

Political Ad \$\$: Temporary Fix?  
TV's Changing Control Room

# CHANNELS

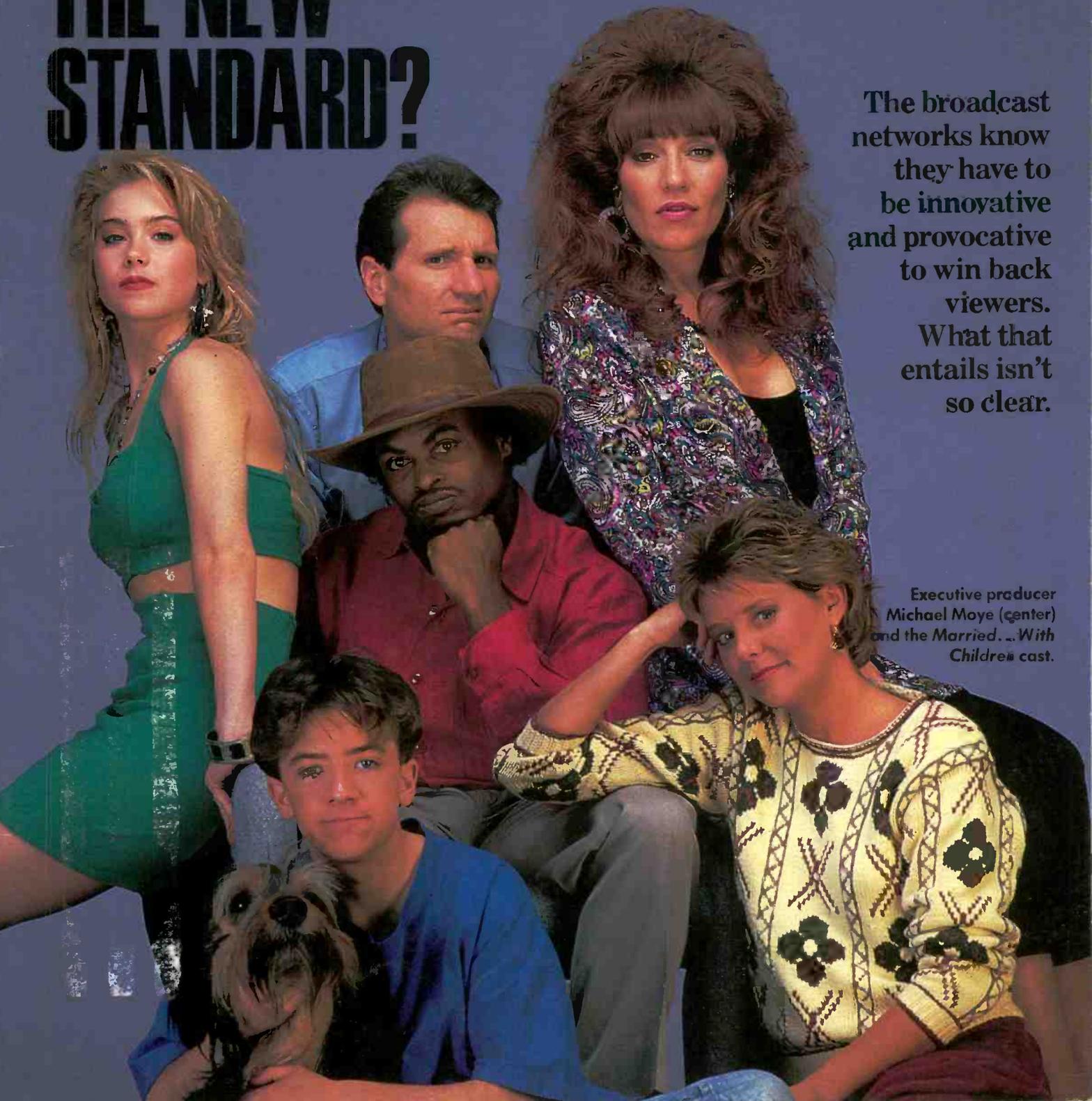
MAY 7, 1990

THE BUSINESS OF COMMUNICATIONS

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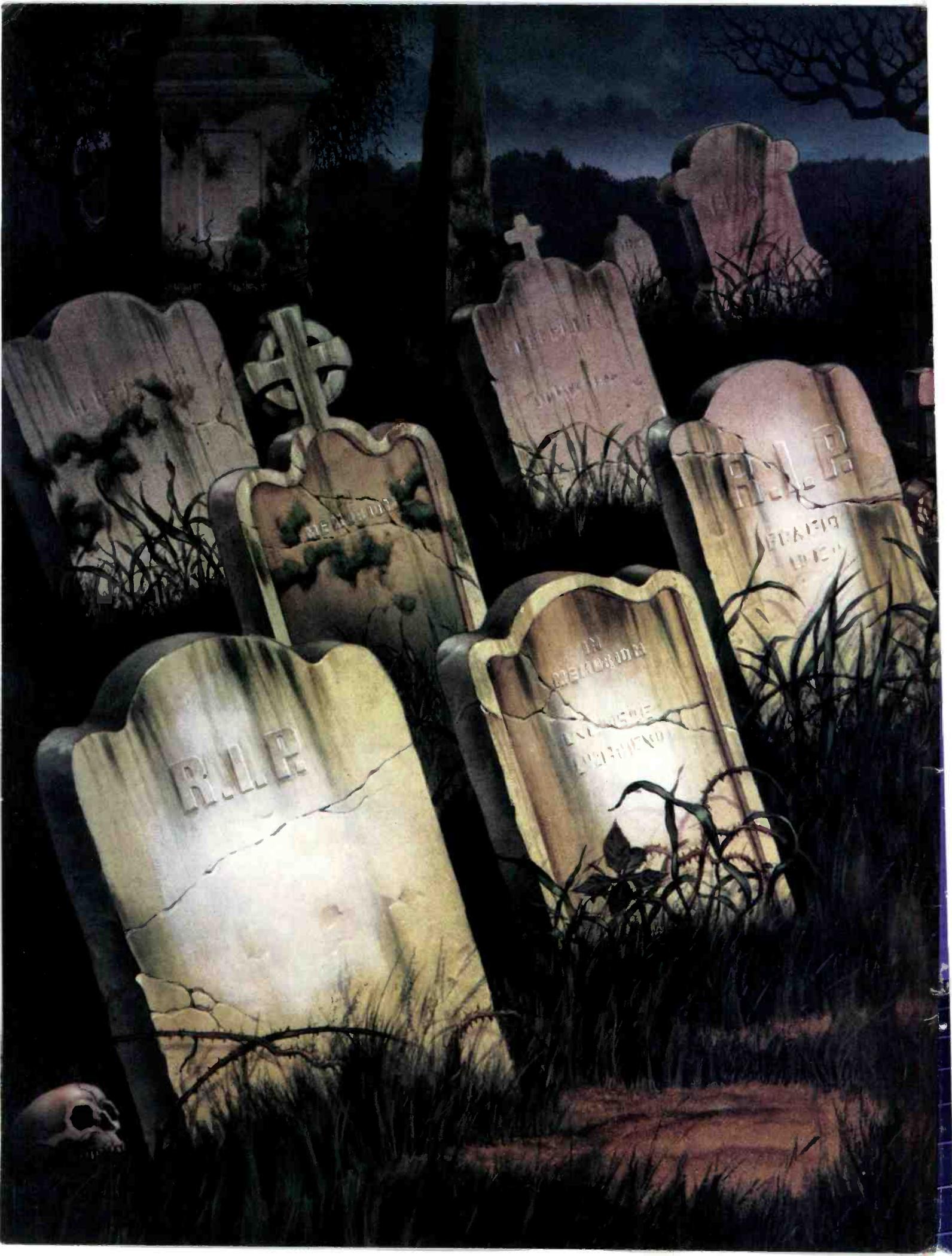
A Washington Debut  
.....CHANNELS.....  
New Twice-a-month Format

## THE NEW STANDARD?



The broadcast networks know they have to be innovative and provocative to win back viewers. What that entails isn't so clear.

Executive producer Michael Moya (center) and the *Married... With Children* cast.



Others may perish.

Two live on and on and on...



TALES FROM THE  
DARKSIDE

**Back for the '90-'91 season.** A lot of syndicated fright-fests have died off or withered away, but "Monsters" and "Tales from the Dark Side" are still out there haunting the airwaves. They've remained so popular, it's scary!

**We've lured more victims from the key late-night demo.** Among Adults 18-49, "Monsters" has achieved a time period improvement of 20% over a year ago; and "Tales from the Darkside" has followed suit with a time period improvement of 27%!

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# CHANNELS

THE BUSINESS OF COMMUNICATIONS

VOLUME 10, NUMBER 6

MAY 7, 1990

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**COVER STORY**

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COVER PHOTOGRAPH BY DAVID STRICK/ONYX



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AND  
ALREADY CLEARED  
IN 9 OF THE TOP  
10 MARKETS!

# Beauty and the Beast

Available September 1991



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LOS ANGELES  
213-306-4040

DALLAS  
817-267-0777

ATLANTA  
404-623-1507

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## CHANNELS

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### Serving the Birds

I was glad to see Andrew Servetas' article in the Field Guide regarding wireless cable ["License to Thrive"], especially since he contacted us for source material for his piece. However, I don't think that the story as published went far enough in representing a programmer's point of view.

Starion Entertainment Network is one of the largest satellite movie programmers geared exclusively to satellite technologies. We at Starion predict that within the next two to three years, the wireless cable industry will grow to reach 25 million homes in the U.S.; no previous form of television distribution has ever experienced the rate of growth that we will see with wireless cable.

As far as programming is concerned, we want to promulgate to both current and potential wireless cable operators who might be living in franchise cable's past that MMDS life does not end with HBO or Showtime, but can begin with programming services such as ours. We feel that Starion Premiere Cinema is a benchmark programming service that is in business now, and available to subscribers today.

Our parent company, Amway Corporation, has dedicated its financial strength to Starion and has enabled us to make multi-picture deals with the leading Hollywood studios. We have every intention of growing along with the wireless cable industry.

**George Schulman**  
*V.P., Marketing*  
*Starion Entertainment Network*  
*Santa Monica, Calif.*

### CritiKAKE

After reading Jack Loftus' report on the CritiKid Network [January, *Reports*], one questions both his objectivity and his understanding of the program. As a CritiKid station, KAKE-TV resents the statement that we're exploiting parental fear and "bombarding" children with coupons.

CritiKid is a child safety project that

encapsulates a comprehensive microfilm medical record into a durable shoe tag. Information from the tag can be accessed by a microfilm reader or an ordinary magnifying glass. The American Academy of Pediatrics reports more school-age children die from injuries suffered in accidents than from all diseases combined. Direct costs of hospital care alone for injured children and teens are estimated to be \$2 billion to \$3 billion annually. These are the facts, not a fear-induced sales pitch. We also know that of several hundred thousand children who will be taken to emergency rooms this year, many will have no identification and not be capable of telling emergency room staff who they are, what they are allergic to, how to reach their parents or if they're taking medication. The CritiKid shoe tags provide this information.

Mr. Loftus chooses to negate the benefits of CritiKid because local stations and CritiCard (the parent company of CritiKid) are making money from the product. Since when did selling something of value become evil? The coupon booklet supplied to CritiKid families is a minor element and not a major revenue source. Discounts on meals or reduced admission to local amusements are tangible benefits for CritiKid families.

It appears *Channels* approached the CritiKid story with a preconceived notion, then sought out a misinformed Peggy Charren from Action for Children's Television to justify its position. This is not responsible journalism and is unfair to those who've invested their time and money in this unique child safety program.

**Mark Chamberlin**  
*Marketing Director, KAKE-TV*  
*Wichita, Kan.*

### No Time At All

I found your January issue on the "Network of the '90s" [*In Focus*] an interesting one.

Within the entertainment industry, I feel strongly that I have identified its most driving force in the decline of leisure time. It seems like yesterday (actually the '60s and '70s) when the big lie of our time—"that you CAN have it

all," was being sold on every street corner. Well, at last, as we enter the '90s, that is generally regarded as the biggest con-job since the pre-Copernican view of the universe. Like it or not, we are living in an era of time famine and it poses a unique question for the entertainment industry.

By the early part of the 1990s, time may well be the most precious commodity of all. Due overwhelmingly to the number of households with both spouses working, the pressure of getting both personal and work tasks done has increased dramatically.

For the entertainment industry, which looks to find audiences who will make leisure time available to attend performances, the competition of time becomes a critical issue.

Ready or not, the increased business of Americans seems to pose a staggering challenge to the entertainment industry in the 1990s. Fortunately, through depression and war, Hollywood has shown enormous creativity in responding to sociological change.

**Michael Levine**  
Los Angeles, Calif.

### How To Start A Brokerage

Your story in *Channels* on "The Trials of RKO" [January] reminds me of an incident in the dim, dark past. Briefly, here it is.

Back in 1950-51, I was part of a company called Transit Radio, [which broadcast] FM programs in public transit such as buses, etc. Tom O'Neil was relaxing on a leather couch while I was also comfortable with my feet over the arms of a nice, big leather chair. Tom was on the telephone and I was looking over a current issue of *Broadcasting* magazine.

I mentioned to Tom that possibly my current career did not look too bright and perhaps I should become a station broker. Tom's answer was, "Good idea, Crick. We might as well sell WICC in Bridgeport for \$200,000." He pressed a buzzer and asked a young lady for the latest statement, which was handed to me. The station was part of the Yankee Network that the O'Neils had just purchased and it was a loser. A few minutes later he called the young lady again and told her to bring a list of people who called up wanting to buy the station and I was also handed this document.

Within about three days I had sold the station and within two weeks I had a check for \$10,000. It didn't occur to either one of us that FCC approval was anything but routine.

About six months later I had chanced upon WHBC-TV in Memphis, owned by

Harding College. Tom heard about this, called me and we negotiated a lease/purchase sale for \$1.5 million.

The foregoing represented the start of a new career for me and of course I have been forever grateful to Tom and the O'Neil family. RKO was a continual customer for a number of years.

**R.C. Crisler**  
President, R.C. Crisler & Co.  
Cincinnati, Ohio

The April 9 cover photograph of Stephen Cannell should have been credited to Aaron Rapoport. *Channels* regrets the omission.

*Channels welcomes readers' comments. Address letters to the editor to Channels, 401 Park Avenue South, New York, N.Y. 10016. Letters may be edited for purposes of clarity or space.*

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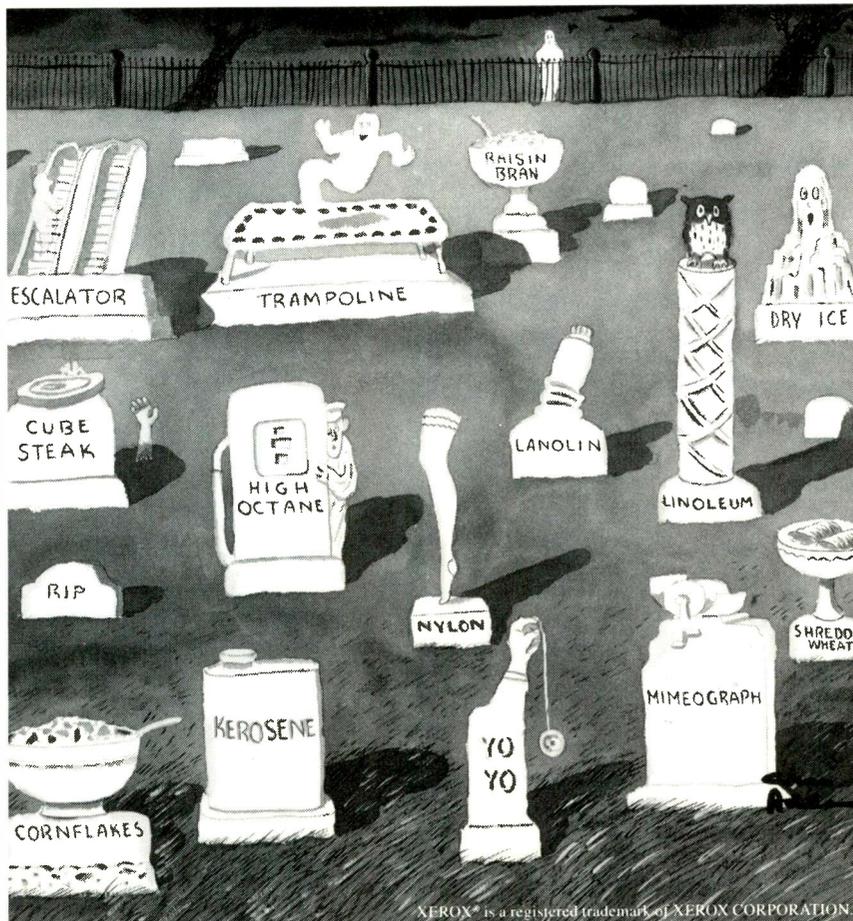
They were once proud trademarks, now they're just names. They failed to take precautions that would have helped them have a long and prosperous life.

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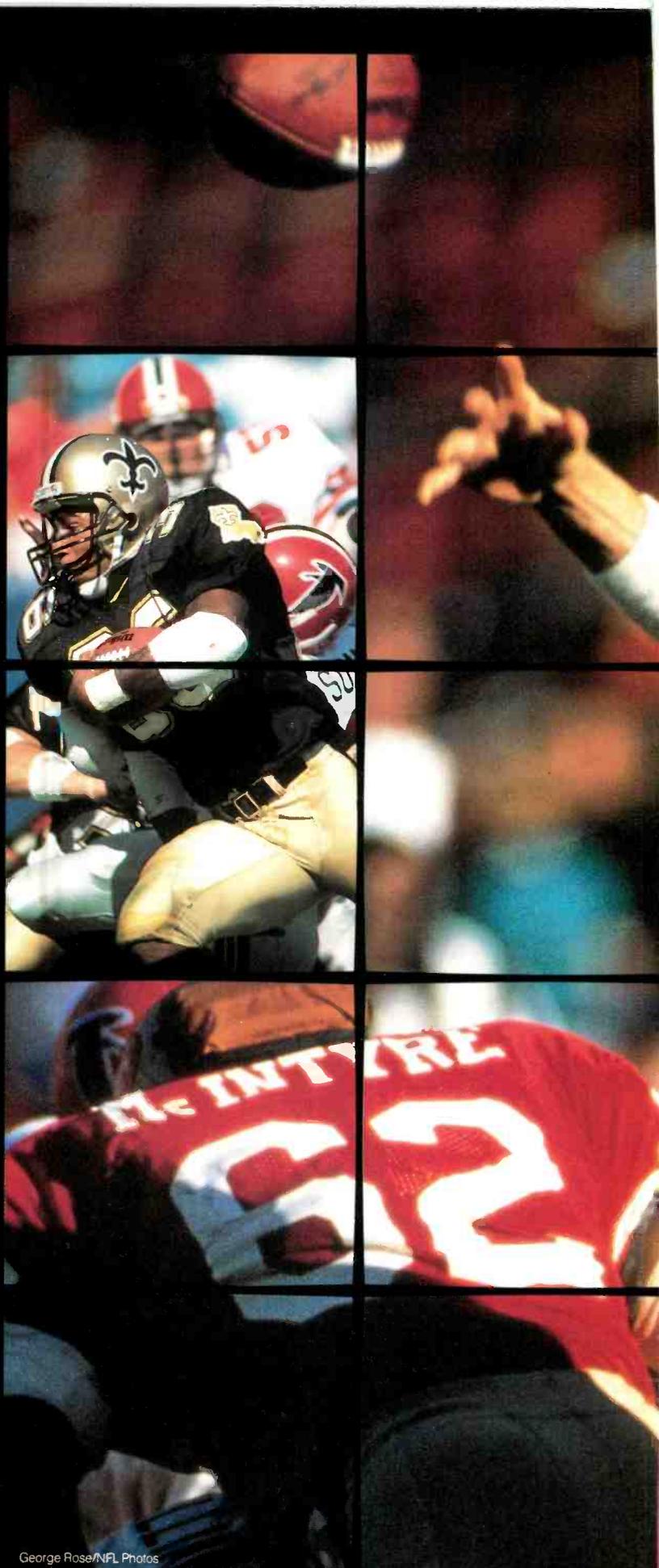
But the excitement doesn't end with the season. The NFL on TNT plays right into the opening of the popular NBA season. For the next four years, TNT offers cable affiliates the power of sports' two most successful audience attractions—the NFL and the NBA.

TNT has earned a reputation for bringing your subscribers major stars in exclusive prime-time entertainment. Now, get ready for some smash hits of a different variety. The NFL kicks-off on TNT August 19th.



For details on becoming a TNT affiliate, call your Turner Cable Network Sales representative in Atlanta at 404-827-2250 or in San Francisco at 415-495-0170.

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George Rose/NFL Photos

B U I L D I N G



Scott Cunningham/NFL Photos

C A B L E ' S   S H O W   C A S E

## When TV Enlists In The War on Drugs

The cost may be a loss of objectivity.

Stations across the country are declaring a cease-fire with their local competitors long enough to join forces for the so-called "War on Drugs." The resulting cooperative programming, usually aired the same night on every channel in a market or even throughout the state, unquestionably snares viewers and helps raise awareness. But some broadcasters and outside observers are wondering whether these blockbuster efforts require broadcasters to sacrifice their journalistic objectivity.

When six Dallas/Fort Worth television stations banded together in January to air a two-hour prime-time special called *Texas Crackdown*, the effort scored a combined 49.9 Nielsen rating. A month and a half later in Ohio, 26 of the state's 38 broadcast TV stations preempted prime-time programming to present live, locally produced programming about substance abuse. Cable operators in Columbus and other cities also cleared their channels for the programs.

"Nothing like this has ever been done before," says Dale Bring, executive v.p. of the Ohio Association of Broadcasters. "Stations that usually compete fiercely are cooperating on something they believe is in the public interest. They are giving up the revenue they could earn in prime time and donating production staffs and on-air talent to put these programs together."

Those involved in the saturation-programming efforts insist it is time for dramatic action. Says Gary Robinson, g.m. of WCMH-TV, the NBC affiliate in Columbus, "This drug problem affects every element in the community. We have a responsibility to do whatever

we can to help raise consciousness about it."

That definition of responsibility is what troubles some, however. In Dallas, journalism professors and media critics wondered publicly whether using news anchors to present advocacy programming did not

compromise journalistic detachment. Before they aired, the Ohio presentations faced similar criticism.

"You have to wonder whether reporters and anchors can look for other sides in drug-related stories when they are involved in something like this that takes one particular point of view," says David W. Richter of the Ohio State University journalism faculty. "There has been a lot of criticism that the drug war is not being covered adequately and fairly because the reporters have all chosen sides."

Wendell Harris, news director at CBS affiliate KBFW in

Dallas, acknowledges he had some concerns about *Crackdown* (which was put together without local-news reporting staff but used local anchors as on-air talent). To ensure other viewpoints would be heard, he ran additional drug segments in the station's regular 10 P.M. newscasts that week. He cites, for instance, the debate over legalizing certain drugs, which received no attention in *Texas Crackdown*.

But the Ohio Association of Broadcasters' Dale Bring says "the ethics question did not come up" among his stations or in the community. "We did get some calls from people concerned that *Doogie Howser* was not on that night," Bring says.

Whatever the ethical questions, more such cooperative programs are on the way. TV stations and civic organizations from nearly every large city in the U.S. have called the Texas organizers for advice on how to produce programs of their own.

"I think we need to do a lot more of this kind of thing," adds Karen Malone Smith of WKYC-TV, the NBC O&O in Cleveland. "Ohio stations may get together to address other issues, such as the environment, before the year is out."

DENNIS HOLDER



The set for *Texas Crackdown*, featuring the Dallas affiliates' anchors.

## And Now, the Mouth Of the Midwest?

St. Paul is awake for Hubbard's latest.

Is Stanley E. Hubbard II becoming the Ted Turner of the Twin Cities? This past March, Hubbard gave the nod to a plan by his new general manager, Harold Crump, for Hubbard Broadcasting's St. Paul television station, KSTP, to launch a Sunday through Thursday, 1:00 A.M. to 7 A.M. news block. *Eyewitness News All-Night* joins KSTP's existing regularly scheduled half-hour newscasts at 11:30 A.M., 5 P.M., 6 P.M. and 10 P.M. Still more time periods will be added, says

Mendes Napoli, KSTP's v.p. of news: "This is just the begin-

ning of positioning ourselves as an all-news source for all of Minnesota."

KSTP isn't the only station in the country bidding for audiences with extended newscasts. Sacramento station KCRA, owned by Kelly Broadcasting, and Disney's KCAL in Los Angeles have made their own stabs recently. But for Hubbard,



Weather anchor Cliff Michaelsen during KSTP's six-hour nightly marathon *Eyewitness News All-Night*.

it's part of a much larger plan. Consider his other news ventures: He already owns the Conus cooperative for sharing news reports among stations nationwide, which he used last November to launch his 24-hour cable news service, the All News Channel. ANC, in turn, is an integral part of KSTP's *Eye-witness News All-Night*.

The plan is to become Minnesota's primary supplier of local news to cable systems. Moreover, Hubbard owns a DBS license. Eventually, contends Napoli, "We'll be feeding the whole country with DBS just like the [proposed] NBC-Murdoch system."

The move isn't without its risks. To make room for *All-*

*Night*, Crump took the big gamble of writing off the value of KSTP's syndicated movies previously purchased to run in the early morning hours. And after the first two weeks, *All-Night* wasn't performing any better in the ratings than the movies, scoring mostly 1 and 2 ratings. But, says Napoli, "This is not really for ratings. We did it to

position ourselves as an all-news station." The effort shows some promise, says Brian Lambert, television columnist for the *St. Paul Pioneer Press*: "I like it more than I like their regular news show. [During *All-Night*] they skip away a lot from the grinning anchor people and the canned informality. It's a lot more like CNN." NEAL KOCH

## Fresh Faces In The Rep Business

New perspectives rise to the top.

The television rep business—hardly an oasis of calm in recent years—is about to experience more dramatic changes.

Industry officials expect an influx of new blood to take the helm at several companies, as an old guard moves into retirement and the rep business continues to consolidate.

With the added impetus of an all-but-stagnant spot market, these new leaders are spurring firms to experiment in new revenue streams. The introduction of dual representation in TV markets is anticipated, as is the representation of cable outlets. Reps are likely to expand their involvement in regional unwired networks and international channels as well.

"There's a whole new breed of executives out there," says Seltel executive vice president and chief operating officer Ray Johns. "They're still in their forties and haven't stashed away millions of dollars. And our job is to make sure rep companies have new dynamics so we're here for the next 30 years. . . . The companies that don't change will be left in the dust."

Dust is already settling on national spot revenue. Stymied by such newly aggressive competitors as cable, spot posted a 2.3 percent annual growth rate last year, according to the Television Bureau of Advertising. Making matters worse, reps have bid down their station commission rates in

recent years, and they continue to battle with agencies over spot pricing.

It's troubles like these that are causing some observers to predict the double whammy of management and ownership changes throughout the industry.

Among those under watch as they edge toward retirement age are John J. Walters Jr., Harrington, Righter &

Masini could prompt a further restructuring.

Some executives anticipate that Petry, MMT Sales or HRP may be sold and swallowed, paring the number of major rep firms from about seven at present to three or four mega-companies. The buyers—probably other rep firms—are likely to keep rep-firm purchases running as separate subsidiaries, allowing the parent company to represent more than one station in a market.

Among those looking to gobble some of the competition is Katz Television Group, which is undergoing a management buyout and recapitalization that will give it the necessary

talization plans into the rep business, there's nothing wrong with that."

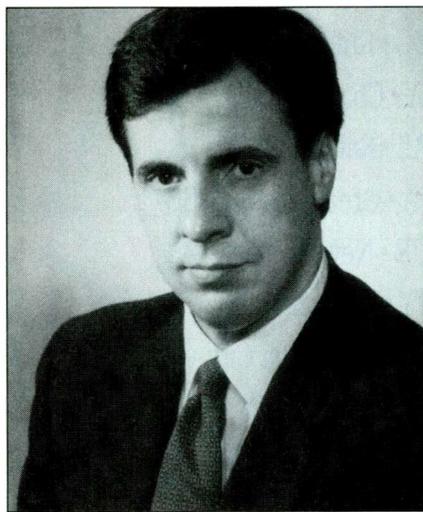
The trend has already begun at such rep firms as Blair Television, which was purchased in 1987 by an investment group headed by former CBS Broadcast Group senior executive vice president Jim Rosenfield.

While repping stations is still Blair's main focus, some new sources of revenue are being tapped. Blair TV president Tim McAuliff says the company has commissioned Jefferson Pilot Retail Services to sell merchandise suppliers on the idea of linking with local vendors across the country to advertise on Blair-represented stations.

Another company under new ownership, Seltel, is continuing its international expansion under the leadership of Ray Johns and recently appointed president and chief executive Donald Robinson. In addition to selling ad time for Canada's CBC and Britain's Super Channel, Seltel expects to represent outlets in Latin America in the near future.

Even Group W TV Sales, which only reps its five owned-and-operated stations, has looked beyond straight spot with its two-year-old Premiere Announcement Network, an alliance with stations covering 70 percent of the nation that sells advertising time in local news programming.

For one rep firm with an old guard at the top, however, there isn't any reason to experiment with new revenue streams. "Some companies are operating under more difficult circumstances than others," says Harry Stecker, executive vice president of Petry. "For those of us that are growing, it's still a pretty darned good business." JANET STILSON

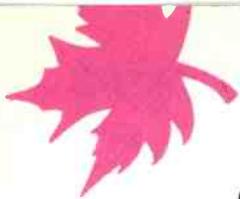


Seltel executive v.p. and COO Ray Johns: part of the new breed.

Parsons' president; David Allen, president of Petry Television, and Al Masini, president and general manager of TeleRep Inc.

TeleRep, which both distributes programs and reps stations, is owned by Cox Enterprises. While Steve Herson was recently promoted to president and general manager of the rep division, sources say the loss of

purchasing power. "We've had conversations with Meredith Broadcasting for MMT . . . and I'm convinced Petry is for sale," says Katz TV Group president Peter Goulazian. "I don't know what HRP is doing. But these companies all have mature management that is likely to retire soon. If it brings dynamic new ownership or well-funded recapitalization



# SEE YOU IN .

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KCAL • Los Angeles, CA  
WFLD • Chicago, IL  
WTXF • Philadelphia, PA  
KGO • San Francisco, CA  
WJLA • Washington, DC  
WDIV • Detroit, MI  
WFAA • Dallas, TX  
KHTV • Houston, TX  
WSB • Atlanta, GA  
WTSP • Tampa, FL

WCCO • Minneapolis, MN  
KIRO • Seattle, WA  
WPLG • Miami, FL  
KDKA • Pittsburgh, PA  
KSDK • St. Louis, MO  
KPNX • Phoenix, AZ  
KQVR • Sacramento, CA  
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WFSB • Hartford-New Haven, CT  
WFTV • Orlando, FL  
WRTV • Indianapolis, IN  
KATU • Portland, OR  
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KMBC • Kansas City, MO  
WJZY • Charlotte, NC  
WRAL • Raleigh, NC  
WSPA • Greenville-S-A, SC  
WVUE • New Orleans, LA  
WPTY • Memphis, TN  
KOCO • Oklahoma City, OK  
WTKR • Norfolk, VA  
WJAR • Providence, RI  
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WJXT • Jacksonville, FL  
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KADN • Lafayette, LA  
WXTX • Columbus, GA  
KPOM • Fort Smith, AR  
WTLH • Tallahassee, FL  
WMAZ • Macon, GA  
WPDE • Florence, SC  
KLTU • Tyler, TX  
WLBZ • Bangor, ME  
KIMO • Anchorage, AK

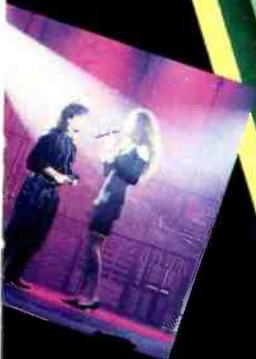


Hosted by Natalie Cole



# SEPTEMBER

# RAP BREAK



 MULTIMEDIA  
ENTERTAINMENT

# Goober Says 'Hey'

BY RICHARD KATZ

**MAY 1-31:** Not only has the demise of communism in Eastern Europe provided **The Travel Channel** with some wonderful subscriber promotions—viewers of the network's **German Travel News** had the chance to win pieces of the Berlin Wall earlier this year—but the cable channel is now using **glasnost** to motivate marketers at its 521 system affiliates. All this month, cable system marketing directors around the country are fighting to outdo each other in The Travel Channel's "Moscow Sweepstakes." In addition to the five subscribers who win three-week trips to the Soviet Union, the five cable marketers who plug the giveaway most effectively also win the trip. The Travel Channel, owned by **Trans World Airlines**, has 14.1 million subscribers.

**MAY 23:** Reply comments are due to the **FCC** today regarding modification of the rules governing the **wireless cable industry**. "The commission has been searching for ways to create competition for cable [besides] reregulating," says **Robert Schmidt**, president of the **Wireless Cable Association**, "and we became the obvious present option for them because we are a multichannel service." Schmidt contends that the two big-money direct-broadcast television services recently announced—**K-Prime**, a joint venture of **American Communications** and a group of nine MSOs, and **Sky Cable**, a project of **Hughes Communications, News Corp.**, **NBC** and **Cablevision Systems**—are designed to supplement cable and not compete against it. To create competition, he says the FCC will have to make its microwave rules, including the complicated red tape involved in applying for an unwired license, more user-friendly to encourage entrepreneurs. "If you went to the commission to file for a wireless license, it's like sending you out for a left-handed catcher's mitt," says Schmidt. "You'll be looking for a long time before you figure out there is no such animal."

**MAY 31:** It's the deadline for high school drama departments to send videotapes of their productions to **Bravo's** National High School Theater Competition. Bravo staffers will sort through the hundreds of tapes this summer and in September announce several winning schools. Each will win \$2,500 grants for their drama departments and get parts of their plays aired on the cable network. Bravo is also getting system affiliates in on the action by notifying them when a school in their franchise area has entered. Local system personnel will present the award checks to the winners and commemorative plaques to all other entrants.

**JUNE 1:** That elder statesman of wholesome TV entertainment, **Andy Griffith**, turns 64 today. Griffith is still a hot property—**Matlock** currently airs on **NBC**, and his classic **The Andy Griffith Show**, which ran on **CBS** from 1960-68, keeps earning lots of good ole greenbacks for distributor **Viacom** and the 87 stations that run it. In many markets, especially in the Southeast, the show wins its time slot, sometimes against stiff competition. For example, **WDBJ-TV (Schurz Communications)**, the CBS affiliate in Roanoke/Lynchburg, Va., snared a 15 rating/35 share with **Griffith** in the Nielsen books last November, topping **Geraldo** in the process. At **WSOC-TV (Cox Enterprises)**, the **ABC** affil in Charlotte, N.C., **Griffith** defeated **Wheel of Fortune** (daytime version), **The People's Court** and **The Facts of Life** with a 14/33. And at superstation **TBS**, the show ranked #1 in January among its regular programming, garnering a 3.8/6.8. **Jim Clark**, "presiding goober" of the 20,000-member **Andy Griffith Show Rerun Watchers Club**, says the show currently being syndicated is really the edited version which ran as daytime reruns in the '60s. Clark encourages his members to complain politely to their local stations and Viacom to get the complete episodes back.

## MAY CALENDAR

**May 10-11:** C-SPAN "Capitol Experience" seminar for cable operators. C-SPAN Headquarters, Washington, D.C. Contact: Peter Kiley, (202) 737-3220.

**May 15:** International Radio and Television Society annual meeting and Broadcaster of the Year luncheon. Waldorf-Astoria Hotel, New York. Contact: Marilyn Ellis, (212) 867-6650.

**May 19-23:** National Instructional Television Utilization conference sponsored by the Southern Educational Communications Association. Kansas City Marriott Plaza, Kansas City, Mo. Contact: Debbie King, (803) 799-5517.

**May 20-23:** National Cable Television Association National Show. Georgia World Congress Center, Atlanta. Contact: Kelly McGowan, (202) 775-3669.

**May 25:** Deadline for entries for syndicated programs in Primetime Emmy Awards, sponsored by Academy of Television Arts and Sciences. Contact: Todd Binkley, (818) 953-7575.

**June 2-4:** Seventh annual ShowBiz Expo, produced by Live Time Inc. Los Angeles Convention Center, Los Angeles. Contact: Nancy Keiter, (213) 668-1811.

**June 3-9:** Banff Television Festival, international television conference and co-production marketplace. Banff Park Lodge, Banff, Alberta, Canada. Contact: Katie Daniel, (403) 762-3060.

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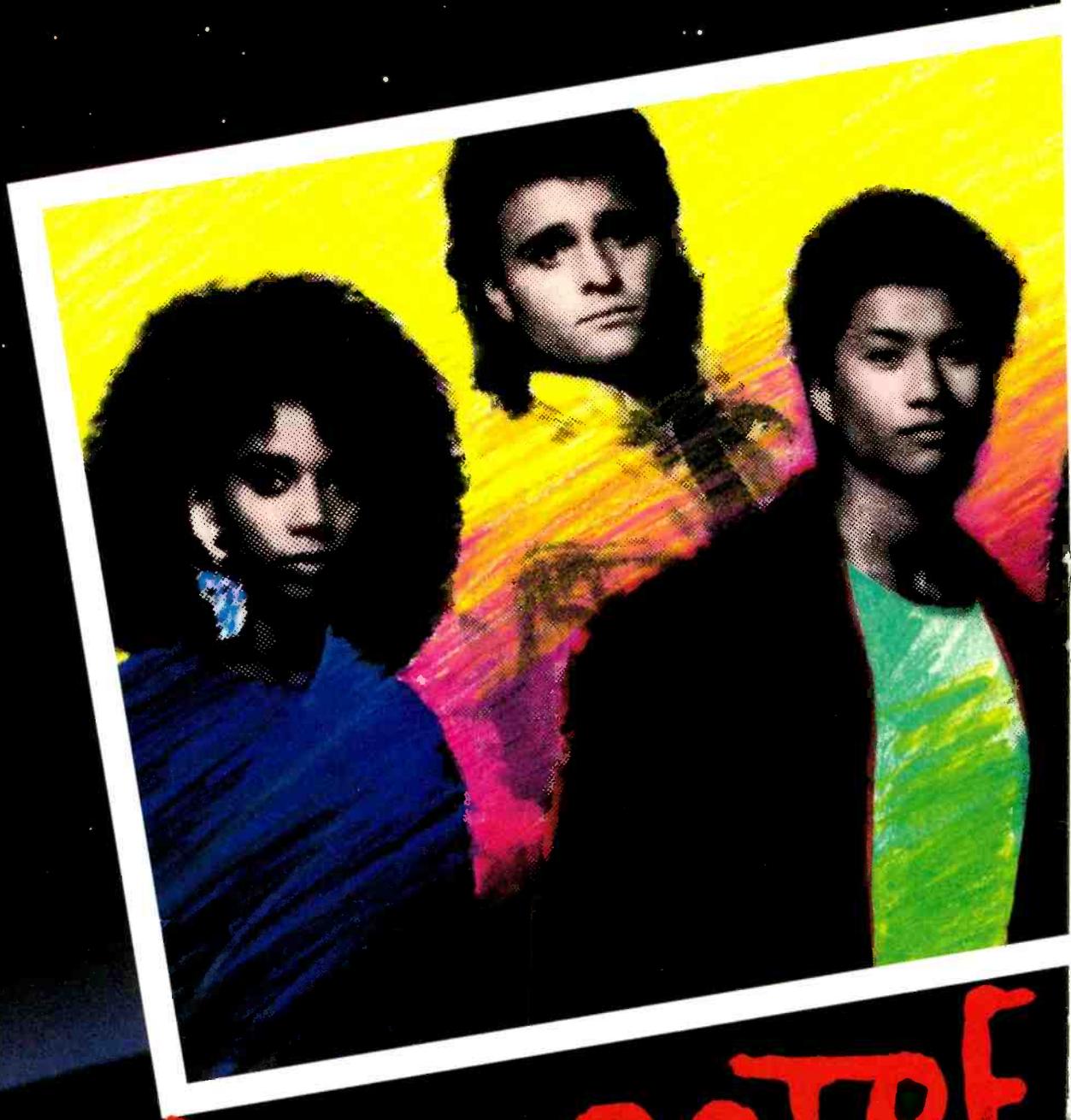
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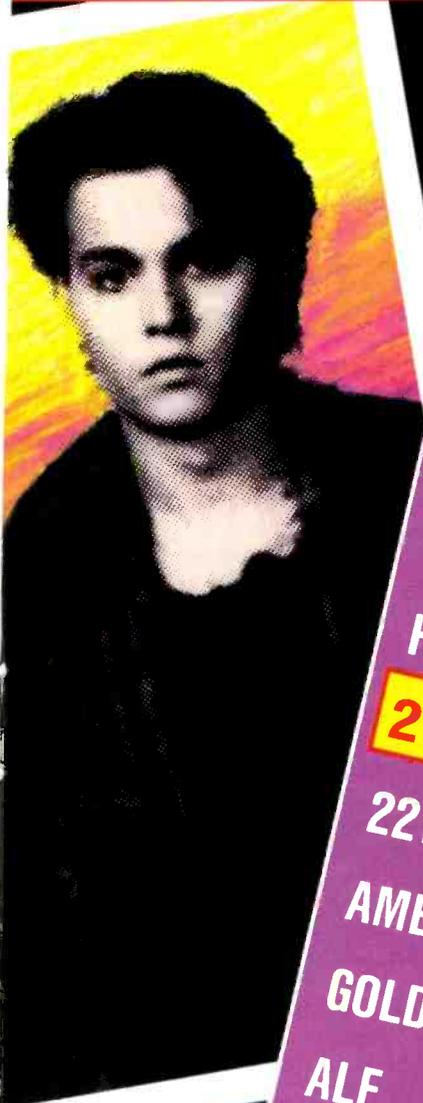
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# Fresno Abuzz With PPV

**To promote PPV, Continental Cablevision convinced the Fresno Bee to rewrite its Sunday TV section.**

**BY RICHARD KATZ**

**M**arcia Malys, district marketing manager for Continental Cablevision in Fresno, Calif., shared the same frustration of most pay-per-view marketers: How can subscribers be expected to purchase pay-per-view programs on a regular basis if the local newspaper won't even carry the listings in its TV supplement?

So Malys went to the *Fresno Bee* with a proposal: revamp the Sunday TV guide to provide 24-hour grids of Continental's cable schedule, including PPV, and a separate page devoted to PPV movies and events. The *Bee* eventually agreed, and when the new guide premiered December 31, Continental's buy rates shot up from a monthly average of 13 percent, not bad for a customer service representative (CSR) system, to 17.8 for January. But getting in the paper wasn't easy.

"It was a long hard struggle to get in," says Malys, whose system carries Viewer's Choice I & II. "I explained to them we were looking for a publication we could endorse as having all of the Continental Cablevision listings, a one-stop guide." Negotiations went on for six months. After one particularly dismal meeting with the paper—editorial was not convinced the cost of expanding and altering the guide was worth the investment—Malys figured the deal was off and began contacting cable guide publishers about creating an alternative guide. At this point the *Bee's* circulation director, Virgil Smith, who was in favor of Malys' plan, convinced editorial that a new guide would increase the paper's circulation figures.

Also no doubt influencing the *Bee's* decision was its fear of losing Continental as a client. "I pointed out to them,"

says Malys, "that there was a lot at risk as far as the amount of advertising we had been doing with them." Continental did ultimately increase its advertising commitment to the *Bee* for 1990 15 percent over '89.

Smith says the paper's Sunday circulation increased 3.8 percent this January and February over last year. Sunday-only circulation grew 8.9 percent. He attributes the increase to the new guide, which was jointly promoted by full page house ads in the *Bee* and heavy on-air promotion on ten of Continental's cable channels. Continental,

**When the new *Bee* guide premiered December 31, Continental's buy rates shot up from a monthly average of 12 to 13 percent to 17.8 in January.**

whose 87,500 subs are 90 percent addressable, eliminated its own basic cable guide, saving the system \$70,000 annually, and touted the *Bee's* supplement as the system's official guide. "We have somewhat of an exclusive agreement with Continental," says Smith. "If you don't subscribe to the *Bee*, you don't get a TV book mailed to you." (Continental does distribute a separate guide to premium subs listing only pay and PPV offerings.)

Getting PPV listed in the *Fresno* paper was the culmination of phase one of Malys' PPV marketing plan—edu-

cate the public. "I don't think there's anyone here who doesn't know what pay-per-view is," she says, a claim supported by the results of a recent focus group study conducted by Viewer's Choice in Fresno. The focus group of non-users had almost as much knowledge of PPV as the group of users, indicating that Continental, which launched Viewer's Choice I in December '88, had done an effective and quick job of getting the PPV word out.

Malys credits her 24-hour barker channel, which is heavy on movie clips beamed in via satellite by Viewer's Choice and edited into new configurations daily by a Continental staffer, for much of her success. When Continental recently added a barker channel to its 20,000-sub system in Tulare, just south of Fresno, buy rates jumped from a comatose 1 percent to 8 and 9 percent. Continental ups the odds that subs will find the promo channel by giving each sub a free remote control. "As they're flipping through the channels," says Malys, "they're going to land on that barker sooner or later."

Although Malys does buy newspaper ads to plug big-name PPV movies and events, the 25 percent of the promotion budget devoted to PPV has to be stretched a long way. To promote a Doobie Brothers concert, Malys gave local radio station KKDJ-FM Doobie posters and CDs, courtesy of Viewer's Choice; the station promoted the PPV concert while giving the stuff away. When KYNO-AM-FM heard Continental had the March 15 New Kids on the Block PPV concert, it not only requested merchandise for on-air contests but also ordered a few New Kids' concerts to give away. To promote wrestling events, Malys works spot trades on local indie KAIL-TV's Saturday afternoon wrestling. Whenever a spot runs, her phones get "extremely busy."

Continental's addition of audio response unit (ARU) technology in February has it poised for even greater PPV growth. But now that Malys has cleared the first PPV hurdle of educating her subs, the second hurdle is in sight: how to interest the subs who know about PPV but never consider ordering. "Of the people who have access to PPV, only 20 to 30 percent are users or triers," says Hilda Chazanovitz, Viewer's Choice's vice president of marketing and head of its focus group research. "The best way to expand the business is to grow the base of users. You can't just do that with product promotion. You need to understand what it is you need to say to a 'never' that will get him to consider pay-per-view." ●

# Berating The Raters

**Jesse Jackson's is just one of the voices questioning Nielsen about black viewership.**

**BY MICHAEL COUZENS**

**H**e may have spoken half in jest, but he made his point. Nielsen Media Research is still feeling the effects of Jesse Jackson's suggestion that blacks are not accurately represented in people-meter sampling. TV program buyers and sellers continue to pressure the ratings firm to prove the accuracy of its measurement of minority viewing and make the resulting data more usable.

Participating in a National Association of Television Program Executives panel, the two-time Presidential candidate and host of the upcoming syndicated series *Voices of America* expressed the belief that people-meter boxes are not to be found in many parts of the inner city. "In densely populated areas, with high-rise projects, police will not go in and teachers and doctors will not go in. So there's an assumption Nielsen will not go where fools fear to tread," he said.

Panelists and audience members returned repeatedly to the question of where Nielsen finds its black sample, and finally Jackson wondered out loud whether Nielsen was willing to enter into a dialogue beyond the session to determine if an accurate count of black viewers could be proved or disproved.

"The comments certainly ruffled a few feathers," says Eric Easter, press secretary for Jackson and for the National Rainbow Coalition. Program buyers and sellers "all had some complaint or another with how Nielsen reports the viewing of programs that interest African-American families."

Nielsen responded quickly, scheduling a series of client meetings, explaining procedures and analyzing possible

undercount sources for local meters and diaries as well as the people-meter sample. The sessions culminated with the announcement of changes in Nielsen's headquarters operations and refinements in field practices.

Despite all the attention, however, almost nothing has emerged to support claims of a black undercount. For example, Jackson speculated that Nielsen was reluctant to place meters in such inner-city housing projects as "Robert Taylor homes in Chicago—51,000 people living in ten blocks." But Tom Doolley, director of research for CBS's owned-and-operated Chicago outlet WBBM-TV, has had similar discussions



Presidential hopeful, talk show host, ratings critic.

with Nielsen and The Arbitron Company, and was told that both ratings services go into Robert Taylor homes if that location turns up in the design of a random sample.

Barry Cook, a former NBC research vice president, similarly discounts any demographic skew in sample construction. "Nielsen does not have a problem with geographic or demographic variables. They know what the census data are; they know how the sample should look, and they always check one against the other. When there's a discrepancy, they get on it." Cook ought to know, as one-time chairman of the Committee on Nationwide Television Audience Measurement, a group that completed a million-dollar study of the national people meter last year.

But industry concerns go beyond accuracy. "In our meetings since [NATPE], Nielsen has been very cooperative," says Bob Cambridge, manager of special projects for Tribune Entertainment Co., and a fellow NATPE panelist with Jackson. "But as accuracy becomes more of a given, we want to keep the pressure on. The issue is how the data gets presented, how usable it is."

The proportion of Nielsen's sample that is black isn't in question. (As of last November, it was 11 percent, which compares with an 11.3 percent estimate derived from U.S. Census Bureau data.) But Cambridge says reports on black audiences often are "special studies," or aren't easy to combine with other ethnic groups to devise comprehensive media plans. "The black and Hispanic audience should not be an afterthought. We've got to keep this on the front burner."

The front-burner issues should also include another concern raised by Jackson's panel: whether the field force of meter installers, hired for their technical expertise, also need to be recruited for their ethnic-community entree or their appropriate diversity of ethnic background.

Jackson's critique, and Nielsen's flow of responses, highlight how the company's role has changed. "One thing they've fallen into," says Cook, "is mediating the interests of clients instead of taking a leadership position themselves." Rather than reacting to such minority criticism as it occurs, Cook says, the company needs to validate their findings and methodologies more fully on an ongoing basis. "They should be a research company first and foremost," he says. "But they see themselves as a measurement company." ●



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# Senate First At the Wire

**When it comes to cable, the House isn't calling the shots on the Hill these days.**

**BY PENNY PAGANO**

The long awaited delivery of a new cable bill in the Senate Commerce Committee carried with it all of the anxiety of an overdue baby. For House members like Rep. John Dingell (D-Mich.), the powerful chairman of the Energy and Commerce Committee, the discomfort resulted from the fact that it was the Senate that was first to exploit the populist appeal of cable legislation.

As the bill countdown slipped into spring, phone calls increased geometrically, as did lobbyist's lunches, corporate meetings, and memos speculating on the contents of the draft bill and the plans of committee chairman Sen. Ernest Hollings (D-S.C.), ranking Republican Sen. John Danforth (R-Mo.) and communications subcommittee chairman Sen. Daniel Inouye (D-Hawaii).

While Rep. Edward Markey (D-Mass.), who chairs the House telecommunications subcommittee, called for cable legislation and launched a new round of hearings in late February, even he couldn't shift attention from the Senate. Whispered throughout Markey's first hearing on cable was one question: "What have you heard about the Senate bill?"

As one seasoned Hill watcher observed, the Senate remembered before the House the old political adage that "all politics are local politics." The Senate was simply faster to respond to the mounting complaints from constituents and local officials that the 1984 Cable Act wasn't exactly working like they thought it would.

Now, when the Senate talks about communications issues, a lot of people listen. It's too soon to tell whether the increased momentum in the Senate com-

mittee means the upper body of Congress will begin to set the telecommunications agenda on Capitol Hill. But clearly, the Senate Commerce Committee has seized the initiative—certainly the spotlight—on how Congress will address mounting concerns about cable.

How did the Senate snare the lead on cable legislation from the House? And why was Dingell, for all practical pur-



poses the gatekeeper on major telecommunications legislation, slow on the uptake regarding cable?

Like most things that happen in Washington, it wasn't a simple decision by one person that thrust the Senate into the cable regulation limelight, but rather a "critical mass" of events. A few of the contributing elements:

- Sen. Danforth, ranking member of the Senate Commerce Committee, who introduced a cable bill in November, was responding to a number of problems in his state ranging from sports siphoning to complaints from small cable operators about volume discounts for programming. Inouye, a friend to cable in the past, and others also began hearing more complaints from constituents about rates and service.

- Hearings last June by Sen. Howard Metzenbaum (D-Ohio), who chairs the Judiciary Committee's antitrust subcommittee, may have spurred the Commerce Committee to action.

- Added recognition by senators of the increasingly aggressive political involvement of major new players, from telephone companies to movie studios, which have deep pockets for political contributions.

- The continuing effort of committee members like Sen. Al Gore (D-Tenn.) to keep the panel focused on cable-related matters.

- Markedly improved relations between Congress and the Federal Communications Commission and a close relationship between FCC chairman Alfred Sikes and Sen. Danforth, who helped Sikes get his FCC post and previous job as head of the National Telecommunications and Information Administration.

The House contributed to the Senate's cable efforts by concentrating its energies elsewhere. That's not to say that cable was a non-issue for House members. But the House Energy and Commerce Committee was deeply involved in other complex issues such as clean air legislation. And Dingell, while no particular fan of the 1984 Cable Act, made it clear to his committee members last year that he assigned a higher priority to dealing with restrictions on the seven regional Bell operating companies con-

tained in the court-administered AT&T divestiture decree called the Modified Final Judgment (MFJ).

While allowing the regional Bell companies to enter a variety of new businesses ranging from cellular telephones to real estate, the modified final judgment bars them from providing information services (currently under judicial review), manufacturing and long-distance telephone service. The telcos insist that lifting these restrictions is vital to their ability to grow and compete, and vital to America's telecommunications future. And still high on Dingell's telecommunications wish list are the reenactment of the Fairness Doctrine and passage of children's television legislation.

MFJ remains a vital issue to the telephone companies and others. But what

PHOTOGRAPHS OF INOUE, HOLLINGS AND DINGELL BY AP/WIDE WORLD

the Senate realized more quickly than the House is that most Americans don't have the slightest idea what MFJ means, or how it affects them. More than half of American households get cable, however, and these people do care about rising monthly rates, poor service and lousy signals. As one key Senate committee staffer says: "If you look at the issues we are dealing with, these are issues that people back home care about and want you to do something about. Interest in MFJ is zero."

Taking his cue from Dingell, Markey and the telecommunications subcommittee staff turned their attention from cable to such other issues as the turmoil in the securities market and foreign ownership of media companies. They were also stalled by the lack of any real consensus among subcommittee members on what approach to take—reregulation of rates or increased competition, including direct competition from the telephone companies.

That's where things stood when the Congress reconvened in January. The continuing Senate action, however, nudged Dingell into shifting gears. In late January, two months after Danforth introduced his cable bill, Dingell complained to the U.S. Conference of Mayors of cable's "rapacious" nature and said the time had come to revisit the 1984 law.

Dingell's speech to the mayors indi-

ments like these: "The House committee got caught flat-footed on cable," says a former FCC commissioner. Or, from industry lobbyists, that the House "missed the boat on cable," and "lost sight of the forest for the trees."

Dingell's rediscovery of cable, however, may have come too late to recapture the agenda from the Senate. Scarcely had the House subcommittee begun to move on cable when the full Committee's need to deal with clean air legislation forced Markey to cancel further hearings until at least the end of April. At the same time, the Senate Commerce Committee scheduled hearings at the end of March on the draft bill. If the Senate committee can mark up and report their bill, the lead is unquestionably theirs.

Now that the senators have the lime-light, and the lead, they may be reluctant to relinquish it. And there is the growing awareness by Hollings and other members of the increasing and momentous role of telecommunications in today's world.

The media and telecommunications companies that play that role are big businesses that have become more politically aggressive than ever before. Today, campaign financing strategies in both the House and the Senate often take as a given that raising money outside lawmakers' districts includes two must-stops: New York and Los Angeles. And in both places, the media, entertainment and telecommunications businesses are major players in campaign financing.

The cable debate may not prove a true test of Senators' mettle on broader telecommunications policy. It took several months for the Senate staff to pull together the draft bill. Moreover, this will be a short legislative session, and the cable issue is a complex one with much at stake for all of the industries involved.

The larger, underlying question is whether the framework for a new national telecommunications policy will be drafted in the Senate or the House. The Senate Commerce Committee action clearly moves the Senate out in front on cable and may set a tone for other issues, as evidenced by Inouye's prodding of Commissioner Sikes to move ahead on reevaluating the FCC's Financial Interest and Syndication Rules.

The Senate Committee's involvement could steer a new Congressional course for the larger debate on telecommunications policy: How to develop a regulatory structure while considering such new technological developments as DBS and HDTV. For now, how the Senate committee uses its momentum rests with Hollings, Danforth and Inouye. Dingell and Markey and the rest of the House are left to play catchup. ●



## ABOUT TOWN

**C**ongressional consideration of campaign reform legislation is certain to touch a raw nerve among broadcasters. Walter McCormick, minority chief counsel for the Senate Commerce Committee, told an NAB state leadership conference here that many political candidates believe they are treated unfairly when it comes to ad rates in the weeks approaching elections. McCormick said candidates frequently pay more than commercial advertisers, and that two candidates are often charged different rates. A provision mandating that politicians be charged the same rate as broadcasters' most-favored commercial advertisers is likely to be part of any campaign reform legislation (see related story in this issue).

.....

There are opportunities in Europe that Americans "haven't woken up to," Andrew Neil, editor of London's *Sunday Times*, told about 100 members of the capital's communications bar at a private lunch sponsored by Putnam, Hayes & Bartlett Inc., the Boston-based consulting firm. Neil, former executive chairman of Rupert Murdoch's Sky Television, thinks two types of programming can most easily cross European boundaries: music programs like MTV and sports.

So far, it's the Senate 1, the House 0 in the race to reregulate cable. The major players (from left): Sen. Danforth, Sen. Inouye, Sen. Hollings, and Rep. Dingell.



cated that he didn't want to lose all control of the issue to the Senate and signaled Markey publicly to raise cable's political profile. A month later, the subcommittee opened hearings and Markey called for legislation.

What Dingell realized was that individual House members—with mounting complaints from constituents and local officials—were giving cable a higher priority. Nor could he ignore the presence of ten pending bills, or anxious members such as Rep. Rick Boucher (D-Va.), who has 70 sponsors for a bill to increase competition for cable by giving telephone companies a shot at cable entry.

What you hear these days from House staffers is this: MFJ is still a front-burner issue, but so is cable. What you hear from others around town are com-

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THE BUSINESS OF COMMUNICATIONS

MAY 1990

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# Making the Rules In Prime Time



**As pressure mounts to bolster**

**flagging ratings, programmers**



**want**

**to redefine**



**acceptable content—and**

**network censors won't**



**just say no.**

**BY STEVEN BESCHLOSS**

**M**ichael Moye is ticked off. No wonder. Yet again he's being asked to defend his show against the criticisms of Big Three network executives who question the standards of Fox Broadcasting's *Married... With Children*, the show he co-created and executive produces with Ron Leavitt. "These righteous guys," Moye says after dragging on a Marlboro and jamming his free hand into his denim jacket. "Who's really stooping? Yeah, we all pander, but at least *Married... With Children* is pretty darned honest about it. We don't try to

slide in anything. We and Popeye, we yam what we yam."

In the pursuit of laughs, not issues, enlightenment, not enlightenment, Moye and Leavitt have taken their share of heat. Blamed for hastening the decline of Western Civilization by TV critics and targeted last year by a fortysomething mother from Michigan for undermining family values, *Married* has become a flashpoint for the fall of standards on commercial television.

With unanimity, network executives at NBC, ABC and CBS say they wouldn't air the show in its present incarnation. But

behind such resolve lurks a nagging fear caused by substantial audience erosion—fear inspired not only by Fox but by cable networks, pay-per-view and home videocassettes. With surprising fervor, network executives heading up standards and practices departments say they do not and should not directly compete with the often racy program content found on cable or at the local video store. Theirs is a mass medium, they sniff, not a narrowcast; the public expects tamer, less explicit fare, and that trust must be maintained. “It is not our belief that the way networks maintain their audience and build and grow is to emulate cable systems,” insists Alan Gerson, NBC vice president for program standards and marketing policy.

Yet what constitutes a broadcaster’s role has never been so uncertain; perhaps nowhere does the network’s fight for sur-

radically ever since. Special-interest groups may threaten boycotts and advertisers may declare their readiness to pull out of a show deemed too controversial, but the networks understand the bottom line: Deliver the ratings and the advertisers will follow. “We hear concern about content, about creative boundaries being pushed too far,” CBS entertainment senior vice president Peter Tortorici told a New York gathering of the Association of National Advertisers earlier this year. “But at the same time we are hearing that we are boring . . . and once [*Married . . . With Children*] is doing well, you line up to advertise on it.”

Such lessons deepen producers’ determination to reject advertising pressure to soften a show’s rough edges. So did NBC’s experience last year with two made-for-TV movies: *The Tracy Thurman Story*, a tale of wife abuse, and *Without Her Consent*,



Michael Moya says the Big Three are doing shows on subjects he wouldn't touch “in a million years—like *Roseanne*'s flatulence, an entire episode on that.”

vival more vividly reveal itself than in the daily struggles over what gets on the air. The intensified competition for viewers has strengthened the hand of network programmers and producers who aim to push the medium’s boundaries. So has the downsizing of censor staffs and the transfer of standards responsibilities to programmers, many of whom are reluctant to play watchdog. All signs point toward continuing relaxation: There’s no turning back.

*Married* was a show Moya and Leavitt knew the Big Three wouldn’t touch when they hooked up with Fox four years ago. Conceived as an anti-sitcom, the program dished up “real people” trading insults and talking sex, not championing family harmony and modeling nice sweaters. No heavy hugging, no moral resolution. But Moya brooks none of the Big Three’s current nose-thumbing. “They can sit back and talk about [how low you can get],” Moya says, “but if they look at the ratings, slowly but surely we’re whipping their butts almost every week.”

True enough. In December the reliably rude program cracked the Nielsen Top 20 with a special one-hour Christmas episode—in a downside-up spin on *It’s a Wonderful Life*, Al Bundy learned from an angel how much better the world would be had he never existed—and it’s been winning its time slot spo-

about date rape. “There was real concern and fear on the part of advertisers that we were into areas that were too sensitive for the viewers,” notes Warren Littlefield, NBC executive vice president of prime-time programs. “And *Tracy Thurman* was like our highest-rated Monday night movie, okay?”

In an effort to pull back the reins, Sen. Paul Simon of Illinois is pushing a bill to regulate television violence. At a time when sex and sexuality are being energetically explored on TV, the campaign seems almost anachronistic. Besides, one former standards executive believes the legislative effort holds little threat for the networks. “I don’t think they give a rat’s ass about Sen. Simon’s bill,” he says. “They just figure, later we’ll deal with any problems. They want a level playing field with cable.”

The 10 P.M. time slot—and occasionally the hour earlier—most clearly displays the instinct to target a more urban, upscale audience. *L.A. Law* on NBC, *thirtysomething* and *China Beach* on ABC and *Murphy Brown* on CBS exemplify the will to pursue more mature themes. All of a sudden, intimate conversations about orgasms and impotency (*thirtysomething*), funny repartees about penis envy and the “little jackhammer” (*Murphy Brown*) or weekly portrayals of a likable prostitute (*China Beach*) are appearing on network television. “These days,” says



From the start, *L.A. Law* turned up the heat with sexy scenes, as this first-year shot attests. Nudity for spice remains off-limits, but for how long?

Carol Altieri, CBS West Coast vice president of program practices, "much more often you look at something and say, 'My God, that's never been on television.' Forget CBS, it's never been on television."

Altieri and her counterparts at the other networks acknowledge that the 10 P.M. time period provides an opportunity to take risks with material that they would not permit at an earlier prime-time hour. But just how far those boundaries can be pushed—and how many shows can establish their own rules because a loyal audience knows what to expect—remains a gray area that the networks are exploring like never before.

The reason lies with societal changes, insists Rosalyn Weinman, vice president of program standards and community relations at NBC and a former Brooklyn College sociology instructor. "We allow a certain level of sexuality on the air not because we are competing with cable. It's very clear to me as a sociologist that we're not living in the time of Lucy and Desi. It's not twin beds. People do get pregnant. Extramarital affairs are rampant. The notion of sex for procreation and only between married couples is laughable in many parts of the country, and that's generic data we have on sex."

For sure, that may help justify the decision to portray a married couple rushing home for some afternoon sex before the children return from school (the CBS made-for *No Place Like Home*). But those same telling moments taken out of context appear to be just so much sizzle. "Anytime we put any flesh in our shows, people on the beach, anything like that," says John Wells, supervising producer for ABC's *China Beach*, "the advertising department will cut it in such a way and run it in a promo as if it's 'Drive-In Gals.' They're really in the business of trying to get viewers to tune in."

Wells is sensitive to the networks' internal dilemma over program content, which he sees played out between programming executives and standards departments. "I just think we are looking at a business that is in complete transition," he says. "What I say to standards and practices a lot is, 'Don't yell at me, walk down the hall.' Because I've got a programming guy calling me on the phone, giving me notes saying what they want, then a day later the note comes from standards and practices and they're appalled." And what's the typical outcome after programming tries to work out the differences with standards? "It usually tends to come back, 'Do it.'"

.....

At one time, each of the networks relied upon a full-blown standards department, flush with bodies and red pencils, to maintain the constraints. No "goddamns." No nudity. No erotic sadomasochism. No talk of orgasms. And certainly no gay men together in bed. With an oligarchic hold on the marketplace, the networks implicitly agreed on the rules, with few other pro-

grammers to dissent.

But over the last four years, as each of the networks has confronted new ownership and changing management philosophy, standards and practices was among those divisions considered bloated and targeted for cutbacks. NBC president Robert C. Wright went the farthest, publicly expressing surprise that internal censors were still around and questioning their continuing purpose in the age of cable. That view filtered down among the remaining standards staff and created confusion about their role.

From a combined total of more than 150 standards personnel at their peak, the networks today rely on less than half that number to track the thousands of hours of episodic series, miniseries, made-for-TV movies, children's shows and commercials sent out over the air each year. NBC and CBS have made the most substantial cuts, with NBC cutting down to four at its barest before climbing back to today's staff of 15 censors. CBS cut its staff to 31 executives and ABC has dropped to about 32 from more than 50 several years ago.

The management of these departments has been unusually volatile, as two chief censors, Ralph Daniels of NBC and George Dessart of CBS, took early retirement in 1988. Only ABC's chief censor, Alfred Schneider, maintained his professorial position as vice president of policy and standards. At the same time as their control over program content has declined, they have become more active in public relations. NBC formally recognized this, merging its standards and community relations departments. "I've seen the times in the past when Daniels and Schneider would stand down anyone in Hollywood," says one former standards executive. "They had that kind of power. There's nothing like that today."

Long considered obstructionists—punching bags for program-



Catch a loyal and desired demographic, as *thirtysomething* has, and ABC will not excise intimate talk of impotence or orgasms.

ming and sales when advertisers or viewers take issue with a program—network censors are talking these days about "business realities" and the need to adapt to change. It's not that they are rolling over and playing dead. They are still tracking at least the first five episodes of a new series, all original fictional and fact-based movies, every feature film, all children's programming and commercials. And they are heavily involved in researching the factual basis and legal ramifications of original docudramas, requiring annotated scripts and detailed notes on written sources. Christine Hikawa, ABC vice president of broad-

cast standards and practices, East Coast, can still quote verbatim passages of Henry Kissinger's memoirs she pored over to assess the credibility of last winter's *The Final Days*.

"We went over every single line of the movie," recalls Hikawa, noting that books by Kissinger, Richard Nixon and Julie Eisenhower were studied in addition to Woodward and Bernstein's work. The policy was quite clear: telescoping of events is permitted as long as chronological order is maintained; dialogue should reflect actual records, when they exist (such as the trial transcripts for the *Baby M* story); the less documentation available,

the more literary license is permissible.

But at a time when the networks are struggling to find fresh hits, the standards executives don't want to be seen as part of the problem. The decision by NBC and CBS to place standards functions in the hands of programming executives has helped shift the responsibility, redefining censors as more of a court of last resort. This has insured that the instinct for more intense, more controversial, more graphic and—they hope—more engaging programming will win out. The dismal 1989 season softened any lingering resistance.

"Part of what we were hearing from the audience this season, for all the networks, was, 'Hey, you're playing it safe, give us something different,'" says NBC's Littlefield. "Whenever you try and do that and shake things up a bit, you're going to make people in broadcast standards nervous. That's good, that's healthy. That tells me I'm probably doing my job well."

CBS, lodged in the prime-time basement, is on the most clear-cut mission to change. With the departure of Kim LeMasters and the arrival of Jeff Sagansky as the new entertainment division president, the network's censors are preparing for a major transition. Already, Broadcast president Howard Stringer has sat down with standards executives to solidify their support of the entertainment division's efforts. "I am not going to let this department be the one to just say no," asserts Beth Waxman Bressan, CBS' New York-based chief censor and vice president of program practices, raising her palms and shaking her head. Adds Carol Altieri in Los Angeles: "I feel like we're on the precipice, about to leap into the void and just let it happen." Neither Bressan nor Altieri know exactly what form those changes will take, but what's revealing is their wholehearted willingness to put aside the traditionally adversarial relationship between standards and programming for the good of the network.

Of the Big Three, NBC has already taken the grandest leap into the void, counting on program executives to make the right decisions about what to let on the air. In the fall of 1988 the network survived the brazen double whammy of *Geraldo's Devil Worship: Exposing Satan's Underground* special and *Favorite Son* miniseries, including the now-famous scene in which the central female character was tied to bedposts wearing nothing but a bra and panties. But the resulting cause celebre provided ammunition to NBC executives worried about the decline of standards and convinced Bob Wright to beef up the number of censors.

"That decision," says Gerson of the S&M scene, "was made at the end of the *ancien regime*, when there was a mixed message about what was [standards'] right place. It was the first thing that hit my desk. I got it and looked at it and said, 'Can we do that?' I called California and they said, 'Oh, yeah, we already approved that.'

"It was not a good decision," continues Gerson, who subsequently moved to Los Angeles to hold forth at NBC's Burbank studios. "When we re-run the movie, that scene won't be there."

Perhaps still stinging from *Favorite Son*, Gerson was determined to avoid such an issue a few months later when Warren Littlefield locked horns with him over the visibility of the left in a woman's bottom in an episode of *L.A.*

## A Partial Who's Who In Network Standards

**A**BC: has about 20 censors on the West Coast and approximately a dozen on the East Coast. They still read scripts for every episode of every series, but now skip most rehearsals.

**Alfred R. Schneider**, ABC vice president of policy and standards, was promoted to this position in 1983. He first joined the network in 1952 as an attorney, became vice president of the broadcast division in 1962 after working several years at CBS and was named a corporate vice president in 1972. He sat on the National Association of Broadcaster's Code Review Board for 20 years.

**Christine Hikawa**, ABC vice president of broadcast standards and practices, East Coast, joined the division in March 1988. Hikawa first worked on ABC's owned-stations legal staff in 1977 and was promoted to assistant general attorney two years later before becoming senior general attorney for ABC Sports in 1981.



Alfred R. Schneider

CBS: has about 14 censors on the West Coast and 10 on the East Coast. They will read scripts and track the first five episodes of every new series, but then defer to the program exec given standards oversight for that show.

**Beth Waxman Bressan**, vice president of program practices and assistant to the Broadcast Group president, Howard Stringer, took over CBS program practices in February 1989. Bressan joined CBS as an attorney in the labor and employee-relations section in 1980 and was promoted to general attorney in 1987. Several months later she became vice president of legal affairs for CBS News and in September 1988 she was appointed vice president and assistant to Stringer. Bressan also taught high school English from 1969 to 1973.

**Carol A. Altieri** was appointed vice president of program practices, West Coast, in 1984. Joining CBS in 1969, she moved to program practices in 1972, becoming director of prime-time program practices in 1981.

NBC: has 15 censors, including 11 on the West Coast and four on the East Coast, all of whom have commu-



Beth W. Bressan

nity relations functions as well. They will read every script for the most challenging programs, such as *L.A. Law*., but they depend on program executives to make the judgments for the

least trying, such as *Cosby*. **Alan H. Gerson** was named vice president of NBC's program standards and broadcast policy in August 1989. Responsible for the department's overall direction, Gerson was named vice president of program standards and marketing policy in March 1989 and oversaw the merger of NBC's community affairs department into the standards area. Gerson joined NBC in 1973 as an attorney and two years later was named director of compliance and practices.



Alan H. Gerson

**Dr. Rosalyn Weinman** was named vice president of Program Standards and Community Relations for NBC in March 1989. A former sociology instructor at Brooklyn College, she joined NBC in 1984 as director of community affairs, responsible for audience-service areas, corporate contributions, viewer communications and public service campaigns. She works out of corporate headquarters in New York. ●

**'I feel like  
we're on the  
precipice,  
about to leap  
into the void  
and just let it  
happen.'  
—CBS censor  
Carol Altieri**

*Law*. In what Littlefield described as a "major, major battle royale," the executives got down to measuring inches of exposed flesh. Gerson maintains that the scene was not character-driven and essentially added spice, and that this was not the right moment to push nudity. "Steven [Bochco] believed that it was okay in his show for his audience and we could use nudity for spice," Gerson says. "I didn't agree."

Says Littlefield, still bothered over the disagreement: "There was no way the top of that butt was getting on NBC. [Gerson's decision] didn't make any sense to me."

Yet despite the occasional battle of inches, the network has stuck by its decision to entrust program executives with the dual tasks of pushing producers and restraining them. Characterizing programmers as "complete product managers," Littlefield says that it is up to them to contact standards when "they think they have pushed the envelope." Inevitably, though, this schizophrenic arrangement has led the network into uncharted territory—and not always by choice.

Morgan Gendel, an NBC program executive once assigned to *L.A. Law* and now a writer for Stephen J. Cannell, was given a rough cut of a *Law* episode that included a lovemaking scene showing the ankles of the female character wrapped around her partner's neck. "I watched it and said, 'Okay, now it's my call.' I thought, 'Hey, they told me it's my job, so let's go with it.' I never previously thought it was my job to make television tamer. I thought my only real job was to be true to the program." Gendel, a former television critic for the *Los Angeles Times*, was subsequently questioned about his decision, but it wasn't the only instance when his perspective differed from the censors.

In another episode, Gendel approved a scene that included "god-damn," the first time that word was broadcast on the network. "They came to me later and said, 'How did you let that go in?' I didn't see what was wrong with it. So I'm supposed to call Steven Bochco and tell him to change something that my heart is not in?"

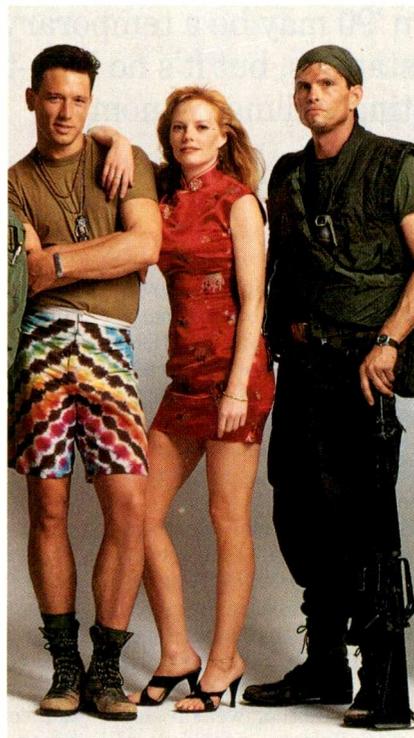
As much as network executives may later concede that a mistake was made, there is increasingly the pressure to see how far they can push the boundaries without eliciting an uproar. "I'm going to be the one," says CBS' Carol Altieri, "at whom everyone yells and screams, 'How'd you let this happen?' if the republic falls, if the phone rings off the hook or advertisers pull out. By the same token, you're also smart enough after 15 years of this particular work to know what a calculated risk is and what an absolute disaster is, so you take the calculated risk—which, more often than not, works out." That's how the word "putz" and the phrase "penis envy" were permitted on *Murphy Brown* and the expression "biker bitch" aired on *Doctor, Doctor*. Says *Murphy Brown* executive producer Diane English, "CBS has really demonstrated through us that they are looking at the world with fresh eyes."

To date, the networks have not paid a hefty price for their gambles, particularly when a show that takes risks has established a loyal audience of viewers who expect more liberal treat-

ment. This makes it easier for the networks to stick by a successful show such as *thirtysomething* when advertisers do pull out, as they did this season over an episode portraying two homosexuals in bed after lovemaking. "We would not let the same content on *Just the Ten of Us*," says ABC's Al Schneider.

Still, even Fox, which displays outer confidence for its racier material, is sensitive to how far it can push the limits of broadcast television. It relies on Don Bay, a former West Coast censor for ABC and NBC, to oversee its standards department of three censors. According to one Fox executive, the sales staff was furious over a recent episode of *Married* in which the word "slut" was used at least ten times, and vixen daughter Kelly was chained to a fence. Bay had given the episode the green light.

However supportive Bay may be on occasion, *Married* producer Moye is still upset by the refusal of Fox to air one episode rejected by the network last summer at the tail end of viewer-activist Terry Rakolta's aggressive targeting. In what Moye calls "the lost episode," Al and Peg Bundy stay at an adult hotel—decked out with jacuzzis, mirrored ceilings and blue movies—to jumpstart their relationship. They put a tape in the VCR, only to discover scenes of their friends making love. They end up suing the hotel after learning that the management has been secretly taping its guests, including them. Al and Peg lose their case: their sexual encounter is over so quickly, they can't actually prove that it took place. It's cartoonish in style, and the raciest lines have been toned down, but Fox still won't air it. "Am I still ticked off?," asks Moye. "You betcha." A Fox spokesman



*China Beach* sympathetically portrays a prostitute—and escapes the censor's ax.

refused to return phone calls about the subject.

Moye may be in the best position to judge how far the broadcast networks are willing to go, and whether Rakolta's attack on *Married* has any long-lasting impact in Hollywood. The continued ratings climb of *Married*, the far-raunchier offerings available on pay-per-view and cable's public access channels, and the desire of programmers and producers to test the limits seem certain to extend the networks' programming—and moral—landscape beyond its current parameters. It could well make some battles for restraint seem almost quaint. Says Moye, "I think a couple more seasons like the last one and you might see the sitcom *My Friend Satan*."

# POLITICAL PAYOFF

Campaign '90 may be a temporary bonanza for local TV stations, but it's no long-term solution for broadcasting's ailing economy.

By Dennis Holder

In political circles, they are known as off-year elections, but for many local television stations the 1990 campaigns are the economic main event. In states with hot races—California, Florida and Texas—record political advertising will take up some of the slack left by slumping local and national spot markets.

Broadcasters hope political spending can do for this year's bottom line what automotive spending did in 1989. A political windfall, however, is no cure for an ailing television economy that most forecasters don't think will improve until mid-decade. "The political advertising won't make up for the other weaknesses we see," says Nick Trigony, president of the broadcast division of Cox Enterprises. Then, too, gathering signs suggest 1990 could be the last hurrah for television's election-spending bonanza.

In 1990, the Television Bureau of Advertising projects, political races will generate a record \$230.5 million in TV ad revenue. That's an increase of nearly \$3 million over the total for 1988, a presidential year. With no national candidates buying network time, and with 36 governorships up for grabs, all but a tiny fraction of the money spent in the current political season will go to local stations.

"There's just a huge amount of money

out there this year," exclaims Washington, D.C., political consultant Rick Hunter, of Bendixen & Schroth Inc. "In several key states, candidates are digging deep into their own pockets to pay for the TV time they believe they need to win. There still are places where it doesn't cost a ton of money to get elected, but in hot contests, it is incredibly expensive."

It does cost "a ton of money" to win a major political office, and once again Congress is feeling pressure for campaign reform legislation. While passage of a comprehensive package is remote, some action is likely before another election comes around. Among the proposals given the strongest chance is one designed to take a bite out of television revenues.

Sen. Mitch McConnell (R-Ky.) has introduced a bill that would change the lowest unit rate rule that requires broadcasters to charge no more than their lowest commercial rate for political advertising within 45 days of an election. Currently, lowest unit rate ads can be slotted anywhere in the schedule and bumped to make room for fixed rate, or non-preemptible, advertising. McConnell's proposal would allow politicians to buy non-preemptible ads at the lowest unit rate.

"There's a general agreement among

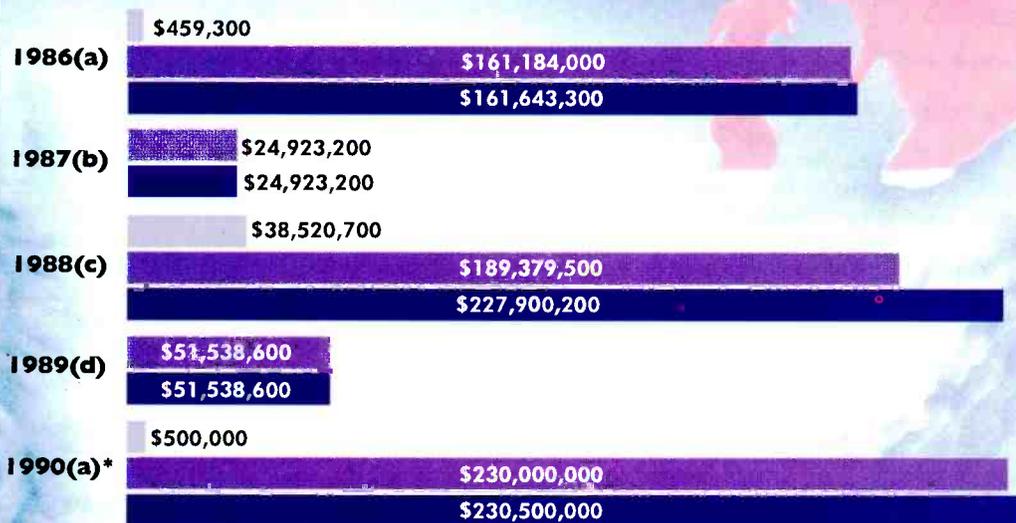
Democrats and Republicans that campaigns have become too expensive," says McConnell staffer Mike Mitchell. "One of the things that causes the high cost of campaigns is TV airtime. There is a strong feeling that we need to go farther than we have in controlling that cost." According to Mitchell, the lowest unit rate revision is tied to several other campaign reforms, including limits on contributions from political action committees, or PACs. But if Congress is in the mood to enact controls, TV advertising is an easy target.

"That provision would do more than anything else Congress can pass to lower campaign costs," claims Dallas political consultant Mike Shannon, of Mandate Campaign Media. "Candidates are at the



ILLUSTRATION BY JOHN MEISINGER

### POLITICAL ADVERTISING ON TELEVISION



**KEY:**

- NETWORK
- SPOT/LOCAL
- TOTAL

(a) Congressional election year: All of House, one-third of Senate, three-fourths of governors.  
 (b/d) Off-year election: Some local and county elections.  
 (c) Presidential election year: President, one-third of Senate, all of House, one-fourth of governors. This was also an Olympic year.  
 \* TvB estimate.  
 Source: TvB/BAR

mercy of the TV stations. When the economy is a little sour, as it has been lately, TV stations try to get well at the expense of the campaigns. Candidates can't buy preemptible ads. They have to get their message out."

Just how much a candidate could save with non-preemptible lowest unit rate ads is anybody's guess. But in major markets, where ad rates are high, the cost to stations could be substantial.

Chris Westerkamp, local sales manager with KPIX in San Francisco, estimates that 50 percent of political ads currently are purchased at the lowest unit rate. But in a hot contest, such as the current California governor's race, candidates pay more to place their messages next to the news or in other choice time slots.

"These people have only a certain amount of time to sell their product, the candidate," says Westerkamp. "As a result, they tend to buy at fixed rates. Our highest rate for political advertisers is really the lowest negotiated rate for short-term commercial advertisers."

Requiring fixed-rate treatment at cut-rate prices surely would reduce revenues, says Westerkamp. And such a reduction hardly seems equitable, he says, since existing restrictions "already can sometimes be severe and political advertising requires a mountain of paperwork."

Political ads also carry hidden costs. Under current regulations, every dollar collected from politicians costs about 50 cents in revenues from regular advertisers, according to Tom Goodgame, presi-

dent of Group W Television Stations Group. Year-round accounts cannot buy the time they want when the schedule is crowded with political ads, and many of them don't like being sandwiched between candidates' pitches, says Goodgame.

"When you have those tight inventory situations, you're really not gaining much. Prices tend to rise because of the tighter inventory, but a lot of people simply don't want to advertise during a political season. They know they will pay more and their ads will be scrambled in with all the political ads. They plan around it, but they aren't necessarily happy about it."

Add to this intangible cost in goodwill the news department expense of covering

# Candidates are at the mercy of TV stations. When the economy is a little sour, as it has been lately, stations try to get well at the expense of campaigns.'

— Dallas political consultant Mike Shannon

a campaign and political advertising is a wash, Goodgame believes. The revenue that comes in from political spending is more than gobbled up by spending in the news department.

"If you have a local candidate for governor and you have mayoral races or whatever, you put an exorbitant amount of money into coverage. You wind up with an exorbitant amount of overtime. In 1988, our station in Boston [WBZ-TV] spent seven figures—think about that—following Dukakis all over the place. We certainly didn't get that much back in advertising, even if you consider all candidates in all races."

Adds Goodgame, "You don't really see many people trying to do cost accounting on politics. If we did that, it could really be discouraging."

Whatever the downside, \$230.5 million in political advertising is nothing to sneeze at. But not all stations benefit equally. The largest bundles of dollars go to broadcasters located in states or cities with close contests in major races. This year, the lucky few are the stations in California, Florida and Texas, the current hot spots in the gubernatorial sweepstakes. Some \$50 million, roughly 22 percent of the projected campaign spending on television this year, will come from candidates for the governors' offices in those three states.

In Texas, seven candidates spent an estimated \$12 million for television advertising prior to the party primaries March 13. A bitter run-off between Democrats Ann Richards, the state treasurer, and Jim Mattox, state attorney general, shook loose another \$250,000 or so. By the time of the general election in November, the drive to replace retiring governor Bill Clements likely will cost candidates some \$35 million in total expenditures. Fully \$20 million of this U.S. record total will go for TV ads, Texas political analysts believe.

California and Florida gubernatorial contests each will cost the candidates and parties about \$30 million, and TV will collect half of those sums. On the West Coast, former San Francisco mayor Dianne Feinstein and state Attorney General John Van de Kamp began airing ads in February even though the Democratic primary in which they face each

other does not take place until June. In Florida, incumbent governor Bob Martinez plans to buy every spot he can lay hands on to overcome a strongly negative image created by his stands on abortion and taxes.

"Those three states are where the action is this year," says Rick Hunter. "Once you get past those three, though, you are not going to see a great many television ads. In New York, Cuomo won't spend too much. And there's really not any Jesse Helms-Jim Hunt [contestants in the bitterly fought 1984 North Carolina senatorial election] race anywhere in the country."

According to Hunter, the average governor's race costs about \$5 million, and about half of that goes for TV advertising. Take the big three out of the picture, and the other 33 states in which the governor's office is at issue will average out to about this level, he predicts.

Even in a state like Texas, the dollars do not spread out evenly. The lion's share goes to network affiliates in major cities—Houston, Dallas and San Antonio. Smaller-market stations, independents and cable systems attract very little. "I doubt there is a station here that hasn't run some political advertising in that crazy campaign," Mike Shannon says of the Texas governor's race. "But there's no doubt that the affiliates are the first choice of most candidates. Affiliates deliver the biggest audiences, and they are a lot easier to buy. You don't have to think about it. You just drive a dump truck full of money into the station parking lot and say, 'How many bales do you get today?' Nobody ever got fired for buying the affiliates."

John McKay, president and g.m. of Dallas indie KDFI-TV, estimates that 90 percent of all Texas political advertising goes to affiliates. "We get some business," says McKay, "but it's primarily a function of the big boys filling up. We get the droppings. The political ads do use up inventory, however, and that helps us because it makes rates go up in the whole market. In this economy, we'll take all the help we can get."

Despite political advertising, many broadcasters expect overall revenues in 1990 to decline from 1989 levels. "We had an unbelievably strong first quarter in

1989," says Nick Trigony at Cox. "I don't think there is any chance our first quarter results in 1990 will match last year. And unless the economy picks up more than I expect it to, our sales will be off some for the year as a whole. Our stations in Orlando and in the San Francisco Bay area are beginning to do well in political advertising, and Atlanta is getting some already. But the political advertising won't make up for the other weaknesses we see."

According to Trigony, automotive advertising revenues for Cox's seven television stations are off 50 to 70 percent from last year. Retail and fast-food ads have dropped as much as 50 percent from 1989 levels. Most other advertiser groups are stable, says Trigony, but no station in the Cox group shows spectacular growth in any category.

"Automotive is not off anything like 70 percent in Dallas/Fort Worth," says Jeff Rosser, vice president and general manager of KDFW-TV, the Times Mirror station in Dallas. "But it certainly is off significantly. Even with the big campaign spending here in Texas, I doubt we will make up all the losses in that one category. We are not looking for a banner year."

In such uncertain times, political advertising is a boon. For stations in some states, it's a gold mine. What happens to that mother lode when campaign reforms are enacted, as they almost surely will be?

Opponents of McConnell's campaign reform proposal argue that candidates, PACs and private contributors will continue to spend huge sums for glitzy campaigns. They'll simply distribute the money a little differently.

But to collect the same share of campaign funds television receives today, more spots, using up more inventory, would be required under the proposed change in the lowest unit rate rule.

"That's probably what will happen," speculates Mike Shannon. "Elections won't be cheaper. Candidates will buy more airtime. You'll see their smiling faces every time you turn on the TV. I'm not sure that will be an improvement." ●

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*Dennis Holder, a Dallas-based freelancer, writes about the media.*

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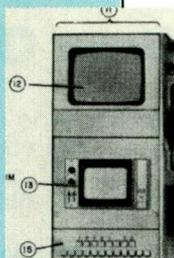
Technological changes in the newsroom and control room whiz by at dizzying speed. Computer hardware and software advances

have linked many of the steps between idea and output that go into creating news and entertainment. Yet new technology almost always carries a hefty price tag. Can stations afford to keep up with the changes? Bret Senft reports on how computer-driven TV control-room technology is

being modified to fit the budgets and needs of stations large and small. And Frazier Moore examines the difficulties stations of all sizes experience in maintaining technical sophistication in the increasingly bottom-line oriented business of television.



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# MACHINES SHRINK TO FIT

Is station automation trickling down to small markets?

By Bret Senft

Since 1979 computerization has been the mainstay of network news at the Big Three and CNN. While the networks are wary of complete automation, technophiles envision a world to come where newsroom systems and studio equipment link electronically to produce a flawless preprogrammed newscast.

All well and good for those who can afford it. But a closer look at the prevalence of newsroom technology uncovers a classic schism between the haves and have-nots. Networks and large market stations are weighing their options to upgrade sophisticated systems from major suppliers like BASYS or Dynatech NewStar. Their poorer country cousins look for cost-effective ways to computerize newsrooms for the first time, checking out smaller companies like Comprompter and Softech Systems.

The need to open new markets has inspired supplier/manufacturers with a two-pronged vision for the '90s: state-of-the-art enhancement for bigger clients; downsizing and simplifying product to meet the needs of even the country's smallest stations. Following that course, newsroom technology has found a way to trickle down through the television station universe.

"That's definitely the focus of the marketplace this year," says Matt Danilowicz, national sales manager for software manufacturers Dynatech NewStar. "Bigger is not necessarily better." Mel Martin, news director at WTSP-TV in

Tampa-St. Petersburg, says "the public thinks everyone has these computers, but it's been amazingly slow in trickling down." How much of the new downsized technology will reach the smaller ADIs is still unclear.

At the other extreme, even the largest news operations are years from full automation. *NBC Nightly News* was the first to introduce robotic cameras to news studios in 1985, but the BASYS system that runs the newsroom (and can accommodate 2,000 terminals) does not link with the control room. Separate systems run the character generator, still-store, the archives and the Odetics cart machine. "What we have presently are islands of automation," says NBC's director of news production systems, David Rabinowitz. "And the issue is to watch and see how all this matures out—how this really does get integrated, how it works in smaller stations, and how the software shakes out."

NBC's Sacramento affiliate KCRA-TV (in the 21st ADI) made the jump to upscale technology with both feet, having automated its newsroom last August (the control room will be complete this August) with Dynatech NewStar. KCRA needs all the automation it can get, churning out eight hours of news a day—with more on weekends.

"We went from beat-up Olympias on their last legs, to NewStar," says news operations manager Bill Brooks. In the old days, "a half-hour before newscast, the sound used to be almost deafening

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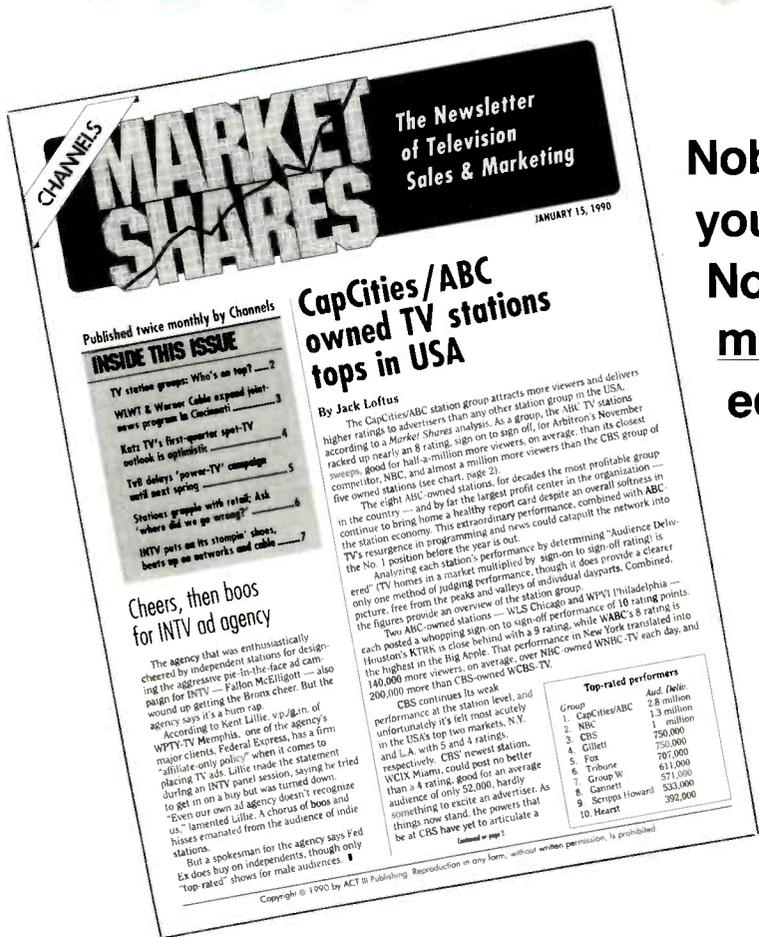
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# IN FOCUS

## TV'S CHANGING CONTROL ROOM

from reporters pounding away on their typewriters." Now, one final script emerges from a noiseless printer.

The mainframe computer system sparks fifty smart terminals of IBM 286 or 386 clones. Archive management and simultaneous access to newswires send better informed reporters into the field while a "future search" captures wire stories for upcoming reports. In the stu-

takes a load off the assignment editor." Bureau reporters in Appleton and Escanoba modem scripts into WFRB with supers, notes, director's cues, questions and ad-libs for the anchors. "It's transparent to the viewer, but it makes us look as if we've done a better job researching the material," Jensen says.

Softech Systems, another PC-based software company, has designed a test-site system for KATV, the Albritton-owned ABC affiliate in Little Rock, Ark. "We went from seven or eight copies of a newscast," says assistant news director Bill Rogers, "to one script. And the TelePromptTer is so reliable that it's perfect." The system gives the elapsed time of individual stories, the amount of time left in the newscast, and how the producer needs to adjust to meet the count-

we wanted to archive our stories in a simple fashion so when there's turnover in reporters they can go back and research their beats," Heidt says. "We think that having all that stuff makes our reporters more efficient. It also allows them to have more time to dig up other stories."

BASYS is also providing smaller mainframe and PC hardware to accommodate smaller stations. At WMDT-TV in Salisbury, Md., (ADI 161), according to news director Ray Carter, the staff of 19 feels having a computer system since May 1988 has been a great recruiting tool. But in the newsroom, 16 of those staffers have to share eight dumb terminals, "and we 'lazy Susan' the screens back and forth," says Carter. "We couldn't afford 16 terminals."

Affordability is certainly the industry buzzword these days. That "bigger is not necessarily better" was fully evidenced last month at NAB when BASYS unveiled a co-venture with UPI for a wire-fed PC newsdesk. BASYS provides the software—UPI will market the system as part of its general subscription price. Explains BASYS director of new business development Harn Soper, "It's our solution for small sta-

radio, character generator, still-store, and robotic cameras are linked to the system through a touchscreen terminal in the control room. The robotic cameras operate from pre-set instructions in the script, a shift that downsized the eight-member engineering staff to five through attrition, according to chief engineer Jerry Agresti.

Many other mid- to small-size news operations have not substantially changed their mode of operation since the 1950s. Large mainframe systems have been cost-prohibitive in smaller settings. The introduction of personal computer-based systems in the past year from companies like Comprompter Inc. and Softech Systems should clear the path for those smaller markets to get on the automation bandwagon.

At WFRV-TV in Green Bay (the 67th ADI), news director Gerald Jensen has found his Comprompter PC-driven system "definitely beats ripping and reading." Production assistants, formerly "paper schleppers" tearing scripts and sorting miles of wire copy, now make beat calls and track down sources for stories. Jensen's administrative assistant used to spend each morning updating the video archives file on a single PC. Now the information is entered immediately with each script, leaving her free to handle phone traffic—"which

down. "From a producer's point of view, I can just sit there and see how far over or under we are, and we see instantly what we need to adjust," Rogers explains.

Dynatech NewStar introduced PC hardware last year, hoping to attract smaller market customers. In November, KFYR-TV in Bismarck, N.D., (the 145th ADI) went with a smaller Dynatech NewStar system, with PCs running off the mainframe. There is little studio control linked to the system, but news director Dick Heidt appreciates "not having to get the scotch tape and put all the scripts together." Now one keystroke sends it through the TelePromptTer. "But the main thing is,

tions to get into automation."

The introduction of PC-driven systems heralds a new era of electronic fanfare for the common man: automation for stations excluded from newsroom technology until now. For everyone but the technophiles, however, a fully automated, integrated television station is a distant dream. Says KFYR's Heidt, "We aren't anywhere near that stage." He adds, with a chuckle: "It took me ten years to get the *newsroom* the way I wanted it."

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*Bret Senft is a New York-based freelance writer.*

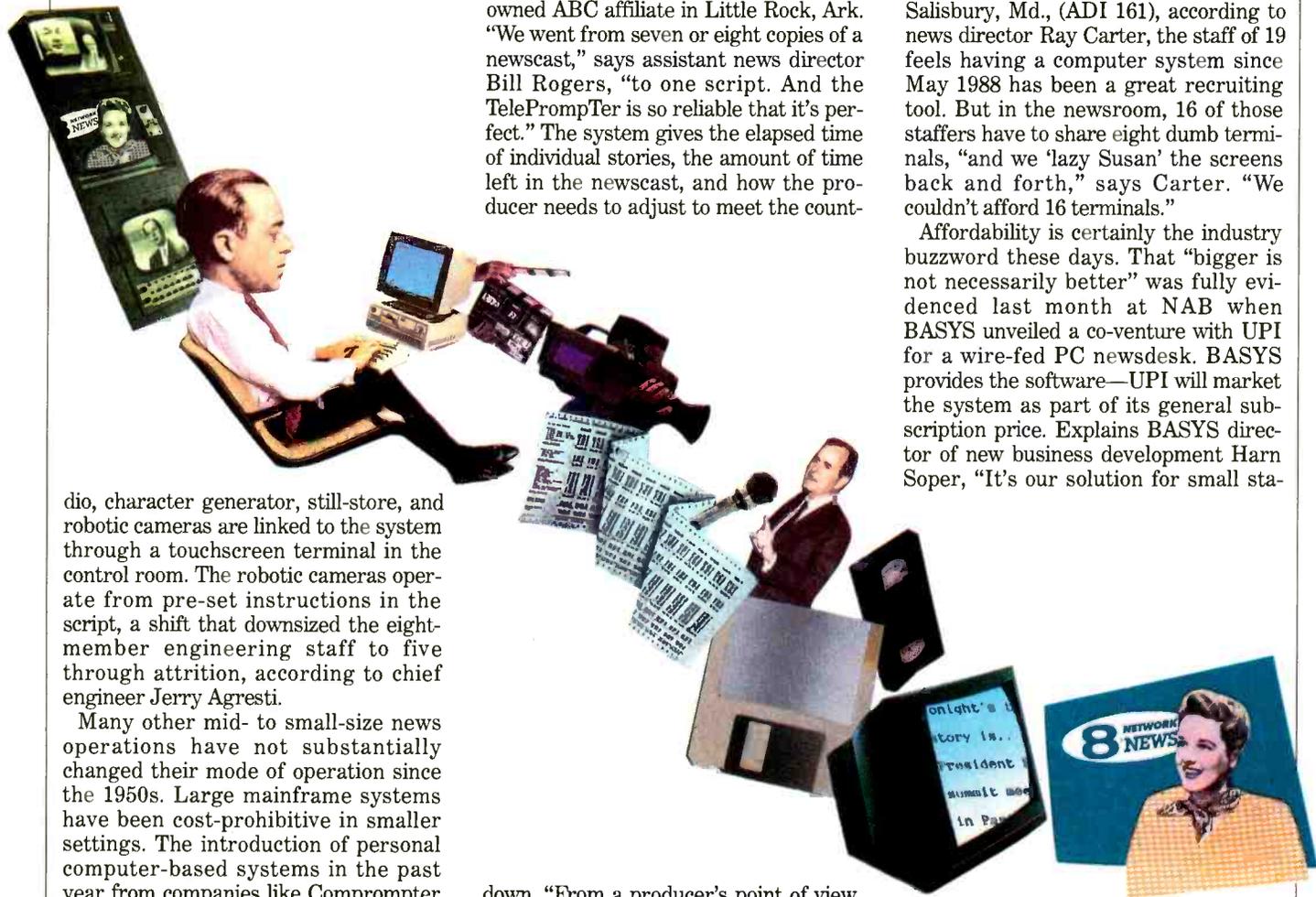
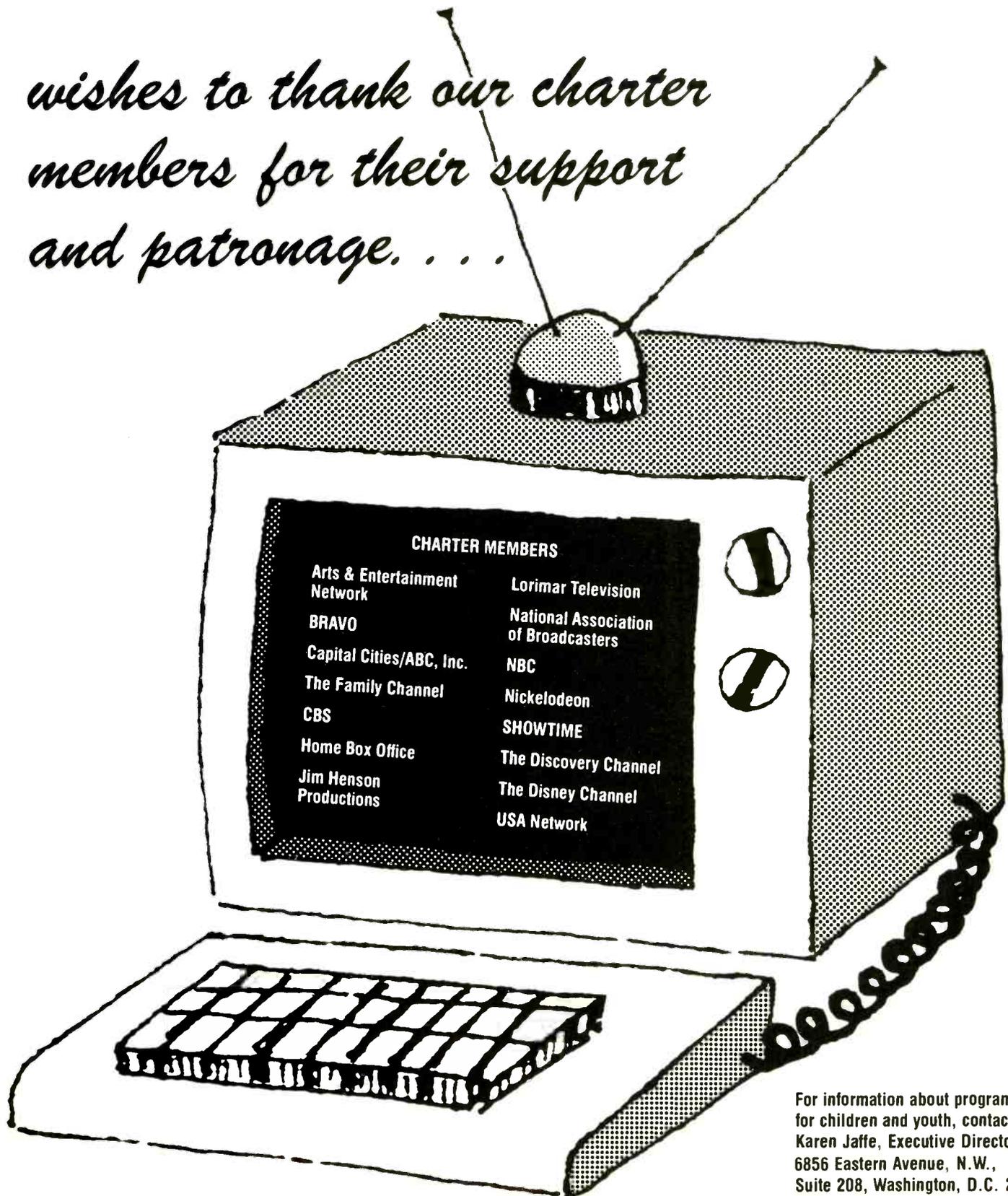


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# ZERO-BASED BROADCASTING

Station engineers fight to upgrade equipment while station owners slash budgets.

By Frazier Moore

**A**lbin Hillstrom, chief engineer at KTSP-TV in Phoenix, would like to replace his 20-year-old studio cameras.

Arden Ramsey, chief engineer at WTWO-TV in Terre Haute, Ind., would love to give his two-inch quad VCR machines the old heave-ho.

And high on the wish list of Steve James, engineering manager at WTSP-TV in Tampa-St. Petersburg, Fla., would be an upgrade for his station into digital format.

They should be forgiven for wistfully recalling bygone days when longing for a new piece of electronic hardware was tantamount to wrangling the station manager's okay to buy it. Perhaps more was needed to win the boss's support than the simple mention of a brand name and the entreaty "it's the latest thing," but a host of fond, idealized memories linger in today's more austere world of broadcasting, a world where no-frills is often the rule.

In short, television stations across the nation are pinching pennies when it comes to acquiring new electronic goodies. Pressure to meet an evasive bottom line is discouraging more than one station manager from coming across with all the upgrade dollars his chief engineer wants. The reasons for such thrift are numerous.

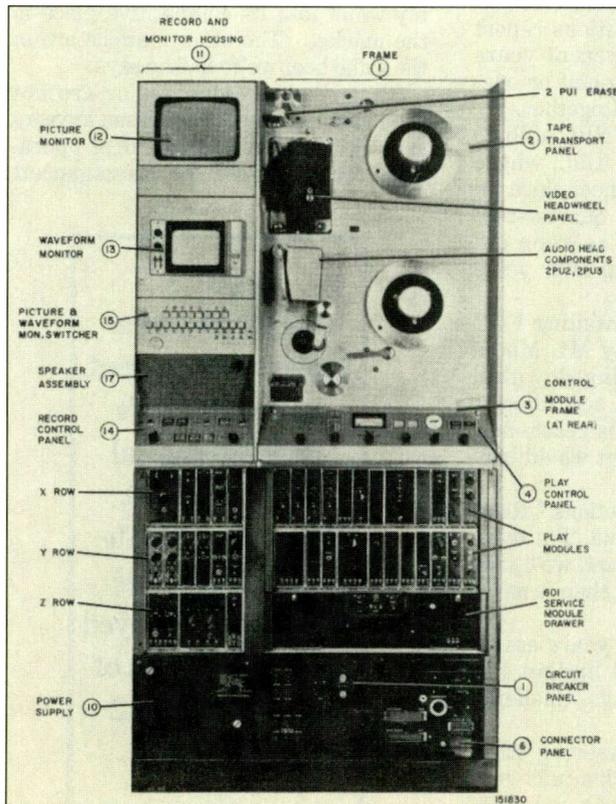
The deal-making frenzy of the '80s is in part to blame. A station owned by a financier rather than a hands-on broadcaster may be treated as a speculative venture, not a resource worth nurturing with regular infusions of cash. Leveraged financing has left some new

station owners with an enormous debt service siphoning dollars that might otherwise have funded a solid capital effort. More competition for viewers' time gnaws away at audience numbers and ad revenues already threatened by an uncertain economy.

All this in turn poses new challenges for that chief engineer, who is expected to keep the station's electronic plant up

to snuff and up to date. "There's no question that, industry-wide, things are somewhat tighter than expected from a revenue standpoint," says John Dolive, director of broadcast operations at Gillett-owned CBS affiliate WAGA-TV in Atlanta, "and that does have some impact on us."

Most stations are earmarking adequate maintenance funds to protect



NBC affiliate WTWO in Terre Haute, Ind., still makes do with the ancient and tape-hungry RCA TR-60 series two-inch quad VCR machine, which was first marketed to television stations in the late 1960s.

their investment and keep their equipment ship-shape. More often, the victim of the sharp pencil is the capital budget. Even those stations with a healthy capital allocation are eyeing each purchase more warily than before.

"We have been very aggressive about upgrading the station technically," says Dolive, who is also director of operations for the entire group of Gillett stations. "But I don't think you'd call us a technology-driven station. We like to wait and make sure the equipment is fully developed and proven in the field, and make sure that we specifically have a need for it. We're not really interested in being right on the cutting edge."

**F**or some stations the lean-and-mean style is nothing new. WNUV-TV, a small Baltimore independent, has long played a frugal game, according to chief engineer Paul Garnet. On the other hand, after years of making do with capital budgets in the \$200,000 neighborhood, WNUV last year was treated to a major upgrade by its new owner, ABRY Communications. The station got a new transmitter, a new production facility and other improvements totaling \$2.1 million. "The new owners wanted to light a fire under the place," Garnet says.

Elsewhere, far less flush circumstances prevail. Many stations report that capital budgets in recent years have been slashed by one-half or one-fourth, or have vanished altogether.

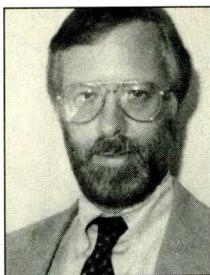
One extreme example is NBC affiliate WTWO in Terre Haute, Ind., where Arden Ramsey, chief engineer since the station went on the air a quarter-century ago, is struggling to keep old equipment up and running after years of virtually no acquisitions.

The station, currently awaiting FCC approval for purchase by ML Media Partners, had been going downhill under the former owner, according to Ramsey. In those days his recommendations for new equipment would usually fall on deaf ears.

"We'd go through the motions," Ramsey recalls. "I would be told, 'Put down what you think you need and we'll take it under advisement.' But then it never went anywhere."

Working for some five years essentially without a capital budget has proven frustrating, he says. Challenging, too.

"It takes a good engineering staff, which we have, to keep this junk running," Ramsey says with a laugh.



Renaissance Communication's director of engineering Charlie Allen.

"We've gotten by against some pretty good competition, and we've been number one in news for a number of years, even running this junk."

Ramsey has high hopes that the new owner will waste no time beginning the long-neglected rebuilding process. The first order of business is a new transmitter, he says. "We need to start at the ground floor and work up from there."

KTSP's Al Hillstrom has received about 30 percent of the station's \$800,000 capital budget for 1990, but expects to see little more. In better days the Phoenix CBS affiliate (owned by Great American Broadcasting) enjoyed capital budgets of as much as \$1.2 million, says Hillstrom. Now his main consolation is that KTSP, even with its reduced buying power, probably won't lose its competitive place in the market. "The other stations are in the same boat we're in," he says.

What rival stations are or are not acquiring may not be the issue anyway, says Steven Davis, director of operations for WPRI-TV, the Narragansett

**KTSP's Al Hillstrom has received 30 percent of the station's \$800,000 capital budget for '90, but expects little more. In better days KTSP enjoyed capital budgets of as much as \$1.2 million.**

Television-owned ABC affiliate in Providence, R.I.

"I don't look upon keeping up with the equipment being used by others as a priority right now," he says, "because for us the main consideration is direct improvement of the on-air product. And that, in my opinion, is a people issue."

More and more often, capital-related decisions intersect personnel matters. The chief engineer's responsibilities include the acquisition of electronic equipment, but they also include the maintenance staff. Furthermore, some stations are merging the production function with engineering. Managing people can be just as important a part a chief engineer's job as reading oscilloscopes or brandishing a soldering iron.

The proliferation of automated equipment—self-diagnosing and self-operating—gives the station an unprecedented opportunity to reassign employees where they can be of enhanced value to the overall effort. For example, Leon Brown, engineering manager for Great American Broadcasting's WKRC in Cincinnati, cites a recent occasion when he found himself in need of more maintenance time overall, as well as new studio cameras for the ABC affiliate. To kill two birds with one stone he purchased cameras that were capable of both computerized setup and automatic control.

That eliminated a person sitting there shading cameras for every studio production," Brown says. "But that person didn't go away. He became a full-time maintenance person."

**M**ore than one chief engineer is treating the capital acquisition process as an exercise in this kind of problem solving. So-called "zero-based budgeting" is one favored approach—every facet of operations is analyzed from scratch, with the aim of finding the formula of equipment and staff needed to accomplish that particular objective.

At St. Petersburg, Fla.'s WTSP (a Great American Broadcasting ABC affiliate), the staff gropes toward cost-effective alternatives during brainstorming sessions. "We start re-thinking how you can do the same thing, or almost the same thing, with what you have," says Steve James. "The days are over of replacing something just because it's old, or just because it's old technology."

Yet Leon Brown emphasizes the need for the chief engineer to stay abreast of new developments, not just in broad-

# IN FOCUS

## TV'S CHANGING CONTROL ROOM

casting, but microprocessing, solid state, computer graphics and telecommunications. "You have to ask yourself, 'How will those new technologies impact us, and how can we best use them?'"

**I**ncreasingly, say engineers, the "best" use is the most profitable one. According to Charlie Allen, director of engineering for Renaissance Communications and chief engineer at WTXS-TV in Hartford, Conn., "The operative principle now in upgrading plant is being able to show a concrete return on investment, rather than simply maintaining a mythical market position in terms of technical capabilities."

Chief engineer Tom Wimberly of KNSD-TV, San Diego, endorses this approach. A Gillett-owned NBC affiliate, KNSD has spent some \$2 million on equipment in the last three years, says Wimberly, "but I think you have to justify these from a dollar standpoint."

As an example, he reports that \$300,000 was sunk into a post-editing room—but the station does "well over \$300,000" in business from that facility every year, making such an upgrade a clearly prudent investment.

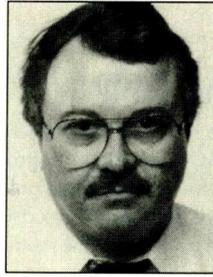
Conversely, as in most businesses, *not* spending can end up being expensive in the long run, notes Bill Rumsey, chief engineer at ABC affiliate KATC-TV in Lafayette, La. The annual capital budget has been as high as \$250,000 at this ML Media Partners station, says Rumsey, but in recent years he has had only about half of that amount to spend.

"Mostly what we've been doing is replacing equipment that's so far gone that it's not worth keeping it repaired," Rumsey says, "but we have to do without any *new* equipment, and that hurts in the production end. Clients come in wanting these newfangled effects and we don't have it to give them."

While KATC has suffered from a depressed local economy, sometimes a station's capital budget will fall victim to pressure from above to get its finances in order.

Under its new owners, Narragansett Television, WPRI is allocating substantially less for capital improvements than in previous years, according to chief engineer Steve Davis. Since Narragansett took over last July, cash flow has been a major issue, he says, "and this does not allow us to invest the same kind of capital dollars into the plant that might have been invested earlier.

"This has cut down the number of



John Dolive, director, broadcast operations at Atlanta's WAGA-TV.

extraneous new toys we might have purchased in the past," said Davis, but he insists that, thanks to previous owner Knight-Ridder Broadcasting's policy of generous capital expenditures, "we are more than competitive with the other stations in town."

The chief engineer of another station recently purchased by Narragansett echoes this distinction between new and former owners.

"It's two completely different attitudes," says Gene Gildow of CBS affiliate WTKR-TV in Norfolk, Va. "With Knight-Ridder Broadcasting, we were in the business of broadcasting for the long-term," and Gildow could count on \$800,000 a year to spend on capital budget for the current fiscal year. The clear message from the current ownership, he says, is that capital investment is regarded as just another expense.

"It would appear that Narragansett Television is investing only enough to have the property increase in value over the term of their investment," says Gildow. Narragansett TV's co-

**"It takes a good engineering staff, which we have, to keep this junk running. We've gotten by . . . going up against some pretty good competition, and we've been number one in news for a number of years."**

chairman Jonathan Nelson counters that he funds only necessary upgrades affecting on-air look, not the "extraneous" ones Knight-Ridder undertook.

The picture is brighter at independent WPGH-TV in Pittsburgh, where new owner Renaissance Communications has embarked on a hefty capital improvement campaign. According to Renaissance's Charlie Allen, purchases over a two-and-a-half year period include three Ampex ACR-225 automated spot machines, at around \$1.25 million total.

Further insulating the station from the budget squeeze so many other stations are encountering are continued healthy ratings, adds John Getz, WPGH's chief engineer. "We're a Fox affiliate. While other stations' [ratings] are going down, ours are going up."

**B**ut just how robust a budget will it take for the typical station to stay competitive over the long haul—particularly with more costly and tempting innovations on the horizon? From sister Renaissance station WTXS, Charlie Allen points to the potentially enormous expense of equipping for HDTV.

Allen says that WTXS, as an independent, is even more financially vulnerable than network affiliates because of the ever-rising cost of the syndicated programming on which it depends.

"We're having enough trouble getting a payback on the plant we put in now," Allen says. "Imagine what it would be like to turn the whole thing over for much more expensive equipment. No wonder many stations—including his own—"are looking at HDTV and saying, 'Let's tighten our belts and wait.'"

It's clear that currently the belt is cinched tight around capital investment at many stations. But as chief engineers feel the burden to stay current *and* keep up with the competition, some comfort may be derived from recalling that the ultimate consideration remains what's on the TV screen.

For instance, as Arden Ramsey wrangles with his antiquated equipment, he reconciles himself with the knowledge that no WTWO viewer really gives a damn about the vintage of the camera or the format of the videotape.

"The farmer sitting out there watching," says Ramsey, "*he* doesn't know the difference—as long as it looks good on the air."

.....  
*Frazier Moore is a New York-based freelance writer.*

## National Advertisers vs. the GNP

After enjoying very healthy growth in the early Eighties, the major national media—including network (TV and radio), spot (TV and radio), cable, syndication, magazines and newspapers—lost much of their growth momentum, falling behind the gross national product (GNP). However, Robert Coen, senior v.p., director of forecasting at McCann-Erickson, predicts in his *Insider's Report* that by this year the media could again outpace the GNP.

Year	Major Media (percent change over previous year)	GNP (percent change over previous year)
1983	13.7%	7.6%
1984	17.2	10.8
1985	4.8	6.4
1986	5.0	5.4
1987	4.0	6.9
1988	7.0	7.9
1989	6.5	7.2

Source: McCann-Erickson.

## Top Cable Network Deals

Showtime wins hands-down as the most sold cable network of all time, having changed hands—wholly or in part—five times, three of those times for enough money to land in the top ten deals below. In the other two deals, Westinghouse sold 50 percent of Showtime to Viacom in '82 and Cablevision Systems bought 5 percent of the pay service in '88.

Date	Network	Seller	Buyer	Percent Sold	Price (\$MIL)
8/85	MTV / Nickelodeon / VH-1	Warner Amex	Viacom	100%	\$508.0
6/89	CVN Cos.	CVN Cos.	QVC Network	100	462.0
11/87	Univision	Univision	Hallmark / First Chicago	100	330.0
1/90	Family Channel	Christian Broadcasting Network	International Family Entertainment	100	254.0
10/89	Showtime / The Movie Channel	Viacom	TCI	50	225.0
4/84	ESPN	Getty Oil	ABC	85	204.0
12/88	Rainbow Programming Enterprises	Cablevision	NBC	50	162.5
8/85	Showtime / TMC	Warner Amex	Viacom	50	160.0
2/89	Discovery Channel	Cable Learning Network	Cox / Newhouse / TCI	40	120.0
9/83	Showtime	Viacom	Warner Amex	50	93.0

Source: Paul Kagan Associates.

## ★ RATINGS ★

### TOP NETWORK SERIES

First 25 weeks of season, Sept. 18, 1989, through March 11, 1990

SERIES / NETWORK	RATING / SHARE
1 <i>Roseanne</i> / ABC	23.7 / 35
2 <i>The Cosby Show</i> / NBC	23.5 / 38
3 <i>Cheers</i> / NBC	23.2 / 36
4 <i>A Different World</i> / NBC	21.5 / 34
5 <i>America's Funniest Home Videos</i> / ABC	20.7 / 31
6 <i>Golden Girls</i> / NBC	20.5 / 35
7 <i>60 Minutes</i> / CBS	20.0 / 33
8 <i>The Wonder Years</i> / ABC	19.5 / 29
9 <i>Empty Nest</i> / NBC	19.3 / 33
10 <i>Grand</i> / NBC	18.3 / 29

### TOP BARTER SERIES

First 24 weeks of season, Sept. 18, 1989, through March 4, 1990

SERIES / SYNDICATOR	RATING
1 <i>Wheel of Fortune</i> / King World	14.5
2 <i>Jeopardy!</i> / King World	12.8
3 <i>Star Trek: The Next Generation</i> / Paramount	9.9*
4 <i>The Cosby Show</i> / Viacom	9.8*
5 <i>Universal Pictures Debut Network</i> / MCA TV	9.7*
6 <i>The Oprah Winfrey Show</i> / King World	9.6
7 <i>A Current Affair</i> / 20th Century Fox	8.9
8 <i>Wheel of Fortune</i> (weekend) / King World	8.8
9 <i>Entertainment Tonight</i> / Paramount	8.4
10 <i>Columbia Night at the Movies</i> / Columbia	7.8

### TOP CABLE NETWORKS

Average ratings / projected households, February 1990

NETWORK	7 A.M. TO 1 A.M.	PRIME TIME
1 TBS	2.0 / 1,066,000	2.3 / 1,226,000
2 USA	1.5 / 773,000	2.5 / 1,289,000
3 Nickelodeon	1.1 / 554,000	.9 / 453,000
4 ESPN	1.0 / 553,000	2.0 / 1,107,000
5 TNT	1.1 / 443,000	1.6 / 645,000
6 CNN	.8 / 435,000	1.2 / 653,000
7 Family Channel	.8 / 389,000	.8 / 389,000
8 MTV	.6 / 300,000	.5 / 250,000
9 Lifetime	.6 / 284,000*	.9 / 425,000*
10 TNN	.5 / 264,000**	.9 / 460,000

\* Includes multiple exposures.

\* Lifetime reports on a Monday-Saturday basis.

\*\* 9 A.M. to 3 A.M. Note: cable ratings are percentages within the varying populations that can receive each network.

Networks are ranked by projected number of households rather than ratings. Source: Nielsen Media Research data.

# DATABASE

## HOME VIDEO

### Top Videocassettes / Rentals

February 1990

TITLE / PUBLISHER	% TOP 50*
1 <b>Indiana Jones and the Last Crusade</b> / Paramount	9.8
2 <b>Lethal Weapon II</b> / Warner	8.3
3 <b>Turner &amp; Hooch</b> / Touchstone	6.7
4 <b>Uncle Buck</b> / MCA	5.7
5 <b>Parenthood</b> / MCA	4.5
6 <b>When Harry Met Sally</b> / Nelson Ent.	4.4
7 <b>Kickboxer</b> / HBO	3.2
8 <b>Weekend at Bernie's</b> / IVE	2.9
9 <b>Road House</b> / MGM / UA	2.9
10 <b>Karate Kid Pt. III</b> / RCA / Columbia	2.6
11 <b>License to Kill</b> / CBS / Fox	2.6
12 <b>K-9</b> / MCA	2.4
13 <b>Lock Up</b> / IVE	2.2
14 <b>See No Evil, Hear No Evil</b> / RCA / Columbia	2.2
15 <b>Pink Cadillac</b> / Warner	2.2
16 <b>Star Trek V: The Final Frontier</b> / Paramount	2.1
17 <b>Do the Right Thing</b> / MCA	2.1
18 <b>Ghostbusters II</b> / RCA / Columbia	1.9
19 <b>Working Girl</b> / CBS / Fox	1.7
20 <b>Eddie and the Cruisers II</b> / IVE	1.5

### Top Videocassettes / Sales

February 1990

TITLE / PUBLISHER	% TOP 50*
1 <b>Indiana Jones and the Last Crusade</b> / Paramount	33.6
2 <b>Lethal Weapon II</b> / Warner	19.5
3 <b>Raiders of the Lost Ark</b> / Paramount	6.9
4 <b>Indiana Jones and the Temple of Doom</b> / Paramount	6.6
5 <b>Lethal Weapon</b> / Warner	4.6
6 <b>The Wizard of Oz</b> / MGM / UA	3.7
7 <b>Bambi</b> / Disney	1.8
8 <b>Batman</b> / Warner	1.8
9 <b>Die Hard</b> / CBS / Fox	1.5
10 <b>Who Framed Roger Rabbit</b> / Touchstone	1.2
11 <b>The Land Before Time</b> / MCA	1.2
12 <b>Rolling Stones: 25 By 5</b> / CMV	1.1
13 <b>Jane Fonda's Light Aerobics and Stress Reduction</b> / Lorimar	1.0
14 <b>Jane Fonda's Complete Workout</b> / Lorimar	0.9
15 <b>Kathy Smith: Ultimate Workout</b> / JCI	0.7
16 <b>The Sound of Music</b> / CBS / Fox	0.6
17 <b>I Love Lucy: Vol. 6</b> / CBS / Fox	0.5
18 <b>Playmates at Play</b> / HBO	0.5
19 <b>New Kids on the Block: Live</b> / CMV	0.5
20 <b>Ferris Bueller's Day Off</b> / Paramount	0.5

Source: Videodome Enterprises, Dallas.; \*Title as percentage of top-50 tapes total volume.

This notice appears as a matter of record only.  
January 1990

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# RUNNING THE NUMBERS

## Battle at Dawn

The much-publicized anchor switches at both *CBS This Morning* (Paula Zahn for Kathleen Sullivan in late January) and *NBC News' Today* show (Deborah Norville for Jane Pauley in early January) haven't exactly pushed either program to the top of the morning-show heap. *CBS This Morning's* ratings grew slightly, but the show remains in the cellar. *Today* fared worse, slipping to second behind ABC Entertainment's *Good Morning America*. It may not be coincidence that *GMA* is the only show of the trio that hasn't stirred up controversy, à la Bryant Gumbel's infamous *Today* memo in early 1989, or endured chronic makeovers, like CBS, which in 1987 replaced *CBS Morning News* with the ill-fated *The Morning Program*, only to dump it later that year for *CBS This Morning*.

### Network Morning Show Ratings/Shares

Sweeps period	NBC	CBS	ABC
Nov 1986	4.6/22	2.3/11	6.0/27
Feb 1987	4.6/21	2.3/10	5.1/24
May 1987	4.1/21	2.1/11	4.2/22
July 1987	3.6/20	1.9/10	3.4/17
Nov 1987	4.7/22	2.2/11	4.6/22
Feb 1988	5.0/22	2.3/11	4.5/20
May 1988	4.5/22	2.1/10	4.3/21
July 1988	4.0/21	2.0/11	3.3/18
Nov 1988	4.4/20	2.3/10	4.0/18
Feb 1989	4.6/21	2.6/12	4.3/19
May 1989	4.1/20	2.2/11	4.2/21
July 1989	3.7/20	2.1/12	3.4/19
Nov 1989	4.4/20	2.5/11	4.4/20
Feb 1990	3.6/17	2.7/12	4.5/21

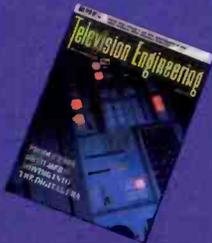
Source: Nielsen.

ILLUSTRATION BY JIM LUDTKE

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