy—to obsolescence. They won’t yield the field easily. Cable figured this out from the first. It pioneered set-top boxes years ago because it couldn’t wait for set to be built with cable tuners and because it wanted to scramble pay programming. Similarly, direct satellite takes advantage of digital compression and picture enhancement but in the end depends on analog sets for display.

By developing their own STB, broadcasters can re-empower every analog set. Then it can hold that part of the television audience intact through the true digital transition, which will take not years, but the greater part of a generation.

Broadcasting may have an ally in the effort to reinvent itself. Those consumer electronics manufacturers that are closed out of the cable and satellite STB market may be eager to mass produce the broadcast STB. Whatever the profit on each box, the manufacturers can multiply it by some large portion of those 260 million analog sets. Their challenge is to produce a box that not only handles whatever the broadcasters choose to send, but also provides the necessary addressability and security.

If cable and satellite were agreeable (currently they are not), manufacturers could

“The coming of the digital age ... offers the promise of becoming a wireless facilities-based competitor to cable and satellite, delivering the long-promised HDTV and other services.”

—MSTV’s David Donovan
integrate cable, satellite and broadcast into a single STB. Tribune’s Ira Goldstone has conceived such an integrated box and has outlined it in a paper for the Advanced Television Systems Committee. Broadcast-only or integrated solutions aren’t rocket-science technologically, although there are major variables in how they might be configured—and consequently in cost.

Perhaps a greater technological challenge than the box is improving coverage of the over-the-air digital signal. From the start, the 8-VSB digital transmission standard has been plagued by poor propagation and a surprising susceptibility to interference. Broadcasters cannot offer a new service to the 105 million TV homes, if it cannot reach them with a strong and reliable signal, preferably receivable via an indoor antenna. It’s a problem, but one that should yield to the consumer electronics and broadcast engineers, if there are economics to demand it.

Another challenge is aggregating spectrum. Because each TV station has only one 6 MHz digital channel, a viable multichannel broadcast service requires cooperation among the broadcasters. Individually, a broadcast station can offer only a handful of SDTV channels in each market. Together, a group of broadcasters could offer a mix of at least 20 or 30 channels.

The number of channels could be higher. In the digital realm, the quality of a television picture can be turned up or down, with the ultimate judgment in the eye of the beholder. Cable, for example, uses compression ratios a broadcaster would never consider and has millions of customers who apparently are content. Over time, the inevitable improvements in compression and transmission technologies will make possible an escalating scale of broadcaster content. The key is in getting started before the opportunity—and perhaps the spectrum itself—is lost.

Broadcasters will also have to do some selling on Capitol Hill. The idea of multichannel digital broadcasting will upset lawmakers who feel that broadcasters should stick to the original deal—spectrum for HDTV. But rather than apologize for their multichannel ambition, broadcasters must start explaining it and win over those who oppose it. That’s what the NAB is for.

**CAN’T BROADCASTERS COOPERATE?**

Some of the work of organizing broadcasters has already been done. iBlast has pulled together a broadcast DTV consortium of major broadcast groups including Tribune, Gannett, Cox, Post-Newsweek and Emmis. One source estimates it has contracts with over 250 stations covering more than 90% of TV households. Those blueprints have been designed primarily to connect broadcast-originated signals with personal computers, but presumably could be redirected.

Until now, broadcasters have sought political solutions to their dilemma—primarily by requiring cable to carry not just one digital signal but all they can muster in 6 MHz of spectrum. Or, alternatively, by seeking legislation that would require placement of integrated digital tuners in all sets manufactured after a given date—a solution that would eventually produce a digital universe but in the interim would require consumers to pay a premium for a service they might neither want nor need while still leaving behind those millions of legacy analog sets.

TV broadcasting is still a good business, particularly in the large markets where executives can talk about profit margins of 40%-50%. But it’s not a growing business, and in small markets it is probably already a declining one. Deregulation will help bolster the bottom line. The more stations you can own and operate under one roof, the more viable each becomes. But what happens when all those efficiencies are exhausted and cable is an even more potent force in advertising?

Broadcasters need to become multichannel players with major program offerings and multiple revenue streams. It must reestablish its own proprietary gateway to and headend within the home. It must learn to cooperate. It must establish a transactional relationship with the viewer. It must capitalize upon all the advantages inherent to its medium. At the end of the day, broadcasting’s first advantage may be its greatest: It can be wireless all the way.

Getting it done will require a talent with which broadcasters have little familiarity: cooperation. Part of the genius of the medium has been that, when any two broadcasters—or three or four or 50—are competing for the same audience, they will fight to the death for the last rating point. Now, they must put the rivalries aside and pool their resources to develop this new service and pool their spectrum to implement it. The perfect vehicle may be MSTV’s broadcast lab.

It will require, as well, breaking out of the single-channel mindset and a rigid reliance on any one style of technology or business. Broadcasting’s fiscal future may rely more on the subscriber than the advertiser, as is the case today with cable and satellite.

The Shakespeare quotation that began this analysis didn’t stop there. It went on to add: “Omitted, all the voyage of their life is bound in shallows and in miseries.” That’s fair warning from the 16th century to the 21st: Catch the wave or miss the future.
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## BroadcastWatch

**COMPILED BY KENNETH RAY**

**JULY 22-28** Broadcast network prime time ratings according to Nielsen Media Research

<table>
<thead>
<tr>
<th>Sunday</th>
<th>Monday</th>
<th>Tuesday</th>
<th>Wednesday</th>
<th>Thursday</th>
<th>Friday</th>
<th>Saturday</th>
<th>Sunday</th>
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<tbody>
<tr>
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<td>7.1/12</td>
<td>NBC 6.5/11</td>
<td>FOX 2.3/6</td>
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<td>1.5/3</td>
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<td>7.0/11</td>
<td>4.0/2</td>
<td>6.4/12</td>
<td>5.9/11</td>
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<td>1.5/1</td>
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<td>3.4/6</td>
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<td>6.2/11</td>
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<td>0.6/1</td>
<td>1.1/2</td>
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**Programming**

**TOP TEN PROGRAMS (AVERAGE RATING)**

<table>
<thead>
<tr>
<th>Network</th>
<th>Show</th>
<th>Average Rating</th>
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</thead>
<tbody>
<tr>
<td>ABC</td>
<td>The Bachelor</td>
<td>10.0/12</td>
</tr>
<tr>
<td>CBS</td>
<td>Big Brother</td>
<td>9.8/12</td>
</tr>
<tr>
<td>NBC</td>
<td>America's Funniest Home Videos</td>
<td>9.5/12</td>
</tr>
<tr>
<td>FOX</td>
<td>Family Guy</td>
<td>9.4/12</td>
</tr>
<tr>
<td>FOX</td>
<td>American Idol</td>
<td>9.3/12</td>
</tr>
<tr>
<td>FOX</td>
<td>The Simpsons</td>
<td>9.2/12</td>
</tr>
<tr>
<td>FOX</td>
<td>Two and a Half Men</td>
<td>9.1/12</td>
</tr>
<tr>
<td>FOX</td>
<td>NCIS</td>
<td>9.0/12</td>
</tr>
<tr>
<td>FOX</td>
<td>Glee</td>
<td>8.9/12</td>
</tr>
<tr>
<td>FOX</td>
<td>Modern Family</td>
<td>8.8/12</td>
</tr>
</tbody>
</table>

**Programming Notes**

- **Ratings Point** is equal to the estimated number of households watching the show divided by the number of households with TV sets.
- **Rating/Share** indicates the percentage of households watching the show (rating) and the percentage of households watching any TV at the time (share).
- **Top Ten Shows of the Week** are numbered in **red**.
- **TV Universe Estimated at 301.5 Million Households**.
- **One Ratings Point is Equal to 1,000,000 TV Households**.
- **Yellow Time** is winner of Time Slot (MTM) not ranked.
- **Ratings/Share estimated for period shown**.
- ***Premiere** = Programs less than 15 minutes in length not shown + 5.0 = Season to Date.
- **Sources**: Nielsen Media Research, CBS Research.

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**SOURCES:** Nielsen Media Research, CBS Research.

**For Your Love** 1.1/2

---

**For Your Love** 1.2/2

**Charm’d** 1.2/2

**Angel** 1.0/2
What? A station gives up Oprah?

Here's something that doesn't happen that often—an Oprah Winfrey incumbent is giving up the show this fall. Gannett's WFMY-TV Greensboro, located in Nielsen's Greensboro-High Point-Winston-Salem, N.C., market (ranked No. 47), opted out of the show at the end of the current broadcast year.

Not only that, but Gannett and King World mutually agreed to tear up the last two years of an existing contract for the top-rated first-run talker.

There was plenty of interest among competitors, and Oprah was quickly picked up by Hearst-Argyle's WXII-TV Winston-Salem. It struck a deal to air the talker through May of 2006, when Oprah now says she will stop doing the program altogether.

Sources familiar with the situation say that Gannett and King World got into a fairly heated battle over money. WFMY-TV, sources say, was paying approximately $1.5 million a year for Winfrey. But the station's ratings decline over the past several years has rendered the high price tag harder and harder to justify.

Gannett reportedly put a lot of pressure on King World to lower the show's price for the remaining two contract years. When Oprah went to WXII-TV, King World settled for significantly less than WFMY-TV would have paid.

Neither King World nor Hearst-Argyle executives would comment on the price.

Gannett's only comment was that the matter was handled at the local level. WFMY-TV General Manager Deborah Hooper didn't return calls.

Hank Price, WXII-TV vice president and general manager, says he can't wait to take possession, effective Sept. 2. The station has been promoting the coming switch for a while, and Price says a good chunk of the station's promotion budget—both on and off the air—is earmarked for the show. "We think it's a big opportunity to raise the ratings," says Price. And not just for Oprah. With the talk show leading into its early-evening newscast, Price says WXII-TV has perhaps its best shot ever to topple WFMY-TV in the 5 p.m. news race. That would be a first.

—Steve McClellan
programming

Station Break
By Dan Trigoboff

LITTLE DMA, BIG NEWS

"Who says lightning doesn’t strike twice?" asked WTAJ-TV Johnstown-Altoona, Pa., News Director Jim Frank, after the nation’s attention had turned to his small, DMA No. 96, market for the second time in less than a year. Frank says he saw his station’s footage not only on CNN but also on New York’s WPIX(TV) over local cable the morning after the story broke.

The story of the rescue of nine coal miners was considerably happier than the major event last year, when a hijacked plane crashed only 10 miles away, in the same town of Somerset Sept. 11.

Local news directors say they learned from last year’s big story but still went up against staffing difficulties and will face budgeting difficulties due to the overtime, satellite costs and commercial preemptions from the rescue story. "The miners are out of the hole," said WJAC-TV News Director Gary Cooper, "but we’re not."

Cooper’s station was apparently first at the scene, getting the story on its late news the Wednesday night it broke, to be followed by other local, nearby, and eventually nationally and internationally known news outlets. "The person next to us might be from the Today show, or it might be Geraldo Rivera," said Cooper. The station’s knowledge of the area helped it cover live the miners’ post-rescue arrival at local hospitals.

Cooper was candid about an error in a station report, in which a source the station deemed reliable confused a broken drill bit with breaking through to the trapped miners. "We were being aggressive," said Cooper, "and it’s hard to double-check in that situation."

Big as the story was, not everyone appreciated the frequent interruptions in regular programming. Frank said the station had to use one of its newscasts to inform viewers "who was voted out of the house on Big Brother."

TOO CLOSE FOR COMFORT

Former KTVX(TV) Salt Lake City health reporter Holly Wayment has sued the station and owner Clear Channel, charging that she was wrongfully terminated and later defamed by the station—which she says hurt her chances at subsequent employment.

Wayment’s complaint says the station fired her after she discussed with a local cancer center the creation of a volunteer program for patients and families, and station representatives have since suggested she was working for the facility or taking money from it.

Station management and attorneys said they would not address pending litigation. But station sources say no one at the station believes Wayment sought financial gain, but questioned the appropriateness of a beat reporter’s cultivating a relationship with an organization she covered.

Wayment says the station is community-oriented and staffers are encouraged to participate in charitable efforts, while a station source likened her situation to a political reporter’s working for a campaign.

SWANSON MOVES FAST

The Viacom station group’s new COO, Dennis Swanson, may be moving at a pace akin to that of Kevin O’Brien when he took over the Meredith station group.

Swanson hired his second general manager as he himself began only his third week on the job: Gary Schneider was named president and general manager of Viacom’s KEYE-TV Austin, Texas. Schneider, who sold his company, ROI Interactive, last year, had been president of multimedia production company Sky Television and ran Gaylord Entertainment’s KHWB(TV) Houston and KSTW(TV) Seattle.

The $110 million-plus Austin market has some big players and high stakes. Fox also has an O&O there; the other two affiliates are owned by LIN Television and Belo.

All news is local. Contact Dan Trigoboff at (301) 260-0923, e-mail dtrig@reedbusiness.com or fax (413) 254-4133.
**Focus: Terre Haute**

**THE MARKET**

<table>
<thead>
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<tr>
<td>TV homes</td>
<td>152,000</td>
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<tr>
<td>TV revenue rank</td>
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**COMMERCIAL TV STATIONS**

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<td>Emmis</td>
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<td>2</td>
<td>NBC</td>
<td>Nexstar</td>
</tr>
<tr>
<td>3</td>
<td>38</td>
<td>Fox</td>
<td>Bahakel</td>
</tr>
</tbody>
</table>

*May 2002, total households. 6 a.m. - 2 a.m., Sun.-Sat.

**CABLE/DBS**

- Cable subscribers (HH): 86,070
- Cable penetration: 57%
- ADS subscribers (HH)**: 42,560
- ADS penetration: 28%
- DBS carriage of local TV?: No
- **Alternative Delivery Systems, includes DBS and other non-cable services, according to Nielsen Media Research**

**WHAT’S NO. 1**

**Syndicated show**

- Rating/Share***
  - Wheel of Fortune and Jeopardy (WTWO) 9/20

**Network show**

- CSI (WTHI-TV) 23/36
- Evening newscast
  - WTHI-TV 15/33
- Late newscast
  - WTHI-TV 8/29

**Tough times in Terre Haute**

Terre Haute, Ind., DMA No. 145, covers a broad, rural area that includes 16 counties in Indiana and nine in Illinois. It has three full-power commercial stations; with no local ABC affiliate, that network’s programming is cabled in.

The town had a tough 2001, dropping about 15% from the previous year, nearly taking it back to mid 1990s revenue levels. The market lacks giant retailers, but automotive and fast food are typically prominent among advertisers.

“It’s an older-skewing market with a population that’s stagnant, at best, possibly even shrinking. “Most of our communities are small towns with 10,000 or fewer people,” says David Bailey, WTHI-TV general manager and a veteran of the market since the 1960s. “And most of our revenue comes from Terre Haute.”

Bailey’s Emmis-owned WTHI-TV and Nexstar’s WTWO(TV) are the market’s No. 1 and 2 stations, respectively, both VHF’s. The combination of Fox’s younger demos, UHF signal and no local satellite carriage in the highly satellite-penetrated market creates a competitive disadvantage for Bahakel Communication’s WBAK-TV, which trails in both ratings and revenue. “Based on our ratings, we get a fair share of advertising,” says WBAK-TV general manager John Newcomb. “We’ve got to raise our ratings.”

Both Bailey and Newcomb find that local sales provide the market’s growth potential. “With the economy the way it is,” notes Bailey, “national advertising in markets this size is going to decrease. So you’ve got to be growing locally. All our salespeople are expected to sit down with business owners and develop a marketing and sales plan. We look for businesses with the potential to grow beyond their community.”

Newcomb says WBAK-TV is involved in urban-renewal efforts. “Terre Haute is a huge regional center. The more we can do to strengthen that, the more it will help us,” he says.

—Dan Trigoboff

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Los Angeles | KTTV      | +33%            |
Chicago | WFLD        | +45%            |

Source: NSI WRAP Overnights, HH Rtg., WNYW=5:30pm, KTTV=11:30am, WFLD=1:00pm, 7/11 - 7/26/02 vs. July '01 tp

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Seventh auction delay to leave broadcasters spectrum, not cash

By Bill McConnell

The FCC dealt a fatal blow to Bud Paxson's hopes for finally realizing a buyout windfall from the early return of licenses to 19 TV stations he operates on channels 60-69.

On July 26, the FCC said it would delay the scheduled Jan. 14 auction of spectrum now used for those channels, which are located on the upper portion of the 700 MHz spectrum band. A new date for the bidding hasn't been announced. Currently there are roughly 140 broadcasters with stations or allotments there.

The delay is the seventh postponement of plans to sell the block of channels and follows a decision six weeks ago to delay bidding for another block of spectrum used for chs. 52-59, where broadcasters hold another 323 allotments.

A representative for the Spectrum Exchange Group, which plans to broker deals between broadcasters and auction winners, would not comment on their next course of action. A Paxson spokeswoman said company officials were "disappointed" by the delay but "hopeful that the FCC would come up with a plan that will work."

Both channel groups are slated for new mobile Internet, wireless communications or digital video services.

A small portion of the 52-59 block, known as the C and D blocks, will go on sale Aug. 27. The FCC has until next June to reschedule bidding for the remaining spectrum.

Prodded by the wireless industry, the FCC has repeatedly delayed the ch. 60-69 sale, and in June Congress, concerned about broadcasters' getting a windfall from public spectrum and by the lack of a clear business plan from the spectrum's potential new occupants, removed a statutory deadline requiring auction of 700 MHz spectrum by the end of this year.

Wireless providers have balked at the prospect of paying out perhaps billions of dollars on top of the money they would pay the government for rights to use the licenses into the future. With no pressure to bargain with the incumbent broadcasters, they now have more time to lobby Congress to squelch the early buyout rules.

Although Congress ordered the FCC to delay the June 19 sale of chs. 52-59, lawmakers let it to FCC Chairman Michael Powell to decide whether to postpone bidding for chs. 60-69. One senior aide had predicted a delay (B&C, July 1).

The decision to delay nearly all bidding is a big blow to Paxson, who has been eyeing potentially lucrative buyouts from winners of the spectrum. The Paxson-led Spectrum Clearing Alliance, composed of stations with TV outlets on the 60-69 band, unsuccessfully lobbied the FCC and Congress to keep the latest auction plan on track.

Broadcasters operating on the 700 MHz band are not required to exit until the transition to digital television is complete, which could wind up being years beyond the current 2006 target date. To clear the spectrum quicker, the FCC permits auction winners to pay the broadcasters to relinquish frequencies.
**Changin**g **Hands**

**TVs**

**KPXF-TV Porterville, Calif.**
**Price:** $35 million
**Buyer:** Univision Communications Inc.
(A. Jerrold Perenchio, chairman/CEO)
**Seller:** Paxson Communications Corp.
(Jeff Sagansky, president/CEO)

**Facilities:** Ch.61, 2,510 kW, ant. 2,635 ft.
**Affiliation:** PAX

**Combs**

**KTOC(AM) -FM Jonesboro, La.**
**Price:** $200,000
**Buyer:** Family Worship Center Church Inc. (Jimmy Swaggart, member); owns 10 other stations, none in this market
**Seller:** Willis Broadcasting Corp. (Levi E. Willis, president)

**Facilities:** KTOC(AM): 920 kHz, 1 kW; KTOC-FM: 104.9 MHz, 8 kW, ant. 246 ft.
**Format:** KTOC(AM): Gospel; KTOC-FM: Gospel

**FM s**

**NEW-FM(CP) Ashtabula, Ohio**
**Price:** $25,000
**Buyer:** Clear Channel Communications (Mark Mays, CEO Radio); owns 1,213 other stations, including WFUN(AM) & WREO-FM Ashtabula
**Seller:** Ashtabula Broadcasting Corp. (David C. Rowley, president/treasurer)

**Facilities:** 98.3 MHz, 2 kW, ant. 387 ft.
**Format:** NEW-FM(CP): Gospel

**NEW-FM(CP) Pangburn, Ark.**
**Price:** $180,000
**Buyer:** Caldwell Broadcasting LLC, (Larry Crain, Sr., managing member); owns six other stations, none in this market
**Seller:** Fox Family (Mike Holt, CEO)

**Facilities:** 1490 kHz, 1 kW day, 1 kW night

**Sellers**

**Capps Radio Co. (John Paul Capps, president)**
**Facilities:** 99.1 MHz, 6 kW, ant. 328 ft.
**Format:** WGAZ-FM Goodman, Wis.
**Price:** $200,000
**Buyer:** WRVM Inc. (Lyle Hill, president); owns one other station, not in this market
**Seller:** School District of Goodman-Armstrong High School (Carl Frydych, president)

**Facilities:** 91.3 MHz, 420 W, ant. 118 ft.
**Format:** Variety

**WEGO(AM) Concord (Charlotte-Gaston-Rock Hill) and WSVM(AM) Valdese, N.C.**
**Price:** $450,000
**Buyer:** GHB Broadcasting, (George H. Buck, Jr., president); owns 13 other stations, including WAVO(AM), WCGC(AM), WHVN(AM) & WNMX-FM Charlotte-Gastonia-Rock Hill
**Seller:** Hilker Properties (Robert Hilker, president)

**Facilities:** WEGO(AM): 1410 kHz, 1 kW day, 182 W night; WSVM(AM): 1490 kHz, 1 kW day, 1 kW night
**Format:** WEGO(AM): Classic Rock; WSVM(AM): Oldies
**KOKC(AM) Guthrie (Oklahoma City)**
**Price:** $130,000
**Buyer:** Family Worship Center Church Inc. (Jimmy Swaggart, member); owns 11 other stations, none in this market
**Seller:** Fox Family (Mike Holt, CEO)

**Facilities:** 1490 kHz, 1 kW day, 1 kW night

**WGZS(AM)**
**Price:** $140,000
**Buyer:** James Lee; owns one other station, not in this market
**Seller:** Satellite Radio Network (Michael Glinter, president)

**Facilities:** 700 kHz, 2 kW
**Format:** Christian Contemporary
**WSBI(AM) Static, Tenn.**
**Price:** $125,000
**Buyer:** Small Town Radio Inc. (Don Boyd, president); owns three other stations, none in this market
**Seller:** Donnie Cox

**Facilities:** 1210 kHz, 250 W
**Format:** Country

**WMOV(AM) Ravenswood, W. Va.**
**Price:** $60,000
**Buyer:** Harold F. Parshall; no other broadcast interests
**Seller:** Legend Communications LLC (W. Lawrence Patrick, president)

**Facilities:** 1360 kHz, 1 kW
**Format:** Oldies

**KVDW(AM) England (Little Rock), Ark.**
**Price:** $35,000
**Buyer:** Wells Broadcasting Inc. (Vernon Wells, officer); no other broadcast interests
**Seller:** Equity Broadcasting Corp. (Gordon W. Heiges, vice president)

**Facilities:** 1530 kHz, 250 W
**Format:** CHR/Rhythmic

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MTV wants its 24p

New format test for Video Music Awards will add a cinema feel

By Ken Kerschbaumer

P Diddy won’t be the only “P” at the MTV Music Awards on Aug. 29. If all goes as planned the live broadcast from Radio City Music Hall will be the first live awards ceremony to be shot and recorded in the 24p digital format.

It’s a bit of a gamble since awards shows have always been shot on videotape, but it’s one that Alex Coletti, producer of the 2002 MTV Music Awards, decided to take.

“It’s a good first step, and hopefully next year we’ll take it to the next logical step, which is full-on broadcast in HD, letterbox, 24p live,” says Coletti. All Mobile Video’s 24p vehicle will be used for this year’s show.

Coletti says the executives at MTV always ask for something new and different, but the decision to go 24p (for progressive) was met with a bit of quasi-trepidation.

“MTV executives said, ‘Are you sure you can handle this?’” recalls Coletti. “It’s a live show, hard enough to produce that you don’t want to make them harder, but we’re fairly comfortable with the truck and the engineers and people who come with it.”

Eric Duke, president of All Mobile Video, will be there with his company’s 24p production vehicle. All Mobile’s gear includes Sony HDVC900 and 950 cameras and a Sony MVS8000 mapping switcher for both HD and SD productions. That’s important for the awards show because, if tests the week before the show have Coletti and others concerned it won’t feel live, producers can switch back to the typical 30-frames-per-second rate, the way awards shows have been shot until now.

The move to 24p will give it a more cinematic look—more like film—but it introduces other challenges because fast motion can cause the picture to fall apart. Filters will be used on the cameras, and producers and directors may toy with shutter speeds to help deal more easily with motion and blur. But the opportunity for talent to look better is a guarantee for co-operation all along.

“The talent likes the format because it really flatters them thanks to the lighting and filters,” he says. “It gives the footage an evergreen look as opposed to the live video feel. This is a much warmer feel, and hopefully that will come across.”

Coletti first worked with 24p (and the All Mobile video truck) on a Tribeca Film Festival project. He was pleased enough to give it a shot at MTV. “We figure 24p is where it’s all going some day,” he says, conceding, “There is always the minute chance that we could do rehearsal and think, ‘You know what, this looks weird. Let’s flip the switch.’ I hate to think that’s going to happen.”

The 24p production truck costs a little more than a standard truck because of the gear and also the additional staff needed for the audio needs. The truck’s flexibility will be increasingly required on other production vehicles as customers demand wider variety. For Coletti, using the truck is about keeping up with technology. For a film producer it may be about cost savings as 24p productions are less expensive.

The broadcast won’t be letterboxed: Coletti doesn’t want to throw too much new stuff at the production team. Plus, if graphics and packages were done for letterbox there’d be no flexibility to go back to 4:3.

“We considered recording letterbox and shooting center cut, like a live pan-and-scan, but I thought that wouldn’t help anyone,” he says. “We’re making a huge step in and of itself, so we’ll have a little patience and we’ll hopefully get there next year.”
ABCNews pay for play

Streaming-video and audio subscription model broadens Web site’s revenue stream

By Ken Kerschbaumer

Free video is out and revenue models are in at ABCNews.com. ABC News last week launched a new $4.95-per-month broadband service that will allow viewers to watch streamed versions of World News Tonight With Peter Jennings along with Nightline, Nightline UpClose and other news content, on a delayed basis. Visitors to the Web site will no longer find free video news clips.

“I see this as part of establishing a dual-revenue-stream model for the business so that we’re generating revenue through advertising as well as subscriptions,” says Bernie Gershon, senior vice president and general manager, ABCNews.com.

From the ABC site, viewers will be taken to RealNetwork’s RealOne site, where they can subscribe to ABC’s content à la carte or subscribe to RealOne’s SuperPass for $9.95 a month. ABC News has offered newscasts as part of the SuperPass for the past nine months, the morning after the live broadcast.

Gershon says the Internet will still be important as a promotional vehicle for the over-the-air news content. But the challenge facing streaming companies is the financial imperative to provide high-quality content at high-quality bandwidth. The subscription model is the only way to successfully offset those costs.

“I think that Internet users are becoming more understanding of the fact that, if they’re going to receive high-quality content or additional services like an expanded mailbox from their ISP, that they’re going to have to pay more for that,” explains Gershon. “It’s very much like the cable-TV model.”

A new feature is an archive of the previous 30 days of programming. Gershon says it will be searchable by keyword or text. Work is also being done to make text, maps and other interactive content related to the video available.

“We’re looking to get those folks who can’t get to a TV set at 6:30 at night a chance to watch the newscast on a delayed basis,” says Gershon. “I think it’ll probably be a long time before we’re simulcasting our content on the Internet. We certainly don’t want to conflict with the primary broadcast of these programs.”

Other content includes Good Morning America interviews and music performances, excerpts from ABC News specials, and Internet-exclusive video from Primetime and 20/20. Sam Donaldson’s Live in America radio program and ABC News Radio hourly newscasts will also be available.■

IN BRIEF

AP AND WORLDGATE’S ONE-BUTTON SOLUTION

WorldGate and the Associated Press have integrated an XML database feed to deliver AP headlines, stories and photos to subscribers of WorldGate’s interactive-TV service. WorldGate says the service gives subscribers in the U.S., Canada and Latin America one-button access to news links in English, French or Spanish.

MEDIA.NET DOWN UNDER

Media.net, the online service that allows for real-time collaboration among post-production and other creatives, has expanded its online service availability to productions on location in Australia and New Zealand. The service in Auckland, New Zealand, provides a link between Los Angeles and the region’s growing $1.5 billion film and video industry. The Disney Channel movie You Wish! is the first production to take advantage of the system.

MORE STARZ FOR N2

Starz Encore has selected N2 Broadband’s MediaPath technology to deliver Starz On Demand movies to cable-television operators across the U.S. Starz Encore will use the MediaPath platform for direct delivery of its subscription video-on-demand content to MSOs. Starz Encore expects to deploy the MediaPath technology for Starz On Demand later this year.

BROADJAM JAMS PEN

Music publishing software tools and services company Broadjam launched the official Web site for music publisher PEN Music Group. The site enables fully integrated online searches for PEN Music’s catalogue of songs. The site uses the Broadjam Song Management System database and search engine.
PBS taps into TiVo

Network plans to send promotions, exclusive material to PVRs

By Ken Kerschbaumer

PBS, outblitzed by the commercial networks when it comes to promotions to drive viewers, is looking to TiVo as a way to get inside of viewers’ heads and hard drives.

PBS will send program promotions to TiVo subscribers’ personal video recorder hard drives for six months beginning in September.

The first promos will highlight programming about the events of last Sept. 11. After that it will become a quasi-testbed to find out what types of promotional efforts viewers get the best response.

“This will show how it can actually be a tool for building and expanding audiences, and therefore the businesses around them, as opposed to the more destructive things we’re accused of,” says Jim Monroe, TiVo executive producer. “We’re going to see that we can be a pretty constructive player.”

Deron Triff, PBS senior director, digital content strategy, says the network has tested TiVo and other PVRs in its lab, taking a closer look at the intelligent-engine functions that recommend and sort content for viewers.

On the surface, the goal of the upcoming project is simple.

“We’ll be working with TiVo to make sure the device recognizes PBS viewers and recommends programming,” says Triff.

Underneath that surface, however, is a complex use of metadata, one that Triff hopes will become more refined. For example, right now PBS metadata for a program currently isn’t granular enough and doesn’t differentiate one type of children’s program for another.

“We want to refine the way it defines the programming so that segmentation becomes much clearer,” Triff says.

PBS will have access only to the “Video Showcase” portion of the drive that TiVo has set aside for similar promotional efforts. Recent promotions that have appeared on the drive include Mr. Deeds, Austin Powers in Goldmember, and videos and band interviews promoting a new CD and single by Counting Crows.

PBS will have access to a little more than eight minutes of the drive.

“Advertisers embraced that because we did some early work around it that they were encouraged by,” says Monroe, “and I think the timing is becoming right for the networks when they launch shows in the next couple of months.”

Triff says TiVo will help drive viewers to event television, like extended series.

“If we’re planning a series of programs like we are around 9/11, this will get those trailers and previews out in front in a similar way to what the movie studios have been doing for years,” says Triff. “Otherwise they might not know it exists.”

The network also expects to take advantage of the TiVo iPreview function, something that NBC has already used.

The feature places promo spots on the TiVo hard drive that, when played back, present the viewer with a chance to automatically schedule a recording of the program.

IN BRIEF

IVAST’S NEW TOOLS
iVAST has launched its new iVAST MPEG-4 Platform Version 2.0, which the company says can deliver television-quality interactive media that extends playback on PCS as well as electronic devices such as set-top boxes, PVRs and enhanced DVD players. The platform includes seven new iVAST software products and improvements to four existing products. It also meets the Internet Streaming Media Alliance’s 1.0 implementation specifications.

COURT TV’S FASTBREAK
Court TV has selected the Sundance Digital FastBreak Automation system for its new digital master control facility to be completed in early 2003. The system will be used to automate Court TV’s East and West Coast feeds and also integrate digital asset management and archiving. Also, the facility will be three mirrored Thomson Grass Valley Group Profile XP servers and 2100 master control switchers. Two Chyron Duet LEXs, and two Leitch Logomotions will be used for on-air graphics.

SMALL MICS, BIG STARS
The Tonight Show with Jay Leno is now using the Sennheiser SK 5012 bodypack transmitter for its wireless microphone needs, because it is so small—the transmitter is two inches square and less than an inch thick. Show mixer Pat Lucatorto says the show made the move to the Sennheiser SK 5012 bodypack for two main reasons: "They sound really good," he says, "and the female guests, who come out wearing next to nothing sometimes, want to wear the smallest mic possible."
News services have evolved, offering a wide spectrum of programming - whether it's hard news or soft.

On August 26, Broadcasting & Cable will take a look at the latest developments in news services and take a hard look at the merits and differences between products. B&C's report will discuss the latest trends and success stories in television, radio and Internet news services and how these tactics help build and retain viewers.

This special report will reach the key decision-makers at the major television, radio, satellite and Internet news outlets across the country. Reserve your space today and make some news of your own.
**People**

**Broadcast TV**
Verdell Christophersen, creative director, Androvett Media and Marketing, Dallas, Texas, named creative services director, KYW-TV and WPXS(TV) Philadelphia.

Wendy Kaiser, creative services director, WPIX(TV) New York, joins WPHL-TV Philadelphia, in the same capacity.

Brian Hannan, VP, finance, WNAB(TV) Nashville, Tenn., named joins WNYW(TV) New York as director, finance.

Tami Kennedy, producer, Made in Maine, and project director, HOME and Road Diarier, Maine Public Broadcasting, Lewiston, promoted to director, cultural programming and audience development.

At WLVI-TV Cambridge, Mass.: Robert Burns, account executive, promoted to national sales manager;
Kristen Reilly, account executive, promoted to regional sales manager.

**Programming**
Hilary Estey McLoughlin, senior VP, programming and development, Telepictures Productions, New York, promoted to executive VP/GM.

Edward Swindler, VP, daypart forecasting, NBC and MSNBC, New York, promoted to senior VP, NBC sales strategy, planning and pricing.

Jeanie Kedas, VP, communications, MTV: Music Television, New York, promoted to senior VP.

Alina Falcoén, senior VP/director, news division, Univision Television Network, Miami, named senior VP/operating manager, TeleFutura Network, Miami.

Lisa Coghlan, sales director, YES Network, New York, promoted to senior VP/general sales manager, media services.

Randy B. Brown, president, North America, Media Access Technologies, Chicago, named senior VP, distribution, The Tennis Channel, Los Angeles.

Ken Olshansky, senior VP, creative affairs, TV Loonland-Sunbow Entertainment, New York, named senior VP, television programming, Scholastic Entertainment, New York.

Dennis C. Farrell, senior VP, finance, Fox Cable Networks, Los Angeles, named VP, finance and operations, National Geographic Channel, Washington.

Marisol Oller, account executive, Univision, Los Angeles, joins Warner Bros. Domestic Cable Distribution, Burbank, Calif., as VP, sales.

Tom Nikol, senior art director/creative director, CBS and TNT accounts respectively, BD Fox & Friends Advertising, Los Angeles, named VP/creative director, CBS Cable Networks, Los Angeles.

At Turner Classic Movies: Laura Galletta, director, interactive marketing, New York, promoted to VP, strategic partnerships and promotions; Tanya Convery-Strader, director, marketing, Atlanta, promoted to VP.

Jennifer Lee-Temple, design director, Picture Mill, Los Angeles, named art director, worldwide video design group, Hallmark Channel, Los Angeles.

At WE: Women's Entertainment, Jericho, New York: Kathie Farrell, staff producer, NBC Sports, New York, joins as director, studio operations; Ilene Richardson, head, Rain 33 Productions, New York, joins as director, production; Staci Sarkin, coordinating producer, Oxygen Media, New York, joins as manager, production; Barney J. Schmidt, editor, Columbia TriStar's Shipmates, New York, joins as editor/producer; Megan Wilson, associate producer, Oxygen Sports, New York, joins as writer/researcher.

**Radio**
Jacques Tortoroli, CFO, Scient Inc., New York, joins Infinity Broadcasting, New York, in the same capacity.

Keith Olbermann, host, Speaking of Sports and Speaking of Everything, will join the lineup on WABC New Radio, New York.

**Journalism**
Brian Bolter, weekend reporter, WTTG(TV) Washington, named co-anchor, 10 p.m. and afternoon newscast.

Ryan James, Internet content manager, KFSM-TV Fort Smith, Ark., named assistant news director, KAIT-TV Jonesboro, Ark.

Kevin Frazier, anchor/reporter, Fox Sports Net, Los Angeles, joins ESPN, Bristol, Conn., as NBA studio host and SportsCenter anchor.

**Advertising/Marketing/PR**

Lawrence Greifer, VP, entertainment marketing, Schieffelin & Somerset, Los Angeles, promoted to senior VP.

Jay Zeltchik, former VP, director, sales, Katz American Television, New York, joins Millennium Sales & Marketing, Chicago, as VP/director, sales.

**Technology**
Michael Collette, senior VP, marketing and business development, Open TV, Mountain View, Calif., joins Ucentric Systems, Maynard, Mass., as CEO.

Dr. Sanjaya Addinksi, CEO, CityReach International, London, U.K., joins Omnibus Systems, Stanford-on-Soar, U.K., as new group CEO.

Dean Rockwell, VP/GM, headend systems division, Scientific-Atlanta, Atlanta, named VP/GM, media networks.

**Correction**
Jayne Wallace has been named national communications director for American Federation of Television and Radio Artists.

P. Llanor Alleyne
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On September 9, Broadcasting & Cable will feature its annual report on the Top 25 Radio Groups. Ranked according to revenue, each company's listing will include a breakdown of stations owned in each Arbitron® market.

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The Fifth Esterer

Birth of a salesman

*Discovery’s McGowan started small, motivated by challenges*

Bill McGowan is accustomed to cutting multimillion dollar, cross platform deals across 15 of Discovery Communications’ cable networks. But his deals weren’t always so intricate.

McGowan, now Discovery's executive vice president and GM for U.S. ad sales, started out at a small, easy-listening FM station in Arlington Heights, Ill. Working a summer between terms in college, McGowan had been turned down by just about every other TV and radio station in the metro Chicago phone book.

The station, WEXI(FM), was a teeny suburban station, too small to be picked up by Arbitron. (But it also spawned the sales career of Petry Television President Tim McAuliff.) So McGowan’s straight-commission task was pitching local office-supply stores, clothing shops and the like to buy a schedule of $20-$30 spots. It was a frustrating job, cold-calling stores in shopping center after suburban shopping center.

After a long struggle, McGowan landed his first sale: a waterbed store. Unfortunately, after WEXI aired the station’s spots, the owner went Chapter 11. The owner was apologetic and made an offer: “He wanted to pay me in waterbeds.”

The station owner rejected the offer, denying McGowan a commission on one of the few sales he made that summer.

Even though he majored in liberal arts with a bent toward history, he always wanted to do something “in business.”

He found juice in sales. “To me, sales is the ultimate in the opportunity for personal achievement,” McGowan says. “There’s a direct correlation between performance and reward. It’s ongoing feedback. It’s not like you have to wait six to nine months. And it tends to be objective, not subjective. Either you’re making your numbers, or you are not making your numbers.”

His summer experience was enough to embolden McGowan to look for a bigger sales job when he returned to the University of Wisconsin in Madison.

McGowan called up one of the biggest stations in town and bragged that he was an experienced account executive from the Chicago market. He scored not just a job at the Top 40-formatted station but “a major list” of existing clients. “I was probably making as much as my college professors,” McGowan said.

Not that having money made him very popular. To make sales more hippie than preppie, McGowan was harshly derided, despite profound sideburns.

After securing his undergraduate degree, McGowan’s brother, John—who worked in sales at WPIX(TV) in New York, steered him toward station group Avco Broadcasting, which needed a rep to pitch Chicago’s many ad agencies. That led him quickly to rep firm Katz Television, then over to the station side, where he worked at NBC-affiliated San Francisco giant KRON-TV and KTVU(TV) Oakland, affiliated to the then-fledgling Fox network, and ultimately to Fox-owned KTTV(TV).

In 1991 a headhunter for Discovery called. McGowan had been intrigued by the possibilities of cable by looking at the difference in pricing for commercials on KTTV’s coverage of Dodgers games and spots on a local cable sports network. Dodger games on broadcast got perhaps a third more viewers than games on SportsChannel L.A., but the station’s spots commanded 10 times the price the cable net could secure.

His broadcast peers saw that as a sign of cable’s weakness, but McGowan saw potential for big, broad growth for all cable networks as it grabbed an increasing share of the audience.

“Cable had nowhere to go but up,” McGowan said. “I looked at the station business. We were fighting just to get single-digit revenue increases. Cable, this was the growth opportunity.” —John M. Higgins
**Television**

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**EDITORIAL CAREERS**

**EQUIPMENT MANAGER**

ABC affiliate WLOO, daily log input and coordinating PSAs & station promotions. Candidates must have 3-4 years experience as a writer/producer of on-air news/station promotion and as a non-linear editor. Experience as a videographer is a plus. Applicants must be able to work nights. Send resume and tape to: Jeff Arrowood/WCCB-TV

1 Television Place

Charlotte, NC 28205

EEO

**TECHNICAL CAREERS**

**MAINTENANCE ENGINEER:**

Excellent opportunity for a person with a strong background in Broadcast equipment repair. DCVPRO or Beta VTR experience desired. WREG-TV in Memphis, the flagship station of the New York Times Broadcast Group is looking for an experienced television engineer with an Associate degree (or equivalent) in electronics, 3 years television station experience, and knowledge of digital television. Females and minorities encouraged to apply. Send resume to Director of Engineering, WREG-TV, 803 Channel 3 Drive, Memphis, TN 38103. Jim.anhalt@wreg.com

EEO

**SALES CAREERS**

**ACCOUNT EXECUTIVE**

**RARE OPPORTUNITY**

NBC market leader in Grand Rapids, Michigan (38th Market) is searching for an Account Executive to maintain and develop a local account list. Seeking a candidate with a 4-year degree in Communications Marketing/Management/Sales. Sales experience required. Broadcast Media Sales preferred. Experience with Marshall Marketing, Vendor Development and TV Scan a plus. WOOD TV8 is a part of the LIN family of television stations offering the finest opportunity of any group in the business. Wonderful incentives and benefits for ambitious, career minded, motivated candidates. If you are motivated by high-income opportunity, please send your resume to:

Scott Campbell

General Sales Manager

WOOD TV8

120 College Avenue, SE

Grand Rapids, MI 49503

No phone calls, please

WOOD TV IS AN EQUAL OPPORTUNITY EMPLOYER

**GENERAL SALES MANAGER**

WTVZ, the WB affiliate in Norfolk, VA and owned by Sinclair Broadcast Group, seeks a strong individual to lead our aggressive sales effort. Candidates must have a track record of out performing the competition and developing quality sales executives. Experience should include the management of revenue budgets, forecasting, inventory management and creative thinking. Experience with Columbine, TV Scan, CMR and Excel a plus. Additionally, applicants should be comfortable relocating to a beautiful beach front area. Send resume to:

GM

WTVZ

900 Granby St.

Norfolk, VA 23510

**LOCAL SALES MANAGER**

WHTM-TV abc27, Harrisburg, PA has an immediate opening for a dynamic and creative leader who can train and inspire a talented local sales team. The ideal candidate will have 5+ years sales mgmt. exp. with a proven track record of developing new business and the ability to train and motivate. Please send cover letter and resume to Rob Saylor, GSM, abc27, 3235 Hoffman St., Harrisburg, PA 17110.

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**Television**

**ANCHOR/REPORTER**

**REQUESTS:** WOTV in the Battle Creek, Kalamazoo, and Grand Rapids market is looking for an Anchor/Reporter. The successful candidate will be a good compliment to our established male anchor during our 11 p.m. M-F newscast. This individual will also contribute 2-3 stories each week for various news programs. This position is for an experienced professional with a solid track record.

**CONTACT:** Please send your resume to: Tim Malone

- News Director
- WOTV 41
- 5200 West Dickman Road
- Battle Creek, MI 49016
- No phone calls, please.
- WOTV IS AN EQUAL OPPORTUNITY EMPLOYER

**REQUIREMENTS:**

- Growing NBC affiliate in mid-Michigan is looking for a general assignment reporter to join our team. Candidate must have prior television news reporting experience, be a team player, and be willing to do some shooting when necessary. Must have degree in related field. No phone calls. Send resume and non-returnable tape to: EEO officer, reference code (RPT 729), WEYI-TV NBC25, 2225 West Willard Road, Clio, Michigan, 48420.
- RESUMES and tapes received by August 12, 2002 will be applied toward this position. We are an equal opportunity employer and value a diverse workforce. M/F.

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**GENERAL SALES MANAGER**

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Please e-mail or fax your resume and salary requirements to: sluck@kus.com or fax 858-505-5099

Or send to: KUSI-TV

ATTN: Human Resources

P.O. Box 719051

San Diego, CA 92171

KUSI-TV is an equal opportunity employer.

**NEWS DIRECTOR:**

WABC-TV is seeking a News Director. Successful candidate will be a solid and seasoned television journalist with proven abilities in leadership and administration. Management experience in a large, aggressive news operation essential, along with demonstrated strength in planning and creative television news production. Please send resume to: Tom Kane, WABC-TV, 7 Lincoln Square, New York, NY 10023. No telephone calls or faxes please. We are an equal opportunity employer.

**METEOROLOGIST/WEATHERCASTER**

We're looking for a meteorologist/weathercaster with 3 or more years live television experience in medium or larger market, who is ready to work in a top 25 market that is also a great place to live! Must communicate well and be able to function in high-pressure situations, be willing to work a variety of shifts. Send resume, references, cover letter and tape, beta or VHS to: kbparker@reedbusiness.com OR send to: Box 6805, Broadcasting & Cable K. Parker, 275 Washington St., 4th Fl., Newton, MA 02458. E O E.

**ANCHOR/REPORTER**

KINO-TV, a division of Emmis Communications and the CBS affiliate in scenic Portland, Oregon, is looking for a creative and energetic Anchor/Reporter. Our newscasts focus on clarity, viewer benefit and compelling storytelling. If your well-honed skills and high standards can add to our product, we would love to see your work. 3 years of experience as a medium or larger market live newscast anchor/reporter is preferred. Please send your resume, cover letter, references and phone or Beta tape to:

Anchor/Reporter Search

KINO-TV

222 SW Columbia

Portland, OR 97201

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**MARKETING CAREERS**

**MARKETING DIRECTOR**

KLAS LAS VEGAS, NEVADA

KLAS (CBS) is looking for an experienced MARKETING DIRECTOR to lead the marketing and branding efforts of Channel 8 in the country's fastest growing city. Responsibilities will include initiating, developing and directing the overall advertising, promotion, marketing, and publicity activities of the station.

The successful candidate must have 5 years of news promotion experience and strong management, writing and production skills. KLAS offers state-of-the-art equipment in a brand new facility and is ready for a dynamic and creative individual to lead the way in this highly competitive market. Equal Opportunity Employer.

Please submit resume with cover letter and video reel to:

Human Resources Director

KLAS

P.O. Box 15047

Las Vegas, Nevada 89114

**MANAGEMENT CAREERS**

**GENERAL SALES MANAGER**

KSEE24, the NBC affiliate in the growing 54th market seeks a GSM who will provide dynamic leadership with a focus on local business development. California location near Yosemite offers great year round recreation. Candidate should have a minimum of 3 years prior sales management experience. KSEE is a sales friendly station that supports your success by investing in sales resources. No phone calls please. Send resume to Gay Gutierrez, HR Dept., KSEE, Inc., 5035 E. McKinley Avenue, Fresno, CA 93727. Final candidate will be required to undergo drug screening. EOE
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Editorials
COMMITTED TO THE FIRST AMENDMENT

AMBER saves lives

There are currently 43 AMBER Alert systems in operation—14 statewide, 4 regional and 25 local. There should be plans for many more so that the entire country is covered before the ink has dried on another editorial page.

The AMBER Alert, named after Amber Hagerman, the child abducted and murdered in Texas in 1996, is a partnership between law enforcement and broadcasters in which the Emergency Alert System is used to prompt radio and TV stations to broadcast descriptions of suspected kidnappers and their vehicles. The keys to the system are immediate and urgency. The more that passes, the less chance there is of recovery.

Southern California had only launched its program six days earlier when it proved instrumental in the recovery of two teenagers last week, almost certainly saving their lives (the sheriffs was convinced the kidnapper was preparing to kill his victims and bury the bodies in the desert). Broadcasters and law enforcement officers can be proud and the rest of us grateful.

According to an account of the capture in the L.A. Times, someone who had seen the alert provided the first sighting of the suspect’s white Bronco. A couple of hours later, “a flagman working on a highway construction site was listening to the radio and heard the AMBER alert. Moments later, he looked up and saw the Bronco pass by, a California Highway Patrol official said. He scraped the license number into a nearby patch of dirt and called CHP dispatch.” Another tip from an animal-control officer pinpointed the location and the kidnapper was caught and killed, his victims shaken but alive.

Anyone wishing information on starting an AMBER program should log on to www.missingkids.com (The National Center for Missing and Exploited Children), click on the AMBER Alert logo, then on AMBER alert kit.

I pledge allegiance...

Our first take on the Securities and Exchange Commission’s new CEO/COO pledge of fiscal allegiance was that it was overkill in the public hoops-and-hurdles department. But on second thought, we grew fonder of the measure, particularly if it produces even an eyelash-width’s more confidence in the companies that drive the financial markets.

Pledges started coming in to the SEC last week from 947 publicly traded companies, including some big media players, whose CEOs and CFOs must swear the numbers—10Ks, 10Qs and the like—are accurate, to the best of their knowledge, so help me Alan Greenspan.

That sworn statement means that when large companies collapse and take us poor 401(K) types with them, ignorance can provide no shield to those making the big bucks to run the show. That should go without saying, of course, but apparently it hasn’t. So now, for our sakes, they’ve got to say it. For their sakes, they had better mean it.

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