

TELEVISION.

g Reasons We Can Do What Others Can't.

(let's start with two)

5 million set-tops,
the largest deployed base of
digital cable system software

software solution includes
features designed to enable a rich Internet
experience on the television screen.

Look for the other five reasons in our other ads,
if you haven't yet, stop by **booth 3831** for the full story!



***Delivering the Excitement of
Advanced Television***

ADVANCED

7 Bi

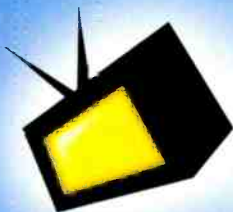
Reason #2

Already in over 100 countries, PowerTV has the most advanced interactive digital TV experience in the world.

Reason #4

A PowerTV software solution provides everything needed for a superior interactive experience on the TV.

Look
or bet



PowerTV[®]



**WE DO IT
BETTER THAN
ANYBODY...**

Top of the Week November 27, 2000



New service is designed for couch-potato quarterbacks.

SILENCING CRITICS Time Warner inks deal with EarthLink, which had opposed the AOL merger. » 20

ABC'S FIX Network says it will wait until all polls close in a state before projecting winners. » 22

TAPE FLAP Reporter quits after station refuses to air tape the station went to court to get. » 22

Oprah is renewed in nearly 70% of the country.



Programming

She TV Women's networks experience a growth spurt. » 98

More riffs on reality Variations on the genre continue to appear. » 100

Animated divorce DIC Entertainment takes its assets and leaves Disney. » 102

Discouraging news Study of TV stations see quality suffering in profit squeeze. » 104

Flirting with success Relationship strip *Blind Date* inspires imitators. » 108

Business

The '99 story Broadcast TV, cable, radio saw slowing growth; not so the Internet. » 112

Washington

Digital PBS Public broadcasting signs deal

with Time Warner Cable. » 118

Set-top squabble Battle heats up over standards for, sales of digital boxes. » 113

Interactive Media

On-the-job training TV-news Web sites learn fast about covering elections. » 120

Zip to set-tops AT&T will distribute Zap2it service to digital customers. » 122

Technology

Northeast link Local-ad-insertion interconnects launch in three markets. » 126

Choosing commercials ACTV technology would let viewers pick the ads to see. » 127

Prime video Primedia forms full-service digital production unit. » 130

MAKING WAVES Fox Sports plans interactive services for digital cable. » 10

PRICE HIKES Increases in cable rates for 2001 are in the 5% to 7% range. » 16

RENEWING OPRAH In the 2003-04 cycle, the show will have fewer original episodes, more local ad time. » 18



Cover photo: David Cornwell Photography

COVER STORY

AT LIBERTY

On its own How CEO Dob Bennett plans to revive the Liberty Media portfolio. » 28

THE WESTERN SHOW SPECIAL REPORT

Money talks Morgan Stanley financial analysis of the eight largest MSOs. » 42

Top 25 TV networks B&C's exclusive ranking, by revenue. » 54

Hollywood on cable Celebrity filmmakers flock to the small screen. » 68

Muppet empire Brian Henson talks about new directions for Jim Henson Co. » 72

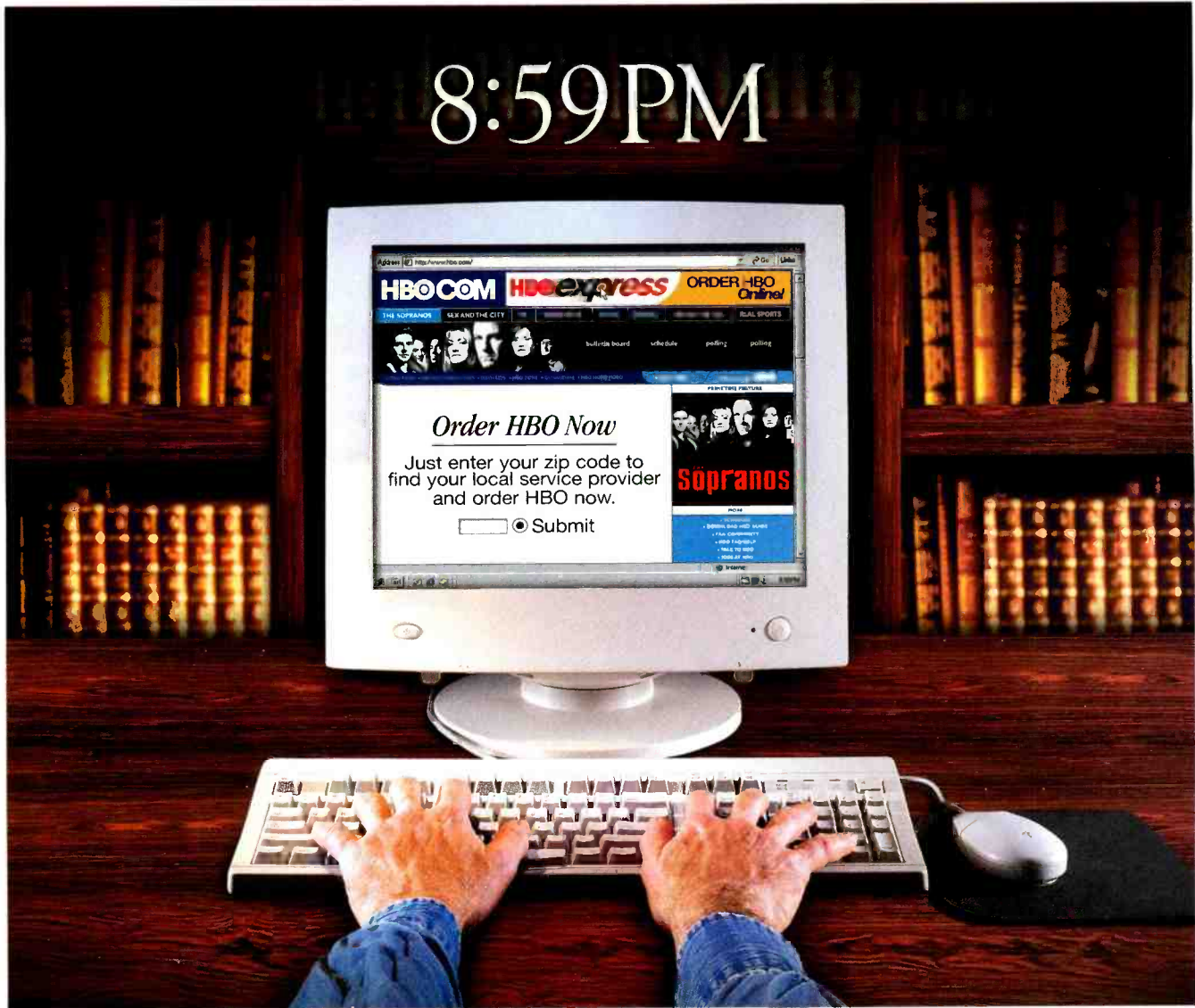
Home shopping sells A look at a multibillion-dollar retailing force. » 86

At the show Highlights of this week's conference schedule. » 92

B&C Eye	6
Changing Hands	114
Classifieds	137
Common Ground	125
Cutting Edge	129
Datebook	132
Editorials	150
Facetime	133
Fates & Fortunes	134
Fifth Estater	136
Financial Wrap-Up	24
Open Mike	148
Station Break	108
Two Cents	146

INTRODUCING THE VERY FIRST PREMIUM TV

8:59PM



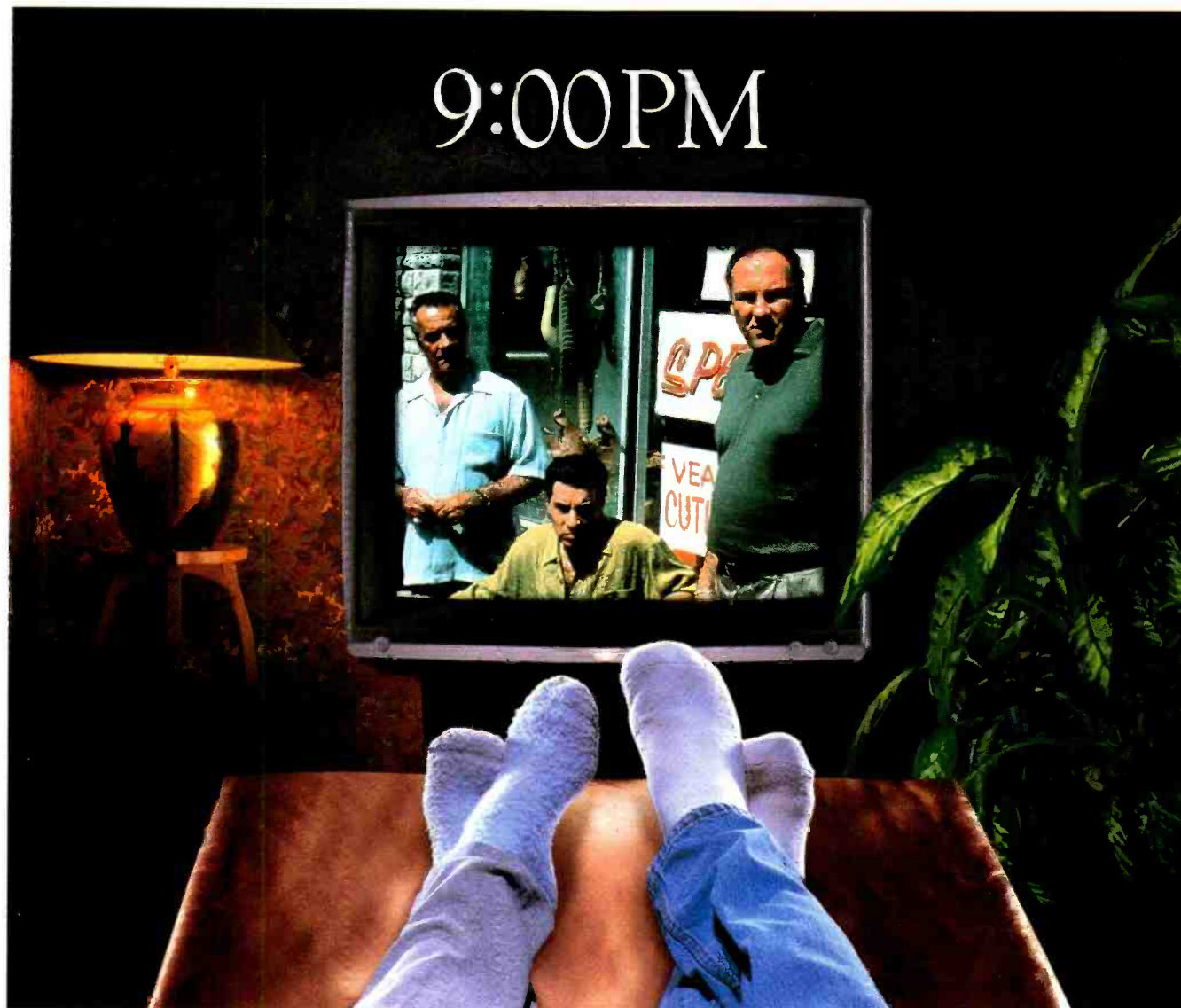
Improve your net

"HBO Express is clearly driving business in the Boston area. During the first three weeks alone we generated over 2,300 sales. The fact that we're experiencing incremental sales volume while not incurring any additional operating expenses, has established this program as a key part of our pay TV upgrade strategy."

Jeffrey Levy, Product Manager, Pay TV, Northeast Region, AT&T Broadband

HBO EXPRESS

ONLINE ORDERING SERVICE.

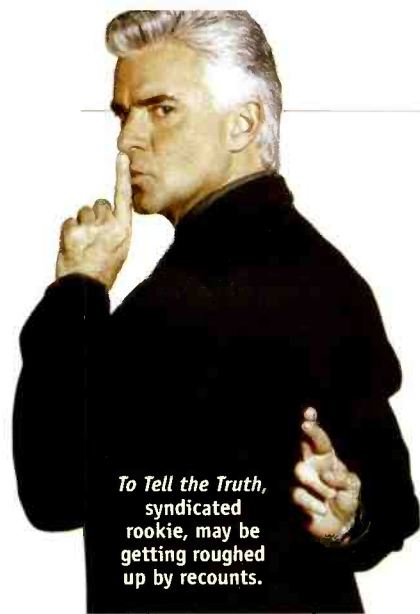


gains in seconds.

- ▶ Provide the fastest, easiest and most convenient way for your subscribers to order HBO.
- ▶ Create an additional upgrade strategy that increases HBO sales.
- ▶ Significantly reduce your operational costs.

Call your HBO rep today
for more details.

HBO *express*



To Tell the Truth, syndicated rookie, may be getting roughed up by recounts.

SYNDICATION

Election fallout

All the emphasis on the election-without-end's effect on the orderly transition of power and our standing in the world community has obscured this fact: it's making it rough to figure out which rookie syndicated shows deserve renewals. Most stations gauge a freshman strip's health by its November sweeps, but preemptions caused by the election are throwing off the numbers. "There are maybe seven days of true ratings," says one syndicator. But most rookies haven't cracked syndication's key 2.0 national rating (according to Nielsen Media Research).

BCEYE

SYNDICATION

Owls have it

For the guys, here's a no-brainer ... look for brisk sales on fall 2001 late-night entry *Who Wants to Date a Hooters Girl?* After only two official days of shopping the project, word has it that Lions Gate Television has gotten offers from several stations in top markets New York and Los Angeles. No deals have been closed, but sources say Fox, Tribune and Chris-Craft stations are in the mix. "Guys are smiling and laughing before we walk into the meetings," says one source close to *Hooters Girl*. "This is as good as it can get." In the series, guys will compete against each other in various games hoping to win a date with a waitress from the Hooters restaurant chain.



TECHNOLOGY

Dissing DTV sets

Part of LIN Television President Gary Chapman's job as chairman of digital-broadcaster trade group MSTV is to blast set manufacturers for what station operators say is an effort to promote DVD players rather than digital TV receivers. He brought that criticism home last week at MSTV's annual Washington conference. In addition to calling for the FCC to order digital receivers in every new TV set by 2003, he trashed his own digital set—which he says broke down 15 minutes after he got it out of the box. After repeated repairs, he went on, his 52-inch TV now sits as a "\$7,000 digital end table."

TOWER TALK

American Tower has created a Web site (towerfacts.com) as part of a campaign to resume construction of a broadcast tower in the District of Columbia. The city first approved the tower, then halted work on the partially completed structure after residents of the Tenleytown suburb complained.

On the Web site, American Tower is citing HDTV implications to generate pressure on the mayor to resume construction. "Federal deadlines for HDTV are approaching," says the site, "and only 50% of local broadcasters have facilities to provide this technology. The Tenleytown tower will ensure that all Federal deadlines are met. ... If you want health care, you need hospitals. If you want transportation, you need roads. If you want HDTV, cell phones and wireless technology, you need towers."

True, but it was unclear whether any local broadcasters were counting on this particular tower. WRC-TV, for one, said it already has its own new tower.

An American Tower spokeswoman had not returned calls at press time.

GOING IT ALONE

The whole *Burden of Proof* fell on CNN legal analyst Roger Cossack last Tuesday. Greta Van Susteren, co-host of the CNN show with Cossack and who had been in Florida covering the endless election, was stuck in the Charlotte, N.C., airport when it was closed due to a security breach. Turns out it was a toy gun in a passenger's suitcase. No word on whether Van Susteren offered the passenger any legal advice.

HE SHOULD KNOW

Isaac Hayes has banned his 14 grandchildren from watching *South Park*, reports gossip columnist Dominic Mohan, of the UK's *Sun*. Mohan says the soul legend fears his sex-mad character Chef will be a bad influence on them.

10,000,000 Screens
30,000,000 Viewers
60,000,000 Eyes
300,000,000 Fingers
\$ _____ Revenue

You do the math.

Visit OpenTV at the Western Show and discover how to maximize your brand using the world's most deployed interactive television solution. We'll bring all the expertise you need to start interacting profitably today.

Western Show 2000
Los Angeles Convention Center
West Hall, Booth 3301

www.opentv.com



Break On Through.



Cable... We'r



RUDE AWAKENING

- ***SHOWTIME'S LONGEST-RUNNING COMEDY***

RIPLEY'S BELIEVE IT OR NOT

- ***TBS' #1 ENTERTAINMENT SERIES***
- ***#1 IN ITS TIME PERIOD***

e All Over It!



STRONG MEDICINE

• ***LIFETIME'S #1 SERIES***

***3 HIGHLY SUCCESSFUL AND
ORIGINAL PROGRAMS FROM...***

COLUMBIA TRISTAR



**TELEVISION
DISTRIBUTION**

a SONY PICTURES ENTERTAINMENT company

Fox's big interactive game plan

New Sports Active and Sports Extra will let fans use set-tops to select info, camera angles



Photo: Craig Mathew Photography

Steven Kuo (l) and Eric Shanks are betting Fox Sports Net fans will want to customize a ticker and game highlights on new interactive services.

By Joe Schlosser

In 1994, Fox Sports joined the TV sports landscape with lots of bells and whistles and hockey pucks that glowed. Unusual graphics, specially designed animation and even the Fox Box—which allowed viewers to know a game's score from the opening bell—were the Fox Sports signatures.

Now, Fox Sports is trying to make waves again: Coming to a digital set-top box near you in 2001 are Fox Sports Extra and Fox Sports Active, interactive services designed for the couch-potato quarterback to cus-

tomize his viewing experience, or instantly get the scores and data he wants. Fox will be meeting informally with MSOs at the Western Show in Los Angeles this week to spell out more details.

With the two digital TV enhancements, viewers will be able to use their remote control to A) personalize their on-screen sports ticker; B) watch replays at will; and C) choose from which camera angle they want to watch a live game.

The interactive services also will allow viewers to order a pizza or buy movie tickets or a team's jersey, without even changing


the channel. Fox will deal with cable and DBS operators to split revenues or cede commercial time in exchange for carriage.

If Fox Sports' interactive plans work, other Fox cable properties are waiting in the on-deck circle and will likely get interactive bells and whistles by the end of 2001, starting with Fox News and expanding to soon-to-be-launched National Geographic Channel and other co-owned cable networks like Health Net/Web MD, FX and Fox Family Channel.

Fox Sports Extra and Fox Sports Active are designed to accompany the 22 regional Fox Sports Net cable channels and select sporting events on Fox Broadcasting Co., like the Super Bowl or World Series. They are not separate networks or channels; rather they are digital attachments that take up a fraction of the bandwidth that cable operators use to beam Fox Sports Net to subscribers.

Two interactive services could be coming into digital households within the next several months. Logically, because DBS systems—already all digital—could act on Fox's interactive plans almost immediately and also need a competitive edge over cable, it is likely some of Fox's first deals could come there.

Fox Sports' coverage of the Daytona 500 in February will likely be the network's first interactive event. Digital viewers will be given the option to watch the race from



B&C at Western Show

BROADCASTING & CABLE will be all over the Western Show in Los Angeles and will publish special daily editions Nov. 29 and Nov. 30, available at the convention hall and delivered to hotel rooms.

Reporters John M. Higgins, Deborah McAdams, Paige Albinak and Ken Kerschbaumer, Editor Harry Jessell, Executive Editor P.J. Bednarski and Deputy Editor John Eggerton will lead the coverage team, along with Group Editor in Chief Don V. West.

At the Western Show, BROADCASTING & CABLE will have its own press facility: Room 501 at the Los Angeles Convention Center.

Staff can be reached by calling (213) 765-4650, -1, -2, -3, -4 or -5. The fax number is (213) 743-6270.



Up **22%** season to date,

Maximum Exposure is now the

#2 new first-run

weekly hour

among men 18 – 34.

up **22%**
season to date

MAXIMUM EXPOSURE™

It's human stupidity at its breathtaking best.

Oh, did
we mention
we're up
22%

Source: NTL Galaxy Explorer, 10/2/00-10/15/00 vs. 10/23/00-11/5/00; FH AA% rating, Men 18-34 AA rating, S-T-D, 9/11/00-11/5/00
(Outperforming: Sheens, Invisible Man, Cindy Margolis Show, The Immortal & Thunderbolz). © 2000 Paramount Pictures. All rights reserved.



Who are

The word "We?" is rendered in a large, bold, sans-serif font. The "W" is orange, the "e" is pink, and the question mark is also pink. The letters have a slight shadow effect.

Find out November 29th.

Get the scoop from

Cindy Crawford, Debbie Allen

and **Faye Dunaway**

at 4:30pm, Booth #323.

cameras mounted in each car and from various vantage points around the track.

With its new contract with Major League Baseball, it's also safe to assume the World Series will be an interactive showcase over the next several years.

"I think people really do want this," says Fox Sports Net President Tracy Dolgin. "The most important thing that interactive TV is is a stickiness device for both the TV experience itself and a stickiness device for the programming that's on the TV as well. Everything that we are doing to make the TV interactive, just makes the use of the TV more."

SKY HAS BEEN THERE

Fox Sports programmers in the U.S. are not the first News Corp. entity to get going on the interactive front: Co-owned British Sky Broadcasting in London has been offering 4 million digital customers in the UK similar services for over a year and a half. Already up and running are Sky Sports Active and Sky News Extra, which allow viewers to choose camera angles and replays on popular soccer games and also receive added news coverage, including weather, entertainment and health segments.

"Fox has invested significant money and time and working on this first generation of interactive television services," says Steven Kuo, Fox TV's senior vice president of business development. "That's why we think we have a competitive advantage versus the other guys, not only because of the types of genres that we are talking about—sports and news—where we are already strong, but also because of all this expertise that we have within the News Corp. family, especially with Sky's experience in the field."

Kuo and Eric Shanks, Fox TV's vice president of enhanced programming, have made numerous trips from their Los Angeles offices to London to learn from their colleagues at Sky.

Along with a quickly expanding staff in Los Angeles, the executives have put together business plans for the domestic

interactive enhancements.

Fox Sports Extra, which will be the first service made available to U.S. digital viewers, is a combination of data and limited video. With Extra, viewers will tune to their Fox Sports Net channel and then click on the enhancement—pushing the incoming Fox Sports Net feed into the upper-right corner and filling the rest of the screen with what basically amounts to an Internet page of information.

Viewers can customize their own sports



Viewers will be able to customize their own sports ticker and, during games, call up selected periods for replay.

ticker and choose what scores and information they want to appear on their screen. During games, Fox Sports Extra viewers will be able to choose from different replay choices and even call up entire first-quarter or selected periods for replays. There are also trivia games and fantasy-league columns filled with statistics on individual players.

"Fox Sports Extra will always be available to viewers. It'll always be there for a quick fix of sports and news services," says Shanks.

"Fox Sports Active is when you are watching a baseball game or a football game and you are interacting directly with that game. In a football game, for example, if the announcers are talking about one particular player, you can select with your remote which camera angle you want to look at that player with. You control your viewing experience."

Highlights from the game the viewer is

watching, as well as video highlights from other games and different sports, will be available with the touch of a button, Fox executives say.

Because a separate control room will need to be established to handle the video feeds from the game site, Fox Sports Active will not be offered on every game.

Both Fox Sports Extra and Active will be run out of Fox Sports' Los Angeles headquarters. When Fox News Extra gets running late in 2001, Fox's New York City offices will be ground zero for the interactive services.

INTERACTIVE LAUNCH

Getting the interactive services up to speed is one thing. Getting the cable operators and DBS providers to carry them is another. Fox sales executives are hearing plenty of questions from MSOs and DBS providers.

- Will it be a special pay service or regular feature for digital subscribers?
- What kind of advertising possibilities are there?
- How much bandwidth does it take up?

Those questions will all be answered, but the first real stumbling block is just getting the two enhancements up and running on all of the different cable and DBS services. Unlike British Sky Broadcasting, which is a DBS service and a content supplier all in one, Fox executives will only be supplying the content—making interactive distribution a tedious chore.

"It's really a mess right now here in the United States, in that there are no standards," says Shanks. "It's good that there is competition, and, hopefully, the best solution will win. But right now, it's almost like we produce the NFL on Fox and it only plays on Sony TVs. What if we had to produce five different feeds, one for a Samsung TV, one for a JVC TV? That's exactly the way it is right now interactively with the different MSOs and DBS operators." Still, Shanks says, he can have the interactive services up

Something to Talk About...

Ricki Is #1!

RICKI LAKE Is #1 With Young Adult Women All Across America!

Rank	Market	Station	Time Period	
1	New York	WWOR	5:00pm	#1
2	Los Angeles	KCOP	5:00pm	#1
3	Chicago	WPWR	4:00pm	#1
9	Detroit	WJBK	2:00pm	#1
11	Houston	KRIV	10:00am	#1
15	Cleveland	WJW	10:00am	#1
18	Denver	KDVR	1:00pm	#1
22	St. Louis	KDNL	3:00pm	#1
24	Baltimore	WNUV	11:00am	#1
27	Hartford	WVIT	12:00pm	#1
30	Kansas City	KCWE	5:00pm	#1
32	Cincinnati	WXIX	5:00pm	#1
33	Milwaukee	WITI	2:00pm	#1




the
5 pm
franchise
Ricki Lake

COLUMBIA TRISTAR



TELEVISION
DISTRIBUTION

A SONY PICTURES ENTERTAINMENT COMPANY



The Leader in Young Adult Programming.™

www.ricki.com

Source: NSI, WRAP Sweeps, Oct. 2000 Sweep, #1 in top 10, Los Angeles and St. Louis: #1 tie.
©2000 Columbia TriStar Television Distribution. All Rights Reserved.

and running within two months of an operators' order—he just needs a green light.

Fox executives say that, at least initially, subscribers won't pay. "I don't think so. We will defer to the judgments of the distributors," says Lindsay Gardner, executive vice president of affiliate sales and marketing for Fox Cable Networks Group. "We will create a business model that works for each distributor, and, from our discussions so far, the vast majority of distributors do not intend, at least for the first few years, to make this an added pay service."

Fox executives say advertising opportunities will be ample and British Sky Broadcasting has been successful with pizza delivery and other impulse buys. With each cable deal, Gardner says, there will be different types of advertising and e-commerce deals, some shared between Fox and the operators.

Fox Sports Extra will take up a minimum 5% of what an analog channel consumes; Fox Sports Active, a minimum of 10% of an analog channel's bandwidth.

"When we walk into the operators' offices, we say something that pretty much floors them," says Gardner. "We acknowledge that they are going to be contributing scarce bandwidth, which is precious to them, we know that. And what we basically tell them is, you provide us with the bandwidth, we'll provide the service. And we offer some

opportunities for operators to take some of our content and brand it themselves."

WILL THEY COME?

Fox executives are clearly bullish on their new interactive ventures but also very cautious. As one top News Corp. executive likes to say, "We don't want to kill the golden goose" by rushing the product. Fox executives from Sky say viewers only can take so much at a time.

"The stuff that is going to work here is only the stuff that people want, not 8 million things getting pushed at them," says Jeff Shell, president and CEO, Fox Cable Networks Group. "If you clutter it up too much, make it too difficult or complicated, the consumers are not going to want it. But one thing is for sure, I know sports fans like myself want more information, quicker information and eventually more choice in video. So I'm pretty sure this will be successful." ■

Cable rates rising

Cablevision up 7% in NY; Time Warner sticks with 5%

By John M. Higgins

This is the season when cable operators start notifying customers about rate hikes, and basic increases appear to be falling in the 5% to 7% range.

The first MSO out of the gate is Cablevision Systems, which said it is boosting basic prices by an average of 7% in its metro New York systems. That's a blend of rate increases for broadcast basic, enhanced basic and other higher basic tiers.

Time Warner Cable plans an increase of no more than 5% in the bulk of its systems. A company spokesman said, however, that a few recently rebuilt systems getting a lot of new channels will see higher increases. That's the third year Time Warner has stuck to an average hike of 5% or less. Cox Communications said its increase will also be in the 5% range.

Customers of those companies will see increases in their bills during January and February.

Charter Communications said it was still finalizing budgets but will not boost rates all at once at all of its systems. AT&T would not disclose its plans, a spokesman saying, "It's a matter between us and our customers."

Even though federal rate regulation expired last year, cable operators have been cautious about increasing basic rates—in part to avoid provoking Congress into reenacting price caps, in part from fear of driving even more customers to DBS services and overbuilders.

"I've always said that, once the market comes to regulate cable, they're going to miss the FCC," said Bear, Stearns & Co. analyst Ray Katz. "The satellite guys are rooting for the highest cable rate hikes possible. Not only can they say, 'We're cheaper,' but they can raise their rates, too."

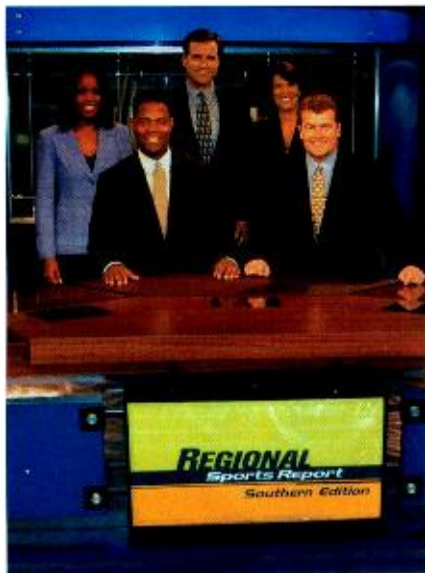
Cablevision's hike is higher than the 5.6% at the beginning of 2000.

The company declined to identify specific rate changes in individual cities. In the past, some systems have faced increases of 11% to 13% when Cablevision finished rebuilding a property and added a new slate of channels. The company said, however, that no systems will see hikes that large this round.

MSOs must notify customers and franchising authorities a month before any rate changes, so more-detailed information about January and February hikes should start emerging within the next couple of weeks. ■

I've always said that, once the market comes to regulate cable, they're going to miss the FCC!

—Ray Katz, Bear, Stearns & Co.



The interactive services will be a component of the regional Fox Sports Net channels.



It's here.

Enhanced TV. New ways to personalize, interact, shop—and more. Your customers are ready to stop watching and start doing.

Now you're ready, too.

Microsoft TV offers the best solutions for Enhanced TV. If you're a network operator, we have the most comprehensive software platform available to help you deploy Enhanced TV services. If you're a content provider, we have the resources and support you need to create Enhanced TV programming. And to help you bring it all together, Microsoft TV has alliances with leading companies that provide the hardware, software, tools, and other technology that you rely on.

Our bottom line?

We can help you deliver a new TV experience while you deliver on your company's bottom line. Get started today.

Visit Microsoft TV in booth #3617.

www.microsoft.com/tv



What TV can be.

Microsoft

IN BRIEF

FTC WON'T SUE OVER MOVIE MARKETING

The Federal Trade Commission will not sue the movie, music and videogame industries on the grounds that they have used false or deceptive practices to market violence to children, the agency said last Tuesday. "[T]he Commission believes that there are a number of significant legal limitations, including substantial and unsettled constitutional questions to effective law-enforcement actions," FTC Chairman Robert Pitofsky wrote to Senate Commerce Committee Chairman John McCain (R-Ariz.). It's unlikely, however, that the FTC's decision not to pursue the matter in court will get Congress off the entertainment industry's back.

CBS AXES ANGELS

CBS pulled the plug on Steven Bochco's drama *City of Angels* and will not be ordering additional episodes for the second half of the 2000-01 season. CBS will continue airing original episodes of the drama through at least Dec. 21.

LAYOFFS AT WLFI-TV

Seventeen full- and part-time employees at WLFI-TV Lafayette, Ind., have lost their jobs in a consolidation that has seemed inevitable since WISH-TV Indianapolis-owner LIN TV took over the nearby station in April. Although WLFI-TV is in a separate market it is only miles away from Indianapolis. The terminations end Mike Piggott's 16-year career at the station, which included stints as news director and general manager, although LIN regional Vice President Scott Blumenthal said LIN is "leaving the door open on a future relationship with Mike."

Major Oprah renewals to 2004

ABC O&Os hang onto talk show despite attempts by CBS stations to win her

By Steve McClellan

King World is expected to announce this week or next that it has renewed *The Oprah Winfrey Show* in about 70% of the country for the two-year renewal cycle that goes through August 2004.

Station groups that have re-upped (or nearly so) include ABC, Hearst-Argyle Television, Scripps Howard and Cox Broadcasting.

As recently as two weeks ago, CBS station executives were hopeful that they might have a shot at taking *Oprah* away from the ABC group. Sources say CBS-owned stations were "very aggressive" in their pursuit of the show. But it wasn't to be. Part of the reason, sources say, is Oprah Winfrey's desire not to shift from the powerhouse ABC stations to the CBS O&Os.

It certainly would have been a welcome boost to the CBS group (co-owned with King World by Viacom), which is third behind the ABC and NBC stations in most of the big markets.

But one source likens not renewing *Oprah* at a station to losing the NFL: It's a valuable franchise that's hard to replace. "She's a unique property," says one station executive. "That one show means the difference between success and failure in both early fringe and local news for many stations." In most cases, the show is a lead-in to early evening newscasts.

Terms for the latest two-year cycle will be different: higher license fees and fewer original episodes per season. Sources confirm that production will drop from the current 36



ABC says its new agreement with Oprah Winfrey is "inches away" from being a done deal.

weeks per season to 26 weeks. The quid pro quo: Stations will get a little more local ad time to sell in the show.

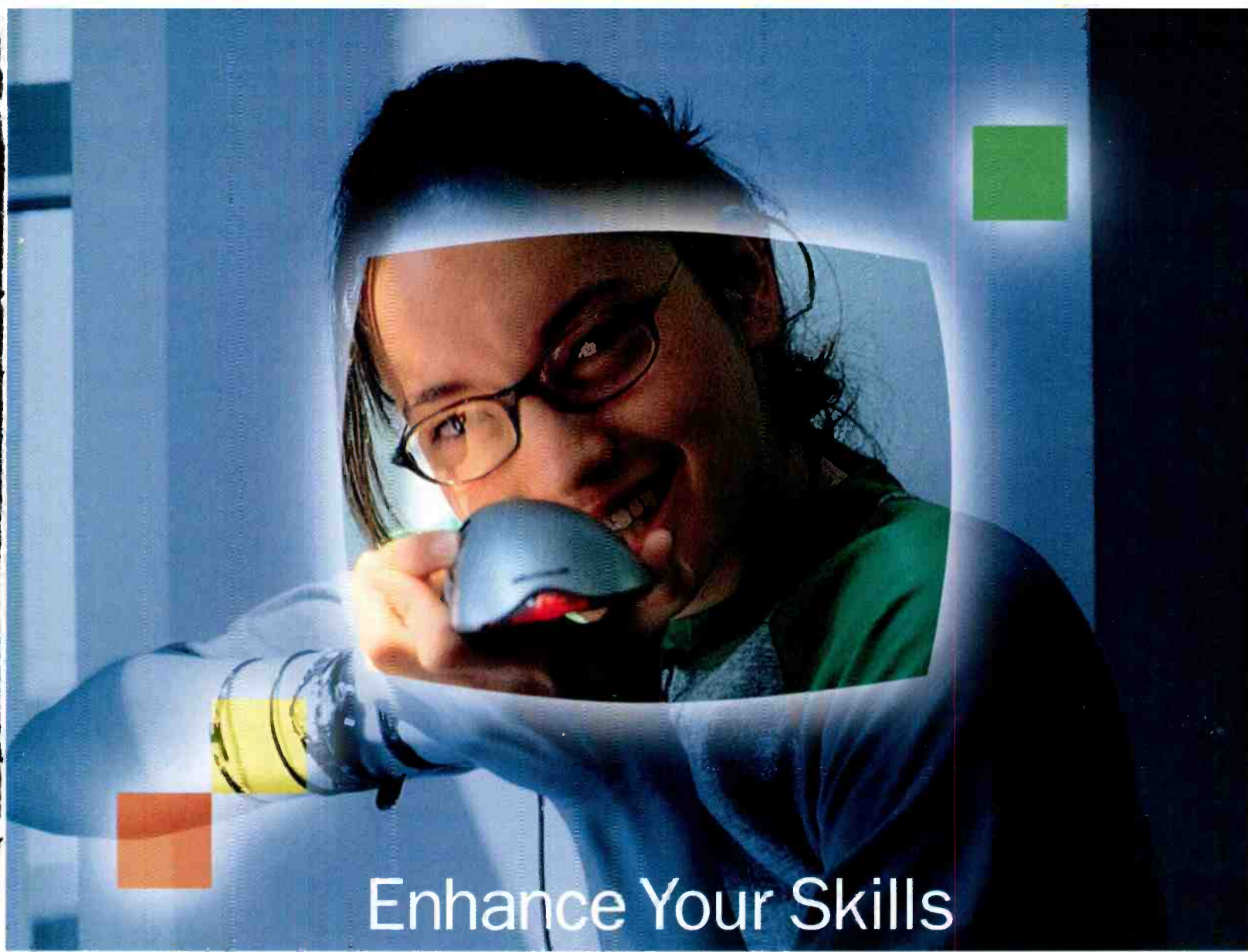
Currently, King World sells three minutes of national ad time in the show, while stations get 10½ minutes of local time to sell. In the new cycle, sources say, stations will get an additional 30 seconds to sell per episode.

Under the current three-year renewal cycle, which goes through the 2001-02 season, terms call for original production to be reduced from 40 weeks (200 episodes) to 34 weeks (170 episodes). Production is being cut because Winfrey has other projects, sources say.

Station executives aren't thrilled about the cut in original production. "We would have preferred if it remained where it was, but it's not, and that's the way it is. We also think she's a strong enough talent to carry it off," said one station executive whose group purchased the show.

Executives say they don't think the cut-back will affect ratings. But, as one executive candidly puts it, "you just don't know until you see it."

King World has kept mum on the renewal process and had no comment last week, preferring to wait and make a big splash with an announcement about multiple renewals. But, in the past couple of weeks, company Chairman Roger King has personally met with and pitched renewal terms to the biggest incumbents. ■



Enhance Your Skills with ITV Training.

Microsoft has joined forces with Future Media Concepts, QuickStart Technologies and Wisconsin Public Television to deliver instructor-led classroom training on the future of television—Interactive TV. Learn how to plan, implement and develop Interactive Television based on the ATVEF (Advanced Television Enhancement Forum) specification, and see how Microsoft TV can help you make television more useful, fun and engaging for your audience.



What TV can be.

**Future Media
Concepts**
Training a New Generation
of Digital Artists

QuickStart
Your e-business partner

WISCONSIN PUBLIC TELEVISION

Click to Register for a Class Near You.

www.microsoft.com/TV/calendar/training.asp

Microsoft

IN BRIEF

CNN CONSIDERS REVAMP

The ratings boost from covering two weeks of presidential uncertainty has led CNN to reconsider its show lineup. Commentary and single-anchor news shows with the likes of Greta Van Susteren and Jeff Greenfield are likely to usurp *World Today* at 8 p.m. and *NewsStand* at 10 p.m.

Nothing is in stone yet, a CNN spokeswoman said. A definite schedule will be worked out when the election brouhaha actually ends.

CNN continued to outpace its rivals last week during the Florida recount. The network scored a 1.6 Nielsen rating during prime time, reaching 1.2 million households. Fox News Channel came in second with a 1.3 rating and 745,000 households. MSNBC came in last with a 0.9 rating and 564,000 households.

On a total-day basis, CNN led with a 1.0 and 797,000 household; Fox followed with a 0.8 and 468,000 households, and MSNBC just missed second place with a 0.7 rating and 444,000 households.

SHOWTIME ADDS THREE DIGITAL CHANNELS

To help widen the appeal of Showtime Unlimited, a 30-channel digital package including enhanced audio, Spanish language and HDTV, the network will launch three new channels in March 2001. Targeting viewers age 18-24, Showtime Next will feature recent widely released films, some series, and short films. Touted as an "interactive-TV playground," it will also share some content with the Web. Showtime Women will focus on female-driven programming. Familyzone will air G- and PG-rated content only.

You've got EarthLink

Time Warner strikes deal with unaffiliated ISP, which may get its service on Time Warner Cable systems even before AOL

By Bill McConnell

Time Warner last week pitched its broadband carriage deal with Internet provider EarthLink as the breakthrough deal needed to win federal approval for the cable giant's merger with America Online.

The real test, however, will come during the next few weeks as Federal Trade Commission officials pore over the contract. They'll be making sure the agreement provides adequate terms, such as subscription- and ad-revenue sharing, that would allow it to be used as a template for carriage deals Time Warner will have to offer as a condition of the merger.

Although skeptics of AOL and Time Warner abound, EarthLink at least has dropped its contentious stand against the merger and praised the contract. "Our deal can be a model for which the rest of the industry can hopefully get access to this infrastructure," EarthLink chief executive Gary Betty said during an interview with Web financial service On24.

EarthLink had been one of the most vocal critics of the AOL-Time Warner merger and several weeks ago made public an embarrassing Time Warner "term sheet" the cable company used as a starting point for talks with several ISPs seeking carriage. Under those terms, which drove home to FTC officials how Time Warner was using its market muscle to extract harsh carriage terms, ISPs would have been forced to turn over 75% of their subscriber revenue and 25% of ad revenue.

Last week's agreement provides much better terms, Betty said, although he would not reveal specifics of the contract. "We are happy with the deal we cut," he said. "The deal that had been on the table would have put EarthLink in a position of losing money on every customer," he told CNN last week.

Under the FCC's terms, Time Warner

would be required to offer at least one unaffiliated ISP in any market as it rolls out AOL broadband services. Over time, the cable system would be required to offer at least three unaffiliated ISPs in the market.

Critics of the merger were keeping an open mind about the deal, including Disney Washington chief Preston Padden, who called the agreement "a step in the right direction."

Besides EarthLink's long-standing determination to win favorable access terms, Padden and consumer advocates are heartened by the company's strong bargaining position. Atlanta-based EarthLink is the country's second largest ISP with 4.6 million subscribers. Juno,

the other company likely to strike a deal with Time Warner soon, is poorly capitalized and has less leverage.

Still, proponents of open-access conditions said they are troubled that the contract's provisions are confidential.

"The FTC has to make the principles behind these terms public," said Center for Media Education executive director Jeff Chester.

The FCC, which is examining the need for industrywide cable access rules, is likely to be influenced by the final terms imposed by crosstown regulators at the FTC. Cable industry officials contend, however, that the FTC's conditions should not be imposed beyond Time Warner's merger with 23-million-subscriber AOL, the overwhelming leader in Internet service.

Still, other industry players are gearing up to carry multiple providers. Comcast is reportedly readying a multiple ISP trial in Philadelphia and AT&T is conducting one in Boulder, Colo.

Regardless of how the industrywide open-access battle turns out, EarthLink's Betty was ecstatic about his deal because "EarthLink will be on Time Warner Cable before AOL." ■

'We are happy with the deal we cut.'

—Gary Betty, EarthLink CEO



**VISION ISN'T ABOUT SEEING THE FUTURE.
IT'S ABOUT SHAPING IT.**

For more than two decades, International Image has been the most reliable link between content owners and their global customers. We've established an unparalleled reputation for making content work in an incompatible world.

Now, with a clear vision for the future, we've joined forces with Sonic Foundry®, the leading developer of digital media software tools, services, and systems. Together we've formed Sonic Foundry's Media Services™ Division, the ultimate source for converting, encoding, managing, and delivering your media assets. Let us help you shape your future.

Sonic Foundry's Media Services Division. One Source. Countless solutions.

INTERNATIONAL
Image

 **SONIC FOUNDRY®**
media services division

madison | santa monica | toronto | amsterdam

sonicfoundry.com | 310.264.8444

ABC: All or nothing

Pledges no election calls in state if any polls are open

By Paige Albiniaik

Under pressure from key Republican lawmakers, ABC News last Wednesday said it would wait until all the polls in a state are closed before projecting election winners

The news division also said it would make clear to viewers that its projections were "statistically based estimates of the probable results of elections ... not reports of the actual, final results of elections."

The network said that it supports an outside review of the Voter News Service, which supplies the data upon which the projections are based, and that it will try to insulate those interpreting the VNS data from "the pressures of competition" on election night.

Finally, ABC said it continues to support a national uniform poll-closing time, so that projections in some states where polls have closed do not affect voting in states where polls are still open.

ABC's new guidelines came as all the networks were scrambling to respond to congressional criticism about their election-calling performance on Nov. 7-8. Early that evening, all the TV news operations projected Gore the winner in Florida and then retracted the call. Later, they projected Bush had won the state and the presidency, only to back off after the actual vote count showed Gore and Bush in a dead heat.

Leading the critics, Rep. Billy Tauzin (R-La.) also charged that the networks may have "disenfranchised" voters in Florida's panhandle counties where polls were still open when the networks made their early call for Gore. The panhandle counties are in a different time zone from the Eastern part of the state.

Tauzin held a press conference two weeks ago suggesting that the the networks' election-night performance betrayed anti-Republican bias.

All the networks responded to Tauzin

last week. CNN specifically denied any bias. ABC and CBS wrote detailed accounts of how they project elections.

Both said they start with exit-poll data submitted by Voter News Service, which was then analyzed by in-house experts. They also looked at early voting returns in the counties. They said Gore was comfort-

ably ahead when they incorrectly called Florida for him at 8:02 p.m. ET and 7:50 p.m. ET respectively.

But in the wee hours of Wednesday morning, "another series of confusions took place," wrote CBS News President Andrew Heyward to Tauzin, "including what ... appears to be a very significant computer error made by the Volusia County Elections Department. ... We were as good as the information we were getting from sources we trusted. In this case, that information was not good, and neither were we." ■

No tape at 11

Texas reporter quits when her news chief, in a twist, refuses to air controversial tape station fought in court to get

By Dan Trigoboff

Corpus Christi, Texas, reporter Nicole Perez spent months fighting to air a security tape of a scuffle between jail guards and a prisoner. And just when she thought she'd won, she said, her victory was snatched away—literally—by her own news director.

After the station had won its fight against Nueces County prosecutors, who sought to keep the tape off the air to avoid, they said, contaminating a potential jury pool, long-time KZTV(TV) News Director Walter Furley decided not to use it.

Perez, and the rest of the Corpus Christi market, would see the tape that night, but on other stations, and on the Web site of the local newspaper. "As soon as I walked in the door, he grabbed the tape out of my hands," Perez said. "He said we're not running the story."

The next day, Perez quit.

"I can't work where my news director won't support me," she said. "I tried telling him other stations would run it, that it's

public because we went to court to get it. But he let me get beat on my own story. I can't stand that."

Furley, a 40-year-plus veteran of the station who is also a news anchor there, explained to colleagues and to the market that he believed showing the tape outside a courtroom could prejudice potential jurors in the eventual trial.

But General Manager Jim Bixler asked, "Why go to all the trouble of having an attorney plead our case if you're not going to use it?" Bixler said he spoke with Furley, and disagreed with him, but decided not to overrule him.

Perez had first asked in March for security video of the February incident that led to assault charges against two guards. She made a request to county officials under Texas open-records law and received a favorable opinion from the Texas Attorney General's office. The tape was released in May, but prosecutors got a court order to prevent the station from airing it. Defense attorneys also opposed airing the tape. ■



Though not aired by KZTV, the tape was broadcast on rival stations.

Photo supplied by KRIS-TV

Thanks For Casting Your Vote For “Your Choice Your Voice”



The “Your Choice Your Voice” promotion was designed with you in mind by bringing opportunities to your local ad sales, marketing and public affairs departments. Not only did systems maximize their local ad sales revenue, but 1,077 classes and over 26,000 students from across the country gained relevant, in-depth knowledge of the electoral process in a way that only CNN and the cable industry could deliver.

Our sincerest thanks go out to the more than 170 cable systems and 7 interconnects that made this promotion a tremendous success.

Look for another impactful promotion from CNN in 2001 to help you reach out to your community and grow your local ad sales revenue.



THE WORLD'S NEWS LEADER

FINANCIAL WRAP-UP

Week of November 20-22

WINNERS

	11/22	% change
Lee Enterprises	\$27.75	4.72
Insight Comm.	\$13.00	2.97
Washington Post	\$548.75	2.68
Saga Comm.	\$16.50	2.33
Gray Comm.	\$15.94	2.00

LOSERS

	11/22	% change
UnitedGlobal.com	\$15.83	(31.06)
Liberty Digital	\$7.00	(29.67)
Unapix	\$0.16	(28.57)
Liberty Satellite	\$3.50	(27.27)
Mediacom	\$13.13	(22.51)

BROADCAST TV (11/24/99-11/22/00)



Week ending 11/22/00
 Close.....266.49
 High.....267.84
 Low.....265.44

1.9%

CABLE TV (11/24/99-11/22/00)



Week ending 11/22/00
 Close.....251.14
 High.....257.21
 Low.....249.62

5.8%

RADIO (11/24/99-11/22/00)



Week ending 11/22/00
 Close.....496.52
 High.....532.92
 Low.....496.52

9.3%

DOW JONES

Week ending 11/22/00
 Close.....10436.50
 High.....10494.50
 Low.....10436.50

1.8%

NASDAQ

Week ending 11/22/00
 Close.....2788.47
 High.....2875.64
 Low.....2788.47


7.9%

S&P 500

Week ending 11/22/00
 Close.....1333.15
 High.....1347.35
 Low.....1333.15

2.5%

Mission Accomplished.


Prime Television Limited
 has arranged the sale of its 50% ownership in


 to an affiliate of
J.P. Morgan & Co., Inc.
 for
\$66,000,000

We acted as financial advisor to, and assisted in the negotiations on behalf of, Prime Television Limited.
 February 2000


SPECTRUM
 Resources Towers, L.P.
 a portfolio company of
VS&A Communications Partners II, L.P.
 has been acquired by
Mesa Communications Group LLC
 for
\$45,100,000

We acted as financial advisor to, and assisted in the negotiations on behalf of, Spectrum Resources Towers, L.P.
 May 2000

Francis L'Esperance
 Managing Director
 Broadcasting and Communications
 lesperancef@veronissuhler.com

Mergers & Acquisitions | Debt & Equity Financings | Valuations | Recapitalizations | Fairness Opinions | Research

Veronis Suhler
 MEDIA MERCHANT BANK

350 Park Avenue New York, NY 10022
 212-935-4990 212-381-8168 fax
 www.veronissuhler.com

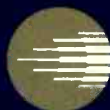
Activities requiring securities industry registration will be performed by Veronis, Suhler & Associates' wholly-owned broker-dealer affiliate, Veronis, Suhler & Associates LLC. Veronis, Suhler & Associates LLC is a member of NASD and SIPC.



We have the best connections in the world. And we're not even in show business.

If you think films, broadcasts and music can be inspiring, wait until you see the exciting new capabilities that are possible with Global Crossing, the world's most robust network:

- A fast, secure, seamless global network built with high-performance Optical Internet solutions from Nortel Networks.™
- The most advanced fiber-optic technology supporting the production, encoding and transmission of films and other rich content.
 - The bandwidth and reach necessary to enable efficient, streamlined distribution processes.
 - ATM and other IP-based applications for easy access to live video broadcasts.
- The ability to deliver digitized music and content to retail and other field locations throughout the world.



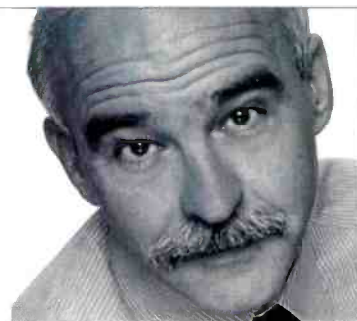
Global Crossing™

The ability to reach the world.
The capacity to change it.™



www.globalcrossing.com

©2000 Global Crossing Ltd. Global Crossing and the 7 Cable Design are trademarks of Global Crossing Holdings Ltd. Nortel Networks and the Nortel Network logo are registered trademarks of Nortel Networks.



Let cable decide prez

Count up the Gore channels and Bush networks, and be done with it

By the time thousands of cable executives—oh, I mean *broadband* executives—arrive at the Western Show this week, we ought to know who our next president will be. Thank God. But it occurred to me that since the electoral college is such a messy thing and popular votes are confused by chads that hang, there ought to be a better way.

I'd say the answer is cable.

Skip the states. Let's just suppose that every cable network is either for Gore or for Bush. Count up their viewers and let's party.

Does this plan make sense? Of course not, but for the sake of the column, let's say it does.

Here's how it would work: Cable is populated by demographically distinct networks, carefully broken into neat niches that are counted up by a ratings service that is no more unreliable than the Voters News Service.

Each network has its own feel, its own point-of-view that would probably fit better with one candidate's backers than the others.

Ascribe a network to a candidate based on what it shows and who watches it.

I've taken a few of the cable networks and "given" them to Gore or Bush, based on what they do, or just some vibe. I've only done some of the work, namely predicting which networks would fall which way. I did all I could to lean it toward Gore, as did everybody else in my business.

With that, let's start the process:

The History Channel: Man, back in World War II, our guys were equipped. Morale was high. Put this one in the Bush column.

HGTV: Well, here's a no-brainer. Gore.

Lifetime: This is Gore country, land of women bravely empowered and richly embittered, and not an eyebrow would be raised if it scheduled a made-for-television movie titled *Max: My Cheatin' Voucher-Lovin' Hubby*.

Oxygen: Just like Lifetime, only smaller, it could claim 10 million votes for Gore, but could have trouble locating where they are.

Romance Classics: Oh, couldn't we just repeat the Clinton years one more time?

Travel Channel: They find foreign countries, well, odd, but nice to look at. Just don't get involved there. Put this one down for Bush.

The National Network: Gore couldn't have won his

"home" cable network even if it were still called The Nashville Network. Wrestling only sealed his fate.

ESPN: Men watching multimillionaire athletes who speak in incomplete sentences and fracture English. Bush, going away.

Golf Channel: Men who delegate authority to capable subordinates so they can hang around at the country club. Bush.

CNN: Earnest, unexciting, eager, but unable to change too much. Can't understand why there needs to be competing news networks. Regrets some actions of recent past and has jettisoned guys who aren't strong team players. Strong on international affairs. Gore.

Headline News: How much do you need to know, really? Bush.

Fox News: They report. You decide. Bush's cousin tells you what you decided. Bush.

MSNBC: Seem like contented suburbanites, mixing liberal slogans with conservative viewpoints. Basically, bemused. This one's a toss-up.

CNBC: A bunch of smart folks who vote their wallet, this is the closest thing to a fraternity kegger on television, viewed by retirees who like their dividends. Bush.

MTV: Despite massive effort to get its viewers to vote

because it matters or something, like, no candidate even produced a decent video. Don't bother them.

Independent Film Channel: Look for a strong Gerard Depardieu write-in. Otherwise, this is not a Bush stronghold. Too many English subtitles.

USA: Despite Barry Diller, this is Bush country. *Baywatch* and not-too-subtle endorsement implied in *Walker, Texas Ranger* reruns are clues.

Cartoon: For some reason, Gore.

TV Land: So maybe you don't think television was better when *Charlie's Angels* was new? Bush.

This is a radical plan, granted, but essentially, GoreBush did it to themselves. The candidates each became CBS, or pick your major brand. They hewed to the middle on everything. In television terms, Bush and Gore are the equivalent of whatever's on every Thursday night at 9:30 on NBC: They fill the position.

It's up to cable to add up all the tiny constituencies to which it caters, and then name the next president. That should be cable's goal. Either that, or stick with that on-time delivery thing. That's good too. ■

Bednarski can be reached at pbednarski@cabners.com or at 212-337-6965.

VOD

Demand More

e.merge is a fully integrated, customizable suite of back office applications specifically designed to support VOD, including:

Digital Media Management & Distribution

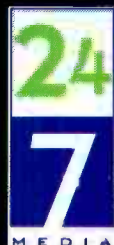
Subscriber Management

Targeted Broadband Ad Insertion

- Best of all, e.merge opens valuable new revenue streams for a faster return on investment.
- It is platform independent and interfaces with major STB's and video servers as well as interfacing with legacy systems.
- e.merge allows national authoring with "lights out" delivery to head ends and supports digital entertainment distribution, regardless of the pipe.
- e.merge from 24/7 Media, Broadband & Professional Services is the comprehensive solution to manage all your VOD assets, studio obligations and delivery of product, seamlessly from a single database.

e.merge

THE POWER BEHIND DIGITAL ENTERTAINMENT



**BROADBAND &
PROFESSIONAL
SERVICES**

FORMERLY IMAKE SOFTWARE & SERVICES

6711 Rockledge Drive
Suite 101A
Bethesda, MD 20817
301.396.9200 voice
www.imake.com

Look for us at the Western Cable Show in LA, November 28-December 1, Booth# 3425

SPECIAL REPORT

What went wrong and how Bennett and Malone expect to make it right

No triumph for Liberty

By Price Colman

Liberty President and CEO
Dcb Bennett

Photo: David Cornwell

**BROAD
BAND
WAGON**
THE WESTERN SHOW

42

MONEY, MONEY, MONEY

An analysis of how much the top cable companies are taking in and how they are spending it

54

TOP 25 TV NETWORKS

Though lagging broadcast, cable still tallies hundreds of millions in revenue

72

BEYOND THE MUPPETS

Jim Henson Co.'s Brian Henson talks about new cable ventures for grown-ups and kids

When John Malone agreed to sell Tele-Communications Inc. to AT&T Corp., media and Wall Street executives were riveted by the prospects of his next performance at Liberty Media. In selling TCI's cable systems to—some say dumping them on—AT&T, Malone was moving over full time to Liberty Media Corp., the TCI spin-off whose portfolio of programming assets had made Malone a multibillionaire.

Considered a brilliant financial engineer, Malone's investment moves over the years had Wall Street's "media Mafia" following him as closely as others track the moves of Warren Buffett. An assets shuffle with TCI and AT&T would leave Liberty with enormous financial power: \$6 billion in cash, \$12 billion in liquid securities, \$1 billion or so in payments coming from AT&T every year and practically no debt. What would John Malone do?

Almost two years later, those same media mavens are looking at the portfolio Liberty has amassed and twisting the question: What has John Malone done?

After spending around \$6 billion, Liberty has a new collection of wireless, datacom, interactive TV and Internet investments. The earlier investments are still successful: Discovery Channel, News Corp., QVC and such. But the new investments are awash in losses, the kind that are drawing criticism from places where Malone has typically found only accolades.

"Clearly, Malone has come and gone out of favor," says Larry Petrella of Omega Advisors. "I think there may be a concern that he wasn't engaged, may have lost touch a little bit. But his track record is too phenomenal for me to consider that a long-range issue."

Malone's successful campaign to become fully spun off from AT&T has drawn barely a glimmer of excitement on Wall Street in the face of the poor performance of Liberty's investments. After peaking at \$30.69 last March, Liberty shares have dropped 50% to around \$15 each. Liberty saw its market capitalization drop from \$80.5 billion to just under \$40 billion.

Lately, it's the losers that stand out. Competitive local-exchange carrier ICG is a terrible flameout, filing for Chapter 11 two weeks ago, just nine months after Liberty pumped in \$500 million. That stake is now worthless. Just three months after Liberty upped its investment in Priceline.com by \$85 million at \$23.75 per share, the name-your-price auction operation has sunk to \$3 per share. Mega-franchiser Cendant got \$400 million last December based on plans to wire its hotel chains for high-priced Internet service. That stock has dropped 55%. Other problem investments include radio-station owner Emmis Communications, and "fixed-wireless" telcom start-up Teligent.

"I'm looking for winning investments they've made, but can't see it," says one investment banker. "Maybe some of the international stuff."

One win for Malone is the spin-off. As a tracking-stock subsidiary, Liberty is technically owned by AT&T, though Chairman Michael Armstrong wants little to do with Liberty and the regulatory headaches Malone's holdings often provoke in his

deals. AT&T finally agreed two weeks ago to spin Liberty off completely next spring.

The separation will make chasing certain investments easier, such as backing a News Corp.-led bid for DBS service DirecTV, buying TV stations or investing in Internet infrastructure. Those are all areas that pose regulatory conflicts with AT&T's other operations.



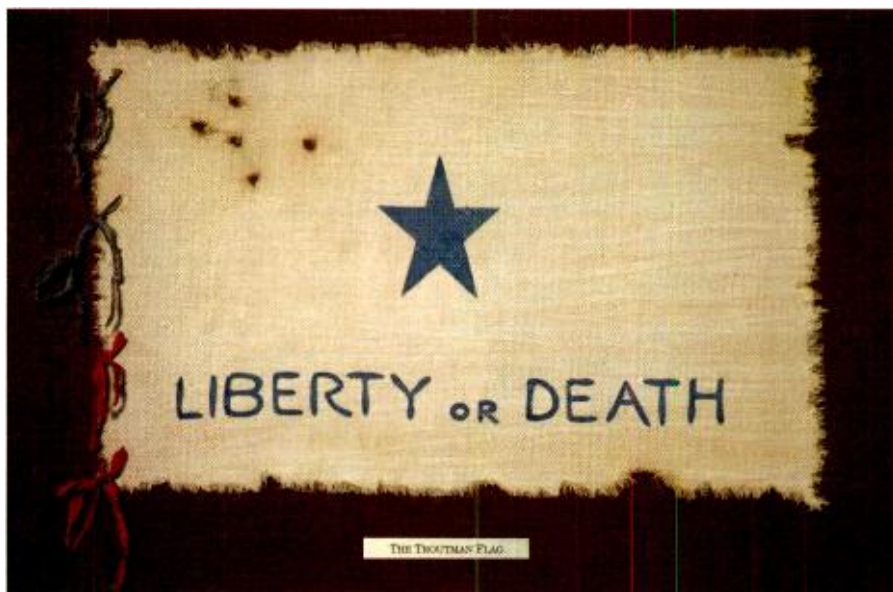
Malone: "You've got to kiss a lot of frogs" to find a prince in technology.

A full spin-off also won't change the company's investment approach, says Liberty President-CEO Dob Bennett. Liberty is targeting three areas: TV and Internet content, ventures controlling the "last mile" of broadband networks and general technology.

The high-tech market slump caught Malone and other Liberty executives by surprise.

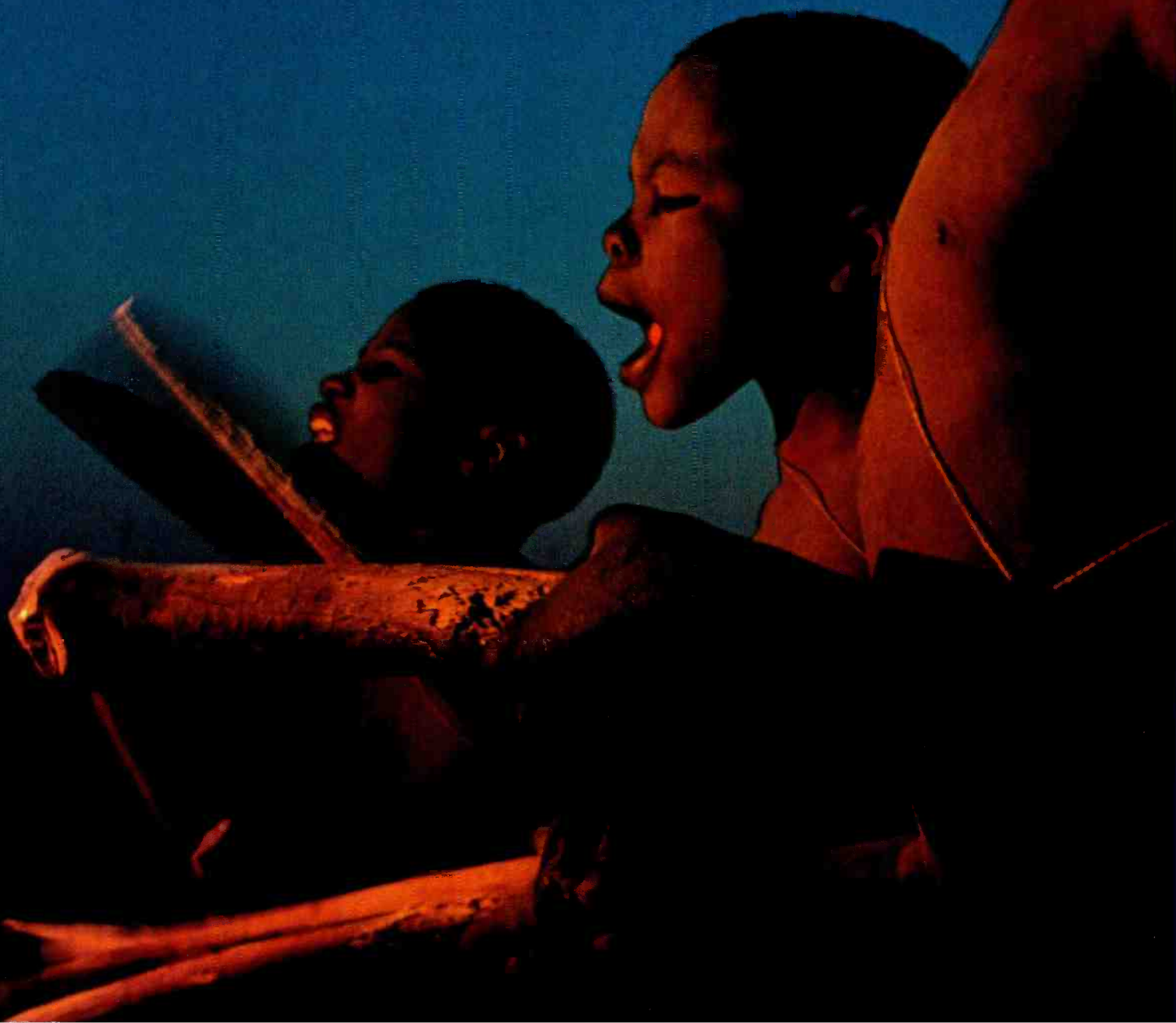
"There was a huge amount of money chasing these things, a general confidence in the market," Bennett says. "That's now gone completely, and so it's increasingly difficult for businesses that are capital-intensive, that still have a lot of investment to go."

But Liberty takes a long-term view, expressing confidence even in battered dot-coms like Priceline.com. "It's safe to say we'll write off anything that's in Chapter



This wall hanging in Bennett's office is a reproduction of the Troutman-Goliad flag. The original was created by Johanna Troutman, the Betsy Ross of Texas, for a Georgia battalion that answered Texas' call for volunteers in 1835 in its war of independence against Mexico.

GEOGRAPHY CHANNEL



APPHIC EL

CHANNEL LAUNCH *January 2001*



*It's the brand that is renowned
the world over for adventure and exploration.*

And now the National Geographic Channel brings it to spectacular life, every day.
With the breathtaking imagery and compelling storytelling you've come to expect.
But with movement. And sound. And a whole new dimension.

**Let your customers experience the wonder of the world...
from the most trusted tour guide in the universe.**

Contact your Fox Cable Networks representative at 310.444.8521 to be a part of the adventure.



11.” The good news is that in a market starved for capital, he’s the man with cash. “We’re sitting on a couple billion dollars—relatively more valuable than it was six months ago,” he adds. “Not that we weren’t conservative with the cash, but I think we will be increasingly conservative as we try to get a sense of the direction of the market.”

“For the first time, Liberty has somewhat of a blemished investment record,” says Jessica Reif Cohen, of Merrill Lynch. “But having said that, all of these are small investments and in developing areas. I think they’re incredibly smart, but it’s harder to make bets that really make a difference. When you have one or two that aren’t understood or are in the early life cycle, it can be problematic.”

Malone declined requests for an interview.

A glance at the past three years bears out fans’ hope for Liberty’s long-run opportunities. Liberty shares rose 90% in 1997 and 1998 and 150% in 1999. Investors remember the days Liberty, in its various iterations, jumped five- and tenfold as holdings in Turner Broadcasting System, then Time Warner Inc., QVC and Black Entertainment Television soared. And Bennett says he has never seen Malone so engaged in running Liberty. If shares in Liberty, a tracking stock of AT&T, have been hard hit by market disaffection, then AT&T’s taking a standing eight-count. In the wake of AT&T’s decision to split four ways, the stock fell as low as \$21.25, more than 65% off its 52-week high of \$61.

Liberty is hardly alone in paying the price for unprecedented market volatility. Others that have been plugging money into the new-media sector point out that the downturn in techs and dotcoms is largely the result of a marked shift in capital markets, not poor investing practices.

“The money available for start-ups and early-stage ventures has dried up,” says Trygve Myhren, a veteran cable executive who now heads Myhren Media, a private investment firm focusing on media,

Bennett: Staying in tune with Malone

Robert Bennett, or Dob as he is widely known, has been president and CEO of Liberty Media for three and a half years now, but he has been on John Malone’s team considerably longer.

In 1987, after a stint at the Bank of New York, Bennett joined Tele-Communications Inc. and the Malone team as a vice president and director of finance. He moved to Liberty in 1990 after it was spun off from TCI.

Colleagues characterize Bennett, 42, as a low-key leader who has the respect and loyalty of employees. At the same time, he possesses a quick, dry wit he unsheathes sparingly: Asked to describe the best part of his job, he says, “Stock goes up”; worst part: “Stock goes down.”

In financial circles, he’s widely respected as a guy who takes pains to keep Liberty’s stock on the upswing. “Dob’s strategy is and has been *not* trying to run companies, but to make investments in good companies,” says Mark Greenberg, manager of Invesco’s Leisure Fund. He’s on boards of a lot of companies and seems to do a good job keeping track of what’s going on at all operations. What’s important is applying what you learn at one to the others. The proof of the pudding is in the eating. In this business, the proof is does the stock do well

over a longer time period.”

Bennett, reared in Indianapolis, earned a B.A. in economics from Denison University, graduating with honors. His MBA is from Columbia University.

He draws a distinct line between his private life and his life as a top executive at one of the highest-profile media companies. Bennett favors summer for the long days and the opportunity to head into the mountains, where he and his wife ride horses and hike. The couple also enjoys sailing (a pursuit shared with Liberty Chairman John Malone). Skiing’s a favored winter pastime, though Bennett says he’s “no big skier.”

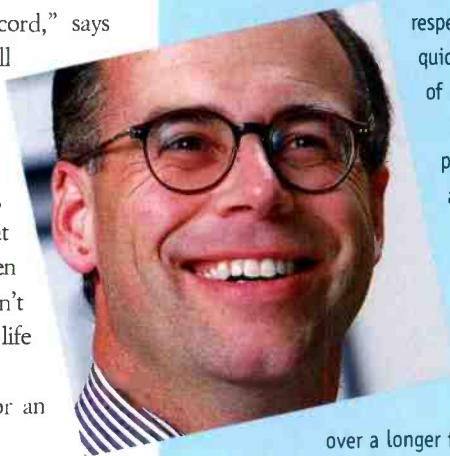
Guitar ranks high as a hobby. Not only does Bennett play—classical, blues and flamenco are part of his repertoire—but, several years back, he also crafted his own guitar. His listening playlist includes the same music categories, plus “stuff with lots of solo guitar,” including Santana.

Building things from the ground up, whether a guitar or assets in Liberty, is a hallmark of Bennett. So is an overriding passion for his work. “I don’t have an active fantasy for what I would be doing if I had

Bill Gates’ bank account,” he said upon taking on Liberty’s top job. “I think most of us aren’t driven purely by compensation. It’s fun, it’s exciting, there’s a lot going on.” —Price Colman

He plays guitar and digs Santana.

Photo: David Cornwell



telecommunications and the Internet. “It’s as bad as it was in late 1989-90. ... There are numbers of companies with very good prospects that have made good progress but just can’t get funding.”

THE MALONE ‘HALO’

Malone and Liberty, critics contend, have lost their edge, running after the sexy sector *du jour* instead of applying a cohesive approach to investing. Such potshots are hardly new.

During his reign at cable operator Tele-Communications Inc., Malone frequently was the target of detractors, who questioned his financial engineering, called his predictions unrealistic and overblown, and termed the debt in his companies excessive.

In good times, Malone’s overarching intelligence, wit and style imbue nearly anything he says or touches with a golden aura. Indeed, he has been so successful that the “Malone glow” or “Malone halo” has

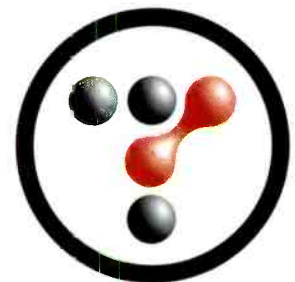
DIGITAL PEOPLE WANT DIGITAL CABLE

Digital people want TechTV.

Cable subscribers interested in TechTV are the same people who adopt new gadgets first and experiment with new technologies.

Our viewers are hungry to participate in every aspect of the information revolution. That's the reason they are the perfect digital cable target. They want more of what's next. And who better to deliver it than the network dedicated to the digital lifestyle?

- According to BETA Research, nearly half—49%—of subscribers interested in TechTV plan to subscribe to a digital package in the next year, compared to only 38% of all cable subscribers.
- TechTV has a 29% higher than average concentration of people interested in subscribing to Digital Cable.



techtv[™]

it's what's next

To launch TechTV, contact: **West** John Sadler 303-716-3203 **East** Tom Fennell 770-641-6604

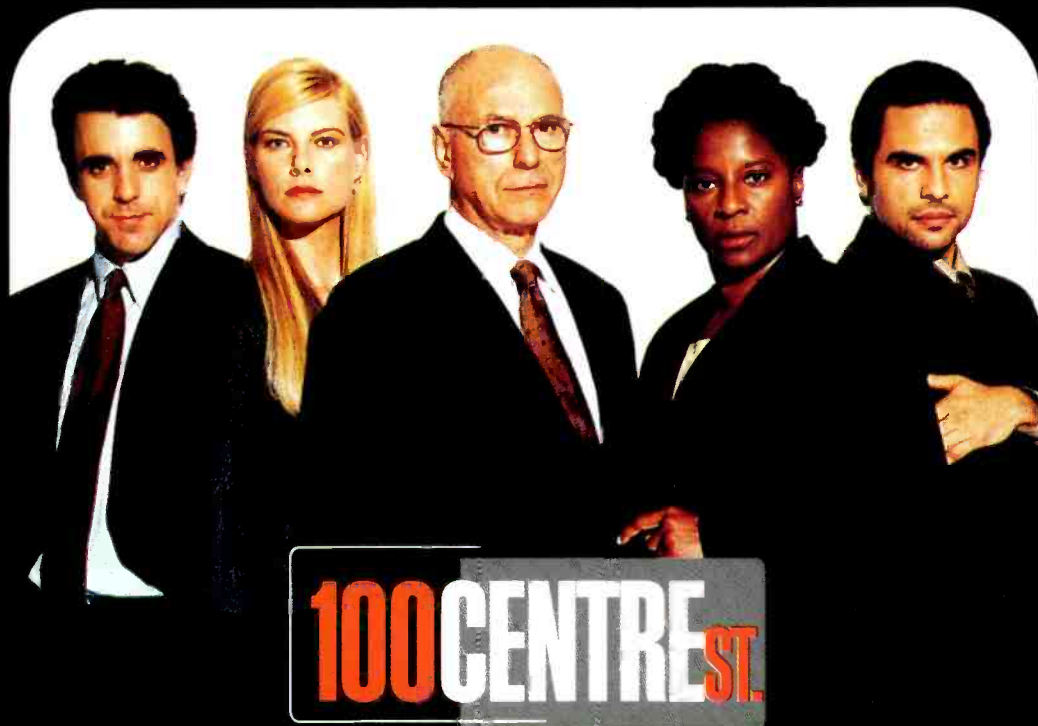
Source: 2000 BETA Research Cable Subscriber Interest Study. Concentration reflects percent of people with high interest in TechTV (4 or 5 on a scale of 1 to 5) who are interested in subscribing to Digital Cable divided by percent of total cable subscribers interested in the service. © 2000 ZDTV LLC. TechTV is a trademark of ZDTV LLC.

A N A & E O R I G I N A L S E R I E S

100 CENTRE STREET

Alan Arkin

LaTanya Richardson

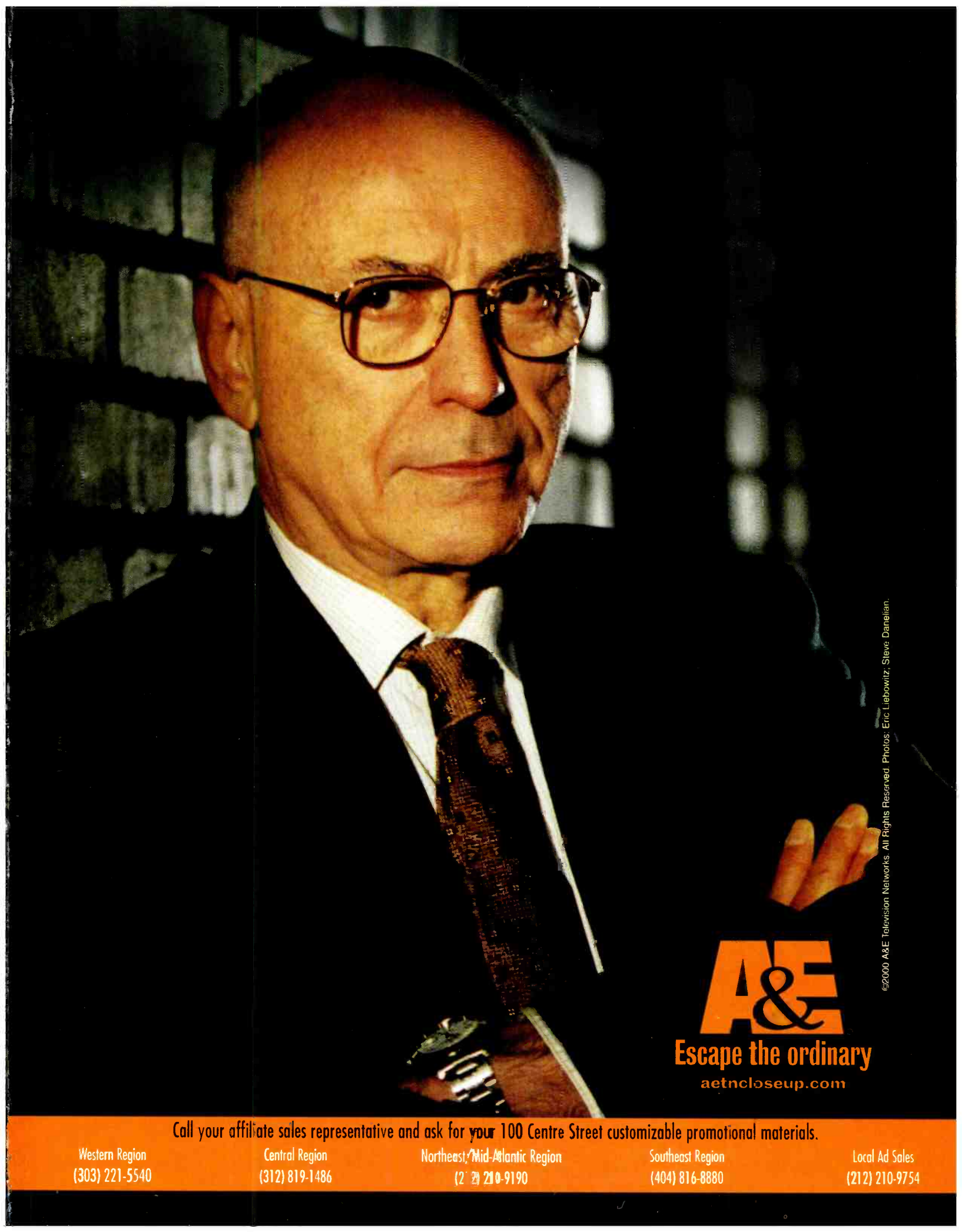


Premiering January 2001

Created, written, and directed by Sidney Lumet (*Dog Day Afternoon*, *Serpico*, *The Verdict*), starring Alan Arkin and LaTanya Richardson, the 2-hour premiere of *100 Centre Street* is the latest example of how A&E continues to set the standard for original programming excellence.

When A&E creates an original weekly series, you can count on it to be tough, smart, and of uncompromising quality.

Accept nothing less.



©2000 A&E Television Networks. All Rights Reserved. Photos: Eric Liebowitz, Steve Danelian.



Escape the ordinary

aetncloseup.com

Call your affiliate sales representative and ask for your 100 Centre Street customizable promotional materials.

Western Region
(303) 221-5540

Central Region
(312) 819-1486

Northeast/Mid-Atlantic Region
(212) 210-9190

Southeast Region
(404) 816-8880

Local Ad Sales
(212) 210-9754

LIBERTY'S TOUGH PORTFOLIO

Long-held investments like Cablevision and Time Warner aren't so bad. But they're overwhelmed by the terrible performance of recent high-tech investments. Includes only public companies.

	3/15* price	11/15 price	% change
Corus Entmt.	\$14.00	\$40.50	189.3%
Cablevision	\$60.75	\$80.50	32.5%
Crown Media	\$15.00	\$17.75	18.3%
USA Networks	\$22.56	\$20.00	-11.4%
Time Warner	\$99.25	\$74.64	-24.8%
IDT	\$41.50	\$31.06	-25.2%
News Corp.	\$47.75	\$31.62	-33.8%
On Command	\$15.00	\$9.12	-39.2%
Gemstar-TV Guide Int'l	\$86.00	\$50.38	-41.4%
Cendant	\$18.50	\$10.44	-43.6%
Emmis Comm.	\$46.50	\$24.44	-47.4%
Motorola	\$47.00	\$23.06	-50.9%
Liberty Livewire	\$40.00	\$18.06	-54.9%
Sprint PCS	\$65.31	\$27.19	-58.4%
Primedia	\$32.00	\$10.56	-67.0%
UnitedGlobalCom	\$75.06	\$23.00	-69.4%
Antec	\$44.81	\$12.88	-71.3%
Liberty Digital	\$38.50	\$9.62	-75.0%
eVentures.com	\$27.50	\$6.25	-77.3%
Telewest	\$84.50	\$16.62	-80.3%
Teligent	\$66.81	\$4.50	-93.3%
TCG Comm.	\$36.13	\$0.13	-99.6%

LIBERTY DIGITAL

XM Satellite Radio	\$34.88	\$25.88	-25.8%
Alloy Online	\$16.69	\$7.84	-53.0%
TIWO	\$34.63	\$15.19	-56.1%
Homegrocer.com	\$10.38	\$4.19	-59.6%
iBeam Bdcst.	\$11.50	\$4.50	-60.9%
Sportsline.com	\$29.44	\$8.75	-70.3%
Liberty Satellite & Tech.	\$19.13	\$5.25	-72.5%
OpenTV	\$118.38	\$27.19	-77.0%
ACTV	\$35.06	\$8.03	-77.1%
Drugstore.com	\$13.00	\$2.60	-79.3%
Quokka Sports	\$10.63	\$1.78	-83.2%
Lightspeed	\$17.75	\$2.94	-83.4%
iVillage	\$15.69	\$2.19	-86.0%
Interactive Pictures	\$33.94	\$2.06	-93.9%
Priceline.com	\$77.50	\$2.80	-96.4%

*Or earliest date if recently gone public.

Other large Liberty investments are privately held and not listed. They include 49% of Discovery Communications, 35% of BET Holdings and 46% of QVC Networks.

Source: Company reports, Bloomberg

become a widely recognized phenomenon.

"There's no question that John is the leading force in this company, and there are many occasions when we benefit from that," Bennett says. "Certainly, it's deserved because of John's unique attributes. But I think the market is fickle: When things are good, there is more of a Malone halo; when they're not, then we're all idiots."

Malone's personality and influence are so powerful that they are a market force of their own. But that can be a double-edged sword in that he often overshadows his own executives.

"John, as we all know, is a couple cuts above the good business people we all know," says a source in the investment community. "The question is, how much is John involved and how much is he delegating?"

Under the typical bullish market conditions of the past decade, the Malone glow translates into a 10% to 20% premium for the stock, financial experts say. But let things head south, even slightly, and the glow fades quickly, transforming Malone from guru to goat in a New York minute.

"That's financial markets for you," says Mark Riely, of Media Group Research. "[Malone] tends to take a longer-term view, and financial markets don't. Because he is who he is, people like to kick him if they perceive that he's falling down. Some people love to say he's not so smart.

LIBERTY'S CHANGING COMPLEXION

But love Malone or hate him—and it's not unusual for the same person to do both—there's no question that he has transformed his crown jewel, Liberty Media, into a far more diverse company than it was two years ago.

At the beginning of 1999, the core of Liberty's portfolio—as it has been since the company's birth in 1991—was domestic cable programming and international cable operations and programming. In addition, there were a few satellite-related companies, including United Video Satellite Group and Sky Latin America; a chunk of technology and manufacturing assets, including 13% of General Instrument; and

a dash of Internet services.

Now, almost two years later, Liberty encompasses a more eclectic collection of assets. Core holdings in video-programming services, cable and telephony, satellite services and technology and manufacturing have been substantially expanded. The Internet/interactive-television-services portfolio has seen the greatest growth, adding dozens of holdings under the banner of Liberty Digital, headed by Lee Masters. In addition, Liberty Media birthed Liberty Livewire, headed by former TCI executive David Beddow, earlier this year to provide audio and video post-production services and audio/video distribution services.

Still, Bennett says, "we're not very different in terms of what we're trying to do in life. Our mission has always been pretty straightforward: find ways to create more value for our shareholders in and around the space of media and telecommunications. Nothing in that has changed."

What has changed, he acknowledges, is that Liberty has invested billions, more than \$7 billion at last count—much of it in the high-risk, potentially high-reward Internet, interactive-television and telecom-start-up sectors. A relatively small part of that went into Liberty Digital, though Digital has garnered a lot of attention.

"At our high, we were trading at \$75.25," says Masters, president and CEO of Liberty Digital. "That's a huge number, and, while we all had a great time and loved and enjoyed it, did we really believe the company was worth \$16 billion at one point? No."

A year ago, for instance, a snapshot of Liberty Digital showed it had invested about \$166 million in the interactive-TV and dot-com sectors, with about \$53 million of that in public companies and \$113 million in the private sector. The stock hit its high on Dec. 31, 1999, then seasawed between the \$60s and \$40s until beginning a steady decline in April. In mid-October, shares hit a low of \$9.75 before edging back up into low double digits.

Masters and Bennett attributed the decline partly to disaffection with the new-media and tech sectors, partly to the slower-than-expected rollout of General



**TV reaches
millions
of people.**

EventMatrix
lets
them
reach back.™

Finally True, real-time interactive TV is here. EventMatrix™ is the fast, easy way to connect Internet audiences to your TV broadcast. You can enable millions of viewers to interact simultaneously for head-to-head competitions, chat sessions, streaming audio/video and more. EventMatrix even provides a reliable, secure Web infrastructure that runs on Compaq ProLiant™ servers and is hosted and managed by Data Return™. So get your TV audience to reach back to your programming — before they go somewhere else. To learn more about EventMatrix, come to the GoldPocket Interactive booth #5221 at NATPE 2001. www.goldpocketinteractive.com



GOLDPOCKET
INTERACTIVE

COMPAQ

 **Data Return**

© Copyright 2001 Goldpocket Interactive. All rights reserved. EventMatrix and Reach Back are trademarks of Goldpocket Interactive. All other trademarks and registered trademarks are property of their respective owners.

Instrument's high-end DCT-5000 interactive set-top box.

"Relative to interactive television, we think it's really going to rebound in 2001, when the market really realizes that it is a real business and it is here now," says Masters.

Acquisitions are only part of Liberty's focus. "We've done some moving around of the parts and put some companies together, such as the TV Guide-Gemstar deal and then the Gemstar-News Corp. deal," says Bennett. "[We're] trying, as we've done in the past, to take assets, grow them to a certain level, then through transactions drive them to bigger scale, and increase the value by making them part of something bigger."



Photos: David Cornwell

fast," says Bennett of ICG. "To some extent, I think we were misled. Either way, we're not supposed to get misled, so we'll take the responsibility, take the criticism, and say out of the hundreds of investments we've made over the last several years, this was a big one that went bad ... I don't think it's necessarily something that you can extrapolate to the rest of our businesses and say, 'Ah-ha, this is a sign of a sudden deterioration in business judgment by the management team.'"

Liberty wasn't alone on the ride down, during which its roughly \$500 million investment fell to next to nothing as ICG shares slumped from \$39.25 at their height to less than 50 cents recently. Hicks, Muse,



into his riskier plays at a deep discount. But one large investor says that to truly gauge Malone and Liberty's performance, look at the long-term record.

"Some of these money managers who are down 40% have invested a lot in the same companies Liberty invested in and that's why they're bitching," says the investor, who requested anonymity. It's better to bet on Malone than to try to cover his bets, the source says. "The way I look at it, he's running a business, not managing a pension-fund portfolio. I'm more interested in where he's going to be three years from now than where he's going to be next week."

Liberty investments in Cendant, the



'We're not very different in terms of what we're trying to do in life. Our mission has always been pretty straightforward: find ways to create more value for our shareholders.'

Nonetheless, it's the acquisitions that the volatile market has targeted. Most occurred in a relatively short period, the 18 months after the AT&T-TCI merger closed on Feb. 28, 1999. Before the buying binge began, Malone cautioned that "you've got to kiss a lot of frogs" to find a prince in technology. "Eight out of 10 probably won't work out."

LOSERS AND WINNERS

Although Liberty has hit a number of home runs, the memory in financial markets is short; the operating philosophy, "what have you done for me lately." Thus, it's the spectacular strikeouts—ICG chief among them—that are on investors' minds. ICG is a Denver-based competitive local-exchange carrier (CLEC).

"We've never seen anything go so bad so

Tate & Furst, which has joined Liberty in several other investments, lost essentially all of its \$230 million investment, as did Gleacher Capital Partners with its \$20 million investment.

What happened at ICG remains unclear, though it appears the company grossly overestimated its ability to grow its network and actually acquire customers. Liberty is now considering a lawsuit against ICG.

Such a meltdown may be an anomaly for Malone and his companies, but the ICG debacle disappointed some who may have been trying to hitch their wagons to Liberty's more recent investments. Indeed, Liberty's investment in ICG came when equity markets, and ICG's stock, were at or near highs. Historically, Malone has bought

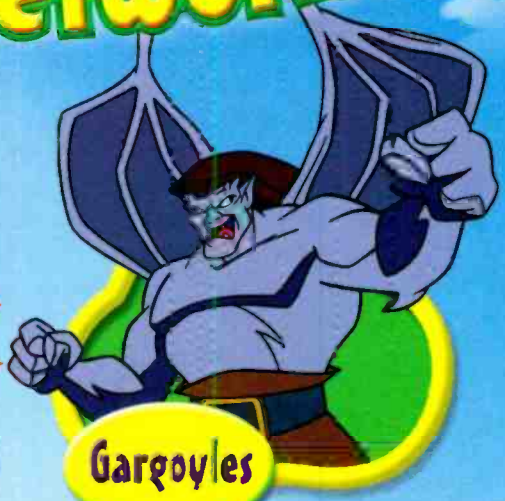
franchising giant, and in Teligent, a wireless communications provider, have also been sore spots with critics. On Feb. 2, Liberty acquired a \$300 million, or roughly 7% stake, in Cendant (NYSE: CD), plus \$100 million worth of stock warrants. The 18 million shares Liberty acquired cost \$16.67 a share. By March 31, shares were trading at \$18.50, up nearly 11%, in two months. Cendant has steadily declined since then, falling to \$8.50 on Oct. 18 before starting to climb back up into the double digits.

Teligent has also declined, but the circumstances are more complex. Liberty acquired the Teligent stake, along with positions in several other firms, when it and AT&T bought Associated Group early this year in a deal that underscores the often

Now Your Advertisers Have Local Ad Avails On A 24/7 Disney Network!



The Lion King's
Timon & Pumbaa



Gargoyles

Disney's All-Toon Channel!

**Harness Incremental Revenue
From A Major Kids' Audience
(Ages 2-11)!**

**Call Your Account Executive
Today!**



Disney's
101 Dalmatians



Disney's
Hercules

**Disney
Animated Series
Seven Days
A Week!**

**Animated Movies
Every Friday and Saturday—
Including World
Television Premieres!**

ESPN Networks Affiliate Ad Sales now represents Toon Disney!

Northeast (860) 766-7434	Southeast (860) 766-7435	North Central (312) 228-5842	South Central (312) 228-5844	Rocky Mountain (303) 290-7888	Western (818) 955-7495	ToonDisney.com
-----------------------------	-----------------------------	---------------------------------	---------------------------------	----------------------------------	---------------------------	-----------------------

complex nature of Liberty transactions.

The biggest asset in Associated Group was equity in TCI and Liberty. The primary thrust of the deal was to repatriate those shares and, in the case of the TCI shares, for AT&T to retire them. Liberty's acquisition of 36% of Teligent and 90% of TruePosition (wireless location services) that Associated Group owned wasn't an afterthought, but it wasn't the primary goal. Because the deal was tax-free to Associated Group shareholders, Liberty was able to buy a \$1.2 billion stake in Teligent for roughly \$700 million, according to Vivian Carr, senior vice president Investor Relations at Liberty. In effect, she says, Liberty acquired 21.4 million Teligent shares for about \$35.50 apiece when the shares were trading around \$49.

In the next 10 months, Teligent soared as high as \$97, then saw the bottom begin to fall out. By Oct. 17, it was trading at \$7.50,

ting it can do well enough investing that money to more than offset gains it would have had in PCS stock 30 years out.

"We traded [potential] upside in the PCS stock for, in essence, no cost to carry the money," Bennett says.

A third hedging method Liberty employs is cashless collars. Here's how it works: Liberty buys a certain number of puts, the right to sell a stock at a set price (a hedge against a decline in the stock price) that go into effect after a certain period. At the same time, it sells an equal value of calls, or rights to buy a stock at a set price (and a bet the stock will go up), for the same period. From Liberty's perspective, the put is a floor and the call is a ceiling. If the stock goes up, Liberty benefits from some, but not all, of the upside. If the stock goes down, Liberty is protected. The difference between traditional options trading and Liberty's approach is that with cashless collars, no

Liberty now passes roughly 27 million cable homes and has about 14 million subscribers, making it the second-largest cable operator in the world—behind only parent AT&T. Some analysts contend Liberty paid too much for its UCOMA stake, a criticism Bennett rejects, saying Liberty acquired most of the UCOMA stake with similar assets, such as its Latin American cable holdings and its Telewest stake.

Criticism notwithstanding, most Liberty watchers are sanguine about the UCOMA holdings. "Liberty is far better off having its stake in UCOMA, which longer term is a control stake, than it is in having those individual private assets," says Media Research Group's Riely. "You can think of UCOMA as the TCI of the world."

Liberty and News Corp. have agreed to a deal by which Liberty will swap its Gemstar-TV Guide International stake for an 18% interest in News Corp. and a

Bennett on ICG: 'To some extent, I think we were misled. Either way, we're not supposed to get misled, so we'll take the responsibility, take the criticism.'

though it has since begun to edge up toward double digits.

Liberty's long-standing approach is to ride out the ups and downs, extract liquidity from assets when it can and reinvest lower in the financial food chain.

"We're not a trader. We're not a mutual fund," says Bennett. "We're not trying to buy things and hold them for six months and then sell them at a profit. The assets that we buy are building blocks of a larger structure that we're trying to assemble."

That doesn't mean Liberty is a passive victim of market volatility. When the going gets tough, Liberty hedges.

Selling an asset is the simplest form of hedging, but an approach Liberty rarely uses because of the tax consequences. One approach Liberty does use is issuing exchangeable securities, as it did with Sprint PCS. In that instance, Liberty issued nearly \$2 billion in debt convertible into Sprint PCS stock in 30 years. Liberty's bet-

money changes hands, and thus no tax liabilities kick in, until an actual sale occurs.

SPINNING INTO THE FUTURE

When Malone or one of his companies is in a trough, that's the time to pay closest attention because a move almost certainly is coming. Speculation—always plentiful where Malone is concerned—focuses on three areas: Liberty's relationship with AT&T; Liberty's stake in European cable operator United Global Communications; and Liberty's expanding stake in News Corp.

Economically, Liberty's separation from AT&T carries some slight downside. As long as it remains an AT&T tracker, Liberty passes tax losses to the parent and gets cash in return. As a stand-alone, Liberty could still take those losses but as net operating losses over a period of time, thus losing the time value of money benefit of its current status.

Partly through its acquisition of a 45% chunk of United Globalcom (UCOMA),

4.76% pre-IPO interest in Sky Global Networks. As a result, Malone appears on his way to being one of the larger players in the satellite arena, a long-sought goal; Malone has publicly said he's "platform agnostic."

"When Liberty announced the Gemstar [News Corp.] transaction, it not only made a shift toward Murdoch in terms of alliance, but also made a shift from cable to satellite," contends Jimmy Schaeffler of the Carmel Group, a satellite-industry research and analysis firm. "To me, that was a shift in the tectonic plates."

So now the question is, what does Malone do next. "I would never bet against John," says Amos Hostetter, who sits on AT&T's board with Malone. "I've known him for 40 years, and that's a formula for going broke. He has been and will continue to be one of the smartest investors there is. It's a tribute to John and the rest of his group that the stock is down only 50%." ■

clearband™

The advantage is clear.

With ClearBand, extend your cable channels to your subscribers' PCs!

Deliver digital programming over your broadband network *not the open Internet*.

- **Operators** gain a competitive advantage and new revenue streams by delivering compelling content to a new set of screens in the home.
- **Programmers** increase audience by extending your brand and content to the PC.
- **Subscribers** simultaneously enjoy their favorite channels like sports, news and business as well as blockbuster movies *while* surfing the Internet, emailing or working on their PCs.

We have standards-based scalable, open platforms that make it possible for cable operators to manage compressed digital streams and deliver them to the TV and cable connected PCs today!



clearband™
See us (on the PC!)
in Booth #1011 at
the Western Show.
www.clearband.com



The MSO report card was prepared by Morgan Stanley Dean Witter media analyst Richard Bilotti (pictured here in his New York office) with the help of cable analyst Ben Swinburne.

Grading the MSOs

Morgan Stanley financial analysis of the eight largest cable operators puts Comcast on top

By John M. Higgins

Cable can look like a pretty homogeneous business. Systems offer a rather similar lineup of cable networks. They tend to raise basic rates about the same amount at the beginning of each year. And they are generally disdained by many of their customers.

But, financially, operators aren't the same at all. Some run consistently smooth operations; others are more erratic. Some, loaded with debt, push their cash flow and cash-flow margins as high as possible. Others run more conservatively, sacrificing cash flow to beef up marketing and customer service. Some, having starved their operations for capital, are now playing

catch-up in the face of competition. Others have invested steadily for years and are prepared to fend off competitors and deliver high-end cable products.

To sort out the differences among the largest operators, BROADCASTING & CABLE teamed with Morgan Stanley Dean Witter media analyst Richard Bilotti and cable analyst Ben Swinburne to draft a report

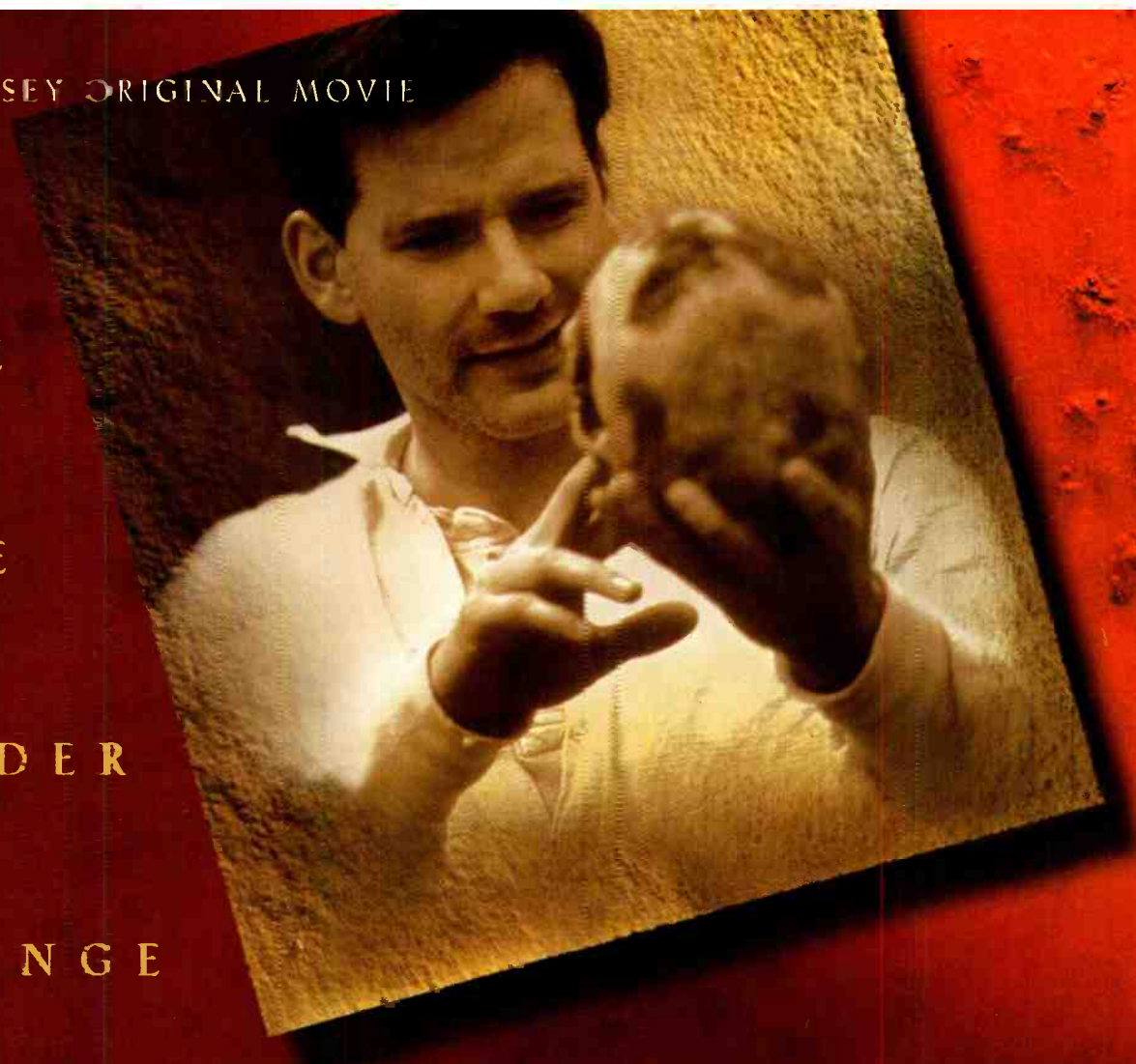
AN ODYSSEY ORIGINAL MOVIE

LOVE

HATE

MURDER

REVENGE



BLAIR
BROWN

ROSCOE LEE
BROWNE

LISAGAY
HAMILTON

CAMPBELL
SCOTT

JAMEY
SHERIDAN

HAMLET

DECEMBER 10 AT 7PM E/P

ODYSSEY™

Ron Garfield • 818.755.2677 • Claude Wells • 212.930.1954 • Stacia Armstrong • 818.755.2408



© 2000 Hallmark Entertainment Distribution, LLC. All Rights Reserved. / © 2000 Odyssey TM

odysseychannel.com



Cash-flow margin

EBITDA as percentage of revenue

1998		1999		2000	
Insight	48.0%	Adelphia	48.5%	Adelphia	48.4%
Time Warner	46.4%	Time Warner	45.9%	Charter	48.2%
Adelphia	46.0%	Comcast	45.8%	Time Warner	46.4%
Charter	45.8%	Insight	45.4%	Comcast	46.1%
Comcast	45.8%	Charter	44.6%	Insight	44.9%
Cablevision	41.1%	Cablevision	41.3%	Cablevision	40.5%
Cox	40.4%	Cox	39.9%	Cox	38.7%
AT&T	39.8%	AT&T	30.7%	AT&T	27.0%

AT&T Broadband shows up as the weakest performer. Cash flow per sub and cash-flow margins are dropping, not rising. Though some blame goes to the previous owner of most of its systems, Tele-Communications Inc., the telco subsidiary now generates a third less cash flow per subscriber than the industry average. And despite an aggressive plan for rolling out high-revenue digital and data services, AT&T Broadband's revenue growth is not dramatically better than those of operators moving more slowly on new services.

Bilotti particularly worries about declining cash flows in the face of such heavy capital spending. "Cap ex per sub is twice cash flow per sub, and cash flow is falling. There's a little problem there. How long can they afford this?"

Cox and Charter's capital spending also exceeds annual cash flow, but their cash flow is increasing.

AT&T responds that it expects to improve cash flow next year and that capital spending should slow.

THE STUDY ALSO FOUND

■ Cable operators are surprisingly uniform in their ability to increase revenues. Even operators that are aggressively drilling for new revenue by launching new digital and data products are growing sales at around the same rate as those that are unprepared or holding back. Are operators aggressive in new products neglecting basic revenues?

card on cable TV. At our request, Bilotti and Swinburne evaluated operators by several measures, some not typically tracked on Wall Street.

The goal was to sort out which companies seem best suited for grappling with competitors and growing revenue and cash flow through the launch of new products. Which operators are particularly well managed? Whose systems are physically fit for new products? Which face the greatest financial pressure?

COMCAST IS TOPS

Despite its ranking in the middle of the pack

Cash-flow margin

Change 1998-2000

Adelphia	2.5%
Charter	2.4%
Comcast	0.4%
Time Warner	0.1%
Cablevision	-0.6%
Cox	-1.7%
Insight	-3.1%
AT&T	-12.8%

on some measures, Bilotti considers Comcast the top performer. The company's revenue and cash flow per subscriber are strong. Cash-flow improvement is average but, unlike some other operators', consistent. Most important, the company's capital spending has been relatively low. While that's a bad sign for other frugal MSOs, Comcast balances it out with high sales and earnings. And that is the bottom line for any business, its ultimate return on investment.

"Rising cash flow per sub, stable cap ex per sub—that's a nice combination," Bilotti says. "I think the Comcast guys have created the best set of metrics in the industry."



Photos: Tom Sobolik / Black Star

'Rising cash flow per sub, stable cap ex per sub—that's a nice combination. I think the Comcast guys have created the best set of metrics in the industry.'

ENTERTAINMENT VIDEO-ON-DEMAND EDUCATION BANKING MUSIC **MOSAIC** SPORTS GAMES E-MAIL PAY-PER-VIEW INTERNET

it's beyond the PC.
it's Interactive TV.

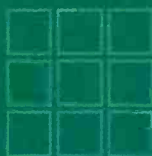


Ever try to drive a square peg into a round hole?
Then why force PC-centric applications into the TV?

Canal+ U.S. Technologies provides advanced software products that enable network operators and broadcasters to deliver secure interactive services over digital cable, satellite and terrestrial networks. Our MediaHighway™ technology enables shopping and VOD to personalized music and enhanced sports — an applications portfolio designed specifically for the TV — speeding your time to revenue.

Need interactive TV.. now?

Call Canal+ U.S. Technologies 877-335-7338 or
check us out at www.canalplus-technologies.com



MOSAIC

CANAL+
U.S.
TECHNOLOGIES

See us at the Western Cable Show - Booth #3201

Monthly revenue

Per subscriber

1998	1999	2000
Cablevision \$47.50	Cablevision \$50.49	Cablevision \$52.90
Comcast \$42.24	Comcast \$44.32	Comcast \$47.01
AT&T \$38.92	Cox \$43.81	AT&T \$46.98
Cox \$40.41	Time Warner \$42.54	Cox \$43.76
Time Warner \$40.01	AT&T \$42.26	Time Warner \$43.41
Insight \$38.54	Insight \$40.04	Insight \$42.04
Charter \$37.37	Charter \$39.91	Charter \$42.02
Adelphia \$36.17	Adelphia \$39.34	Adelphia \$40.88

Revenue change

1999-2000	Avg. 1998-2000
Insight 11.1%	Charter 8.8%
AT&T 9.8%	Insight 8.7%
Charter 9.2%	Adelphia 8.6%
Cox 8.8%	AT&T 8.1%
Comcast 8.5%	Time Warner 8.0%
Adelphia 8.5%	Cox 7.8%
Cablevision 8.3%	Comcast 6.7%
Time Warner 7.4%	Cablevision 6.1%

Or do the aggressive MSOs foresee an inability to grow basic revenues coming?

■ There's much greater difference in operators' ability to grow cash flow. Differing mixes of properties, investment in fundamental operations like customer service and spending on new products can hurt rocky AT&T Broadband and well-respected Cox.

■ Supposed efficiencies from gobbling up other operators haven't clearly materialized. The most tightly clustered operators aren't necessarily the best.

■ Operators are increasing capital spending to upgrade systems at levels that were unfathomable a few years ago, fueled by favorable capital markets and rich backers like Paul Allen and AT&T. Charter is spending on upgrades almost what it cost to build systems

in the first place. One MSO, Insight Communications, is playing catch-up, boosting capital expenditures six-fold since 1998. But Insight's spending is still merely in the middle of the pack.

THE RULES

Bilotti looked at the largest eight MSOs, all of which he regularly fol-

lows for Morgan Stanley and all of which publicly report their data. The operators serve 85% of all U.S. cable subscribers. Results for 2000 are generally estimates drawn after companies posted third-quarter results and based on companies' guidance.

Bilotti, ranked as Wall Street's top cable analyst by influential *Institutional Investor* magazine, is unusual among cable analysts in that he follows AT&T Broadband. Most Wall Street firms have assigned their telcom analysts, who don't closely follow cable, to cover AT&T. That's understandable but leaves coverage of the company's cable operations spotty. Morgan Stanley, however, splits AT&T between Bilotti and telcom analyst Simon Flannery.

The report card gauges MSOs primarily

on a per-subscriber basis. That minimizes variations created by varying sizes and pace of recent system acquisitions and reveals some interesting patterns that are otherwise buried in the multibillion-dollar numbers. Bilotti and Swinburne also include revenue and expenses from new media and residential telephone businesses. Cablevision and AT&T like investors to consider those services separately, but that's like saying, "Look only at the parts that make money, not the ones that lose."

In almost every case, the results are "pro forma"—that is, they assume that recent system acquisitions actually occurred in January 1998. For example, Cox's results for 1998 include the systems it picked up from TCA Cable TV, even though the \$4 billion acquisition wasn't completed until August 1999.

Some MSO executives protested that they were being assessed—often unfairly penalized—on the performance of systems they didn't actually operate. True. But we saw the choices as these: assess an MSO's operating history or its system portfolio as it stands today. In years past, a similar report from Bilotti emphasized the history of operating efficiency. But with some takeover-hungry operators ballooning their subscriber holdings by 50% to 100% over the past two years, we wanted to look more at how a portfolio of assets might perform in the future.

REVENUES

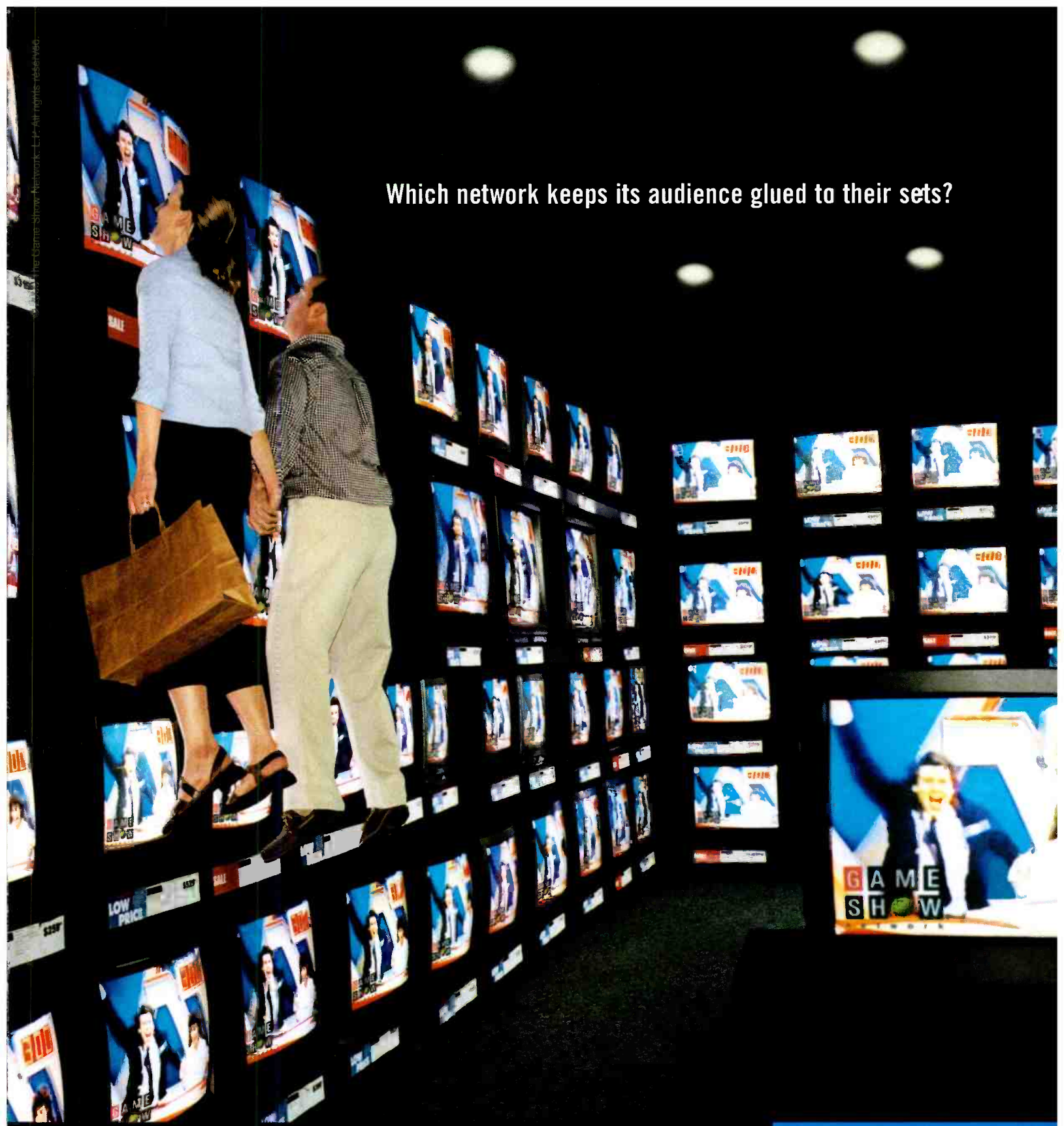
A lucrative, high-income Long Island and metro New York market lets Cablevision command the highest revenues in the business: a towering \$52.90 per subscriber monthly, hardly any of that from new services. Comcast follows at \$47.01.

Even though they're now free of federal rate regulation, operators have been moving pretty much in lockstep on rate hikes. Fearful of regulatory retribution, MSOs have not been led into temptation by their easiest source of revenue growth and have held the annual increases to 5% to 6%.

Operators are increasing capital spending ... at levels that were unfathomable a few years ago, fueled by favorable capital markets and rich backers like Paul Allen and AT&T.

The Game Show Network. All rights reserved.

Which network keeps its audience glued to their sets?



GAME SHOW NETWORK: According to Simmons, Game Show Network ranks #1 in viewers who consider TV their main form of entertainment. Adding an incredible 10.5 million subscribers in the past year, Game Show Network now reaches 30 million households.

Western 310.244.8870 • Central 972.776.8585 • Eastern 212.833.8727 • National Advertiser Sales 212.833.6444

Source: Simmons NCS (3rd Release) Spring 1999 Index Wgt. POP/Base: Total GSN vs. all general entertainment networks.
*Nielsen Media Research. Coverage Area: Household UE, October 1999 - October 2000. Qualifications furnished upon request.



www.gameshownetwork.com

Monthly cash flow

Per subscriber

1998		1999		2000	
Cablevision	\$19.51	Cablevision	\$20.85	Cablevision	\$21.50
Comcast	\$19.34	Comcast	\$20.19	Comcast	\$21.25
Time Warner	\$18.55	Time Warner	\$19.52	Time Warner	\$19.87
Charter	\$18.49	Charter	\$19.49	Charter	\$19.85
Insight	\$18.49	Adelphia	\$19.09	Insight	\$19.84
Adelphia	\$16.63	Insight	\$18.16	Adelphia	\$19.42
Cox	\$16.31	Cox	\$17.50	Cox	\$16.74
AT&T	\$15.49	AT&T	\$12.98	AT&T	\$13.68

Cash-flow change

1999-2000		Avg. 1998-2000	
Insight	9.2%	Adelphia	8.3%
AT&T	5.4%	Cablevision	5.0%
Comcast	4.7%	Comcast	4.8%
Cablevision	3.1%	Insight	3.7%
Charter	1.8%	Charter	3.6%
Time Warner	1.8%	Time Warner	3.5%
Adelphia	1.8%	Cox	1.5%
Cox	-4.3%	AT&T	-5.4%

[Capital expenditure] so far doesn't correlate to revenue growth. Mostly, it was about expanding bandwidth for future services!

That leaves MSOs dependent on ad sales, volatile pay-per-view revenue and new businesses for growth.

But those new businesses aren't boosting revenues dramatically. AT&T and Cox are the most aggressive in launching new businesses, but they're in the middle of the pack. Charter is second from the bottom when it comes to digital and data penetration yet the highest in revenue growth. It is true, however, that Cablevision, which has yet to launch digital cable services, ranks at the bottom.

Worse, AT&T and Cox haven't seen revenue gains even though they were the biggest spenders for system upgrades in 1998 and 1999. "Cap ex so far doesn't correlate to revenue growth," Bilotti said. "Mostly it was about expanding bandwidth for future services that are just getting financial legs."

Here's some math. Operators brag about getting \$15 to \$20 in new revenue per digital customer. But penetration averages 10% of basic subscribers. So that's \$1.50 to \$2 in new revenue per basic subscriber, or a gain of around 4% per basic sub. Add that to your 5% basic rate hike, and your revenue per sub goes to 9%.

The good news is that the \$30 monthly high-speed Internet services will probably add about the same percentage.

CASH FLOW

Operators express much more individuality when it comes to how much money they squeeze out of each dollar of revenue. Not surprising, leaders Cablevision (\$21.50 per sub per month) and Comcast (\$21.25) also generate the highest revenue per subscriber.

But AT&T really sticks out here. Cash flow per subscriber dropped an alarming 16.2% in 1999 and recovered just 5.4% for 2000. That's down more than 5% on average for each of the past two years. Want something really scary? The old TCI systems are even worse than when they were run by TCI Chairman John Malone, far from the most efficient operations executive in the business. Separating the recently acquired MediaOne Group systems finds that AT&T is generating about one-third



Photo: Tom Sobeik / Black Star



*Telstar 7 is on location in
the heart of the cable arc*

At 129° W.L., Telstar 7 provides the coverage and capacity the cable industry needs for maximum performance for digital and analog transmission. Access comprehensive technical resources and customer solutions for the Americas with one of the highest-powered satellites in the industry.

Visit us at www.loralskynet.com



LORAL SKYNET[®]
do Brasil



LORAL SKYNET[®]

A Member of The LORAL Global Alliance

Capital spending

Per subscriber per year

1998	1999	2000
Cox \$271	AT&T \$347	Charter \$427
AT&T \$193	Cox \$316	AT&T \$294
Time Warner \$148	Charter \$213	Cox \$262
Charter \$125	Time Warner \$207	Cablevision \$229
Cablevision \$124	Cablevision \$162	Insight \$210
Comcast \$120	Adelphia \$159	Comcast \$173
Adelphia \$93	Comcast \$94	Time Warner \$161
Insight \$31	Insight \$81	Adelphia \$152

less out of each old-TCI subscriber than TCI did.

AT&T Broadband Chairman Dan Somers says that much of the cost crunch comes from product launches and reorganizing recently acquired systems into new clusters. He noted that AT&T's Chicago cluster, which covers 80% of cable homes in the market, was stitched together from the properties of five different operators.

Somers is also looking toward the completion of AT&T's expensive system upgrades. That will allow greater deployment of new interactive, data and telephone products, all of which promise to generate high margins.

Bilotti questions how quickly AT&T can recover from its "dramatic" downturn in cash flow. "It's really hard to significantly and permanently push margins upward," he said.

Product launches are one reason margins have shrunk for some operators. Bilotti says Cox is now spending 7% of revenue on marketing, while some other operators are spending 4%. Cox's is high, he explains, because the company is one of just two launching residential telephone service. Five years ago, an aggressive operator was spending just 2% to 2.5% of rev-

enues on marketing. "At TCI, it used to be 1.5%."

CAPITAL SPENDING

The starkest contrast among operators is in how heavily they're spending to upgrade their plants. Although all operators boast about advanced services, it's clear that some MSOs' systems are prepared and others are playing catch-up.

Cable and Wall Street executives' attitudes toward capital spending made a dramatic turnaround 1996. In past years, capital spending to upgrade systems was seen primarily as a burden, one penalized by investors worried more about a company's debt load than the condition of its systems. A few big spenders hit \$200 per subscriber annually; \$100 per subscriber was about average. The bare minimum to keep a system up and running was about \$30 per subscriber.

But the threat of competition, particularly from satellite TV's DirecTV and EchoStar, convinced investors that spending money to expand channel capacity and prep for advanced services was a good idea. MSOs that expanded channel capacity, offered two-way communication and even laid the groundwork for carrying telephone calls saw their stock prices rewarded, par-

ticularly MediaOne Group and Cox. Today, annual spending of \$235 per subscriber is average.

Charter is spending almost double the average, \$427 per subscriber. Why? The company bought many small-town systems from owners that had neglected them for years, including Marcus Communications, Falcon Cable and Bresnan Communications. Those sellers spent as little as possible on plant upgrades, sticking their customers with systems of 450 MHz or less at a time when 750 MHz had become typical. Charter bought on the cheap, spending about \$3,500 to \$4,000 per sub at a time when \$5,000 was common.

"Charter brags that they spent so little on acquisitions, but they're spending so much more on cap ex, that it was no bargain," Bilotti said. "Charter claims it paid a little over 13 times annual cash, but it ended up 15 times."

Charter Chairman Jerry Kent concedes that the sellers "didn't put much into the plant." But, he adds, Charter is building much more advanced plant than other operators, heeding the "Wired World" vision of Charter controlling shareholder Paul Allen.

While most operators expect an expensive fiber node to serve 500 homes, Charter's advanced plant is designed to carry just 360 homes per node and can be subdivided to just 60 homes per node. The smaller the number of customers on each node, the less likely its subscribers will get the cable equivalent of a busy signal when they use interactive and data services. "Under the most optimistic forecasts of voice video and data, we'll be able to serve our customers without degradation," Kent said.

Bilotti says going to 360-home nodes costs \$100 per subscriber. "Take that way, you cut 25% of their cap ex budget."

For some operators, cap ex growth is slowing to a trickle. Time Warner Cable's capital spending per subscriber will increase just 9% this year, to \$158. That's largely because the company has spent steadily for years. Cox's spending is actual-

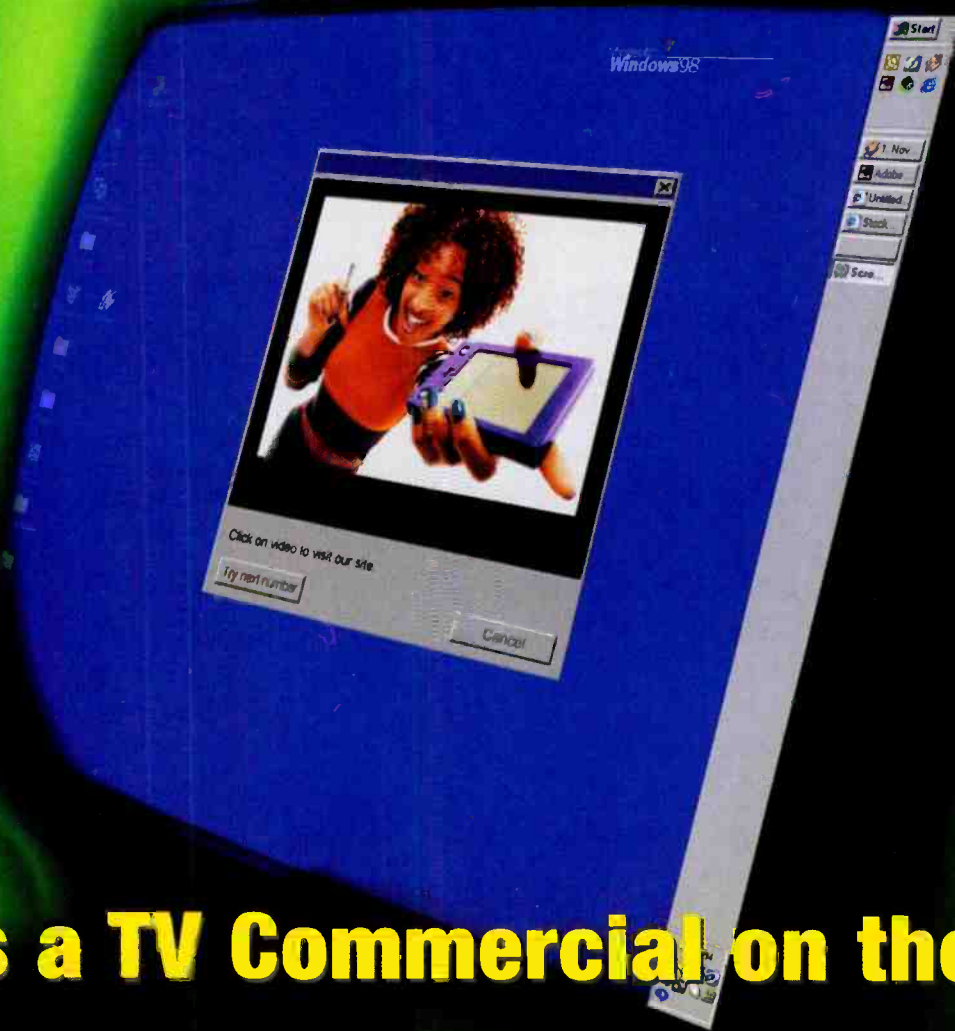
Capital-spending change

1998-2000

Insight	485.6%
Charter	240.4%
Cablevision	84.8%
Adelphia	63.3%
AT&T	52.9%
Comcast	44.6%
Time Warner	9.2%
Cox	-3.3%

It's on the Web.

It's a TV Commercial.



It's a TV Commercial on the Web.

Show them a TV commercial while they're connecting to the Internet: The Web Commercial. Web Commercials play on computer screens like an introductory commercial to each online session. With a Web Commercial, you're assured a completely captive audience and on-screen exclusivity, in an environment without distractions.

The Web Commercial can play existing TV commercials

or Flash media, and includes an embedded link to your site or any url you choose. At 1stup.com, we show Web Commercials to **over one million consumers everyday.**

E-mail webcommercial@1stup.com to see one for yourself, and find out why our Web Commercials are of the highest technical quality and the best in the online industry.

Want the details? Find out more at: www.1stup.com/tv

The best television advertising value is now found on the Internet.

1stUp.com

www.1stup.com/tv

The big eight

	Basic subs (000s)	Digital penetration	Data penetration
AT&T	15,062	18.5%	7.5%
Time Warner	11,753	15.1%	7.6%
Comcast	7,594	17.1%	4.6%
Cox Communications	6,819	13.2%	7.7%
Charter Communications	6,340	12.6%	2.9%
Adelphia	5,488	13.7%	2.8%
Cablevision	2,832	0.2%	6.3%
Insight	916	14.6%	3.1%

Bilotti: Numbers tell all

Richard Bilotti was caught in the middle of two storms last week. One was a snowstorm in Buffalo, N.Y., where he was leaving investor clients on a tour of Adelphia's cable system. The other occurred back at his Manhattan office when he sliced his ratings on Disney, Viacom and News Corp. Clients wanted information, and Bilotti wasn't there. "Here I was trapped in a car for 12 hours when I'm downgrading a whole sector," he says.

Such is the chaos sometimes surrounding one of Wall Street's top media analysts. *Institutional Investor* magazine has ranked him the top cable analyst since 1997 and this year named him second among entertainment analysts.

The former airline analyst is known for exhaustive—often exhausting—studies of cable and entertainment companies. Bilotti and his team of four associates fill page after page with crunched numbers, plunging deeply into minutia that some of his competitors don't always study as rigorously. Bilotti's cable associate Benjamin Swinburne left Lucent's merger group to join Morgan Stanley a year ago.

ly dropping 3% in part for the same reason. Cox, however, spends twice what Time Warner does, \$298 per sub, largely because it is trying to launch telephone services.

Some operators are in a terrible rush. Insight's annual spending has soared 486% since 1998. That's because the company's properties had spent the bare minimum in 1998, just \$31 per subscriber. That includes some recently acquired systems that had been starved by Intermedia Partners and Cablevision Systems. "We have always said that we are late in our rebuild cycle," says Insight President Mike Wilner. "We'll be 90% when we're finished with our rebuilds by the end of this year."

So far, the rebuilds are paying off, with Insight's interactive digital services generating \$22 in new revenue per subscriber and achieving 20% penetration so far. That's a big reason Insight's growth in revenue per subscriber is so high.

What will Bilotti be watching for his next report card? One element is which operators will boost digital penetration past 20%. Right now, AT&T is on top with 18%, while others are as low as 12% (Cablevision has only a few subscribers inherited from recently acquired systems.)

When Cablevision does launch digital, how much will it merely cannibalize its base of advanced analog customers that pay for extra tiers without requiring a \$350 set-top box. That same question also applies to current digital rollouts on Time Warner and old MediaOne systems, both of which aggressively pushed advanced analog tiers over the past three years.

And after years of promising they would slow capital spending, will operators ever really stop laying out cash for upgrades, successfully sell their new products and prove they can generate strong returns on investment?

"They're got to hit the scale economics and start driving cash flow down to the bottom line," Bilotti said. "Otherwise, it's going to be hard to explain why they paid all these prices for acquisitions. You have to prove you can satisfy the demand, that you can execute." ■

AN IN-DEPTH LOOK AT
**SEDUCTION,
POLYGAMY
& THEFT.**

AND NOT A TALK-SHOW HOST IN SIGHT.

EGYPT BEYOND THE PYRAMIDS

MAY 28-29 AT 9/8C

Journey to where cameras have never gone before in this world-premiere documentary miniseries. It's time to excavate your desk and mark this program on your calendar. To find out about the marketing support behind this epic program or for more information, call your AETN affiliate representative or visit www.aetncloseup.com.



**THE
HISTORY
CHANNEL.**

WHERE THE PAST COMES ALIVE.

TV economics

Broadcast networks may still be on top, but cable has plenty of clout

A *Millionaire* and a *Survivor* couldn't keep NBC completely down. Though it has dipped in the ratings, NBC heads BROADCASTING & CABLE's ranking of the Top 25 TV networks for the year, even as its schedule is being outpaced by rivals ABC and CBS. Both NBC and No. 2 ABC get their rankings with substantial gains in revenues, while CBS' growth will be relatively low.

How could that be, given the gigantic surge from CBS' *Survivor*? The answer lies in the interesting structure of network economics. CBS pre-sold *Survivor* when neither network nor advertiser expectations were very high. So, while the show's ratings impact was huge, the revenue impact was not. Also, summer is a slow season for ad

spending, and much of the network's inventory was tied up in the upfront market at relatively low prices.

ABC by comparison had its surge from *Who Wants to Be a Millionaire?* a year ago, bolstering scatter prices all year and getting favorable attention in the upfront market last spring. And NBC's slide didn't really hurt until the fall.

Of course, broadcasters aren't the only big TV players. The survey treats every network the same: broadcast, basic cable, pay cable or home shopping. The sole criterion was revenue, however generated.

Operating with just a fraction of the ratings and programming costs of their major broadcast rivals, cable networks are still tallying hundreds of millions of dollars in annual revenue.

This ranking is based on estimates of 2000 revenues. Although compiled in late November, it has room for variance. (Figures for the most recent fiscal year were

Rank	Network	Revenue*
1	NBC	\$4,727
2	ABC	\$4,356
3	CBS	\$3,500
4	QVC	\$3,300
5	ESPN	\$2,100
6	Fox	\$1,751
7	HBO	\$1,743
8	HSN	\$1,521
9	TNT	\$1,180
10	Nickelodeon	\$1,046
11	Showtime	\$ 855
12	TBS	\$ 806
13	USA	\$ 800
14	CNN	\$ 776
15	MTV	\$ 730
16	Fox Sports	\$ 589
17	Discovery	\$ 574
18	Disney Channel	\$ 557
19	Lifetime	\$ 550
20	A&E	\$ 523
21	CNBC	\$ 521
22	Univision	\$ 470
23	Cinemax	\$ 434
24	Starz!	\$ 420
25	TLC	\$ 400

*Estimated 2000 revenue in millions
Source: BROADCASTING & CABLE

used for Walt Disney Co. and News Corp.-related units.) Also, many network groups don't publicly detail revenues of individual channels, so securities filings offer limited information.

At many networks, executives either offered their own figures or said they "were comfortable" with the ones we provided. Many of the rest were based on information from Wall Street analysts including Bear, Stearns & Co.'s Victor Miller and Ray Katz; Morgan Stanley Dean Witter's Richard Bilotti; and Sanford Bernstein & Co.'s Tom Wolzien. Others were based on information from media-research specialist Paul Kagan Associates or derived by BROADCASTING & CABLE. Household-viewing information is based on year-to-date Nielsen averages.

To maintain the confidentiality of those networks that cooperated, the list does not specify the source of any particular number.

Network information was compiled by Kim McAvoy.

What's hot at BLOOMBERG TELEVISION®?

The best business
programming and
interactive television
products worldwide.

Great cappuccino &
cookies at our booth.



Stop by Booth 461
South Hall
The Western Show 2000

Los Angeles Convention Center
Nov. 29-Dec. 1, 2000

Enter our Palm VII & Coach Palm
Pilot Holder Giveaway*

Drop off your business card to enter our random drawing
on Saturday, December 2, 2000.



* No purchase necessary. Enter to win during the show, on November 29/30 and December 1, of the West Coast Cable Show. One entry per person. Winner need not be present. Winner will be selected by random drawing, conducted by Bloomberg, on Saturday, December 2, 2000. Bloomberg accepts no liability for late or lost entries. Prize is awarded AS IS and without warranty of any kind. The decision of Bloomberg judges is final on all matters pertaining to this Giveaway. Giveaway is not affiliated with, endorsed or licensed by Palm Inc. or Coach.

© 2000 Bloomberg LP. All rights reserved. Bloomberg and BLOOMBERG TELEVISION are trademarks and service marks of Bloomberg LP. 77179 1100

Bloomberg TELEVISION

For more information, call Affiliate Relations at 212.893.4220

This is where your subscribers can learn more about virtually anything, all with the push of a button and without ever changing the channel.



This is where subscribers can go shopping, interact with ads, get instant electronic coupons, and feel like they are in control every step of the way.



This is where subscribers can shrink their world to find out their hometown weather, traffic updates, and high school football scores.



And this is where MSO executives fall asleep, secure in the knowledge that the TVs of the world are all working for them.

Do more than you thought
remotely possible.



Visit booth 1855 at the Western Show or call us at 1-800-992-6424.



commerce.tv

1



Ownership: General Electric
 Top executive: Robert Wright, president/CEO
 Programming: general entertainment
 Type of network: broadcast
 Projected 2000 revenue: \$4.7 billion
 TV homes reached: 99.9%
 Total day avg. viewership: not applicable
 Prime time avg. viewership: 8.5M homes
 ► Hot property: *The West Wing*



Ownership: Walt Disney Co.
 Top executive: Alex Wallau, president, ABC Television Network
 Programming: general entertainment
 Type of network: broadcast
 Projected 2000 revenue: \$4.4 billion
 TV homes reached: 99.9%
 Total day avg. viewership: not applicable
 Prime time avg. viewership: 9.4M homes
 ◀ Hot property: *Who Wants to Be a Millionaire?*



2

3



Ownership: Viacom Inc.
 Top executive: Leslie Moonves, president/CEO
 Programming: general entertainment
 Type of network: broadcast
 Projected 2000 revenue: \$3.5 billion
 TV homes reached: 99.9%
 Total day avg. viewership: not applicable
 Prime time avg. viewership: 9.2M homes
 ► Hot property: *Survivor II* (premieres Jan. 28, 2001)



Ownership: Comcast and Liberty Media
 Top executive: Douglas S. Briggs, president
 Programming: retail shopping
 Type of network: cable
 Projected 2000 revenue: \$3.3 billion
 TV homes reached: 75 million
 Total day avg. viewership: not applicable
 Prime time avg. viewership: not applicable
 ◀ Hot property: *FFANY Shoes on Sale*



4

5



Ownership: Walt Disney Co.
 Top executive: George Bodenheimer, president
 Programming: sports
 Type of network: ad-supported cable
 Projected 2000 revenue: \$2.1 billion
 TV homes reached: 79 million
 Total day avg. viewership: 520,000 homes
 Prime time avg. viewership: 1,042,000 homes
 ► Hot property: *NFL Sunday Night Football*



[to serve and protect]



That's the job of this SeaChange MPEG-2 video server. To safeguard the heart of your operation, your digital assets. Today SeaChange is the global leader in MPEG-2 digital video systems. Our servers are out in force, covering over 30,000 channels worldwide. With ironclad, scalable solutions for broadcast, broadband and Internet, you can manage your most demanding applications and a variety of content—including play-to-air, video-on-demand, digital advertising and Internet streaming. What's more, the patented design of the SeaChange MediaCluster will keep you on the

air all the time, offering the highest fault-resilience in the industry without costly mirroring. Which saves you the expense and complexity of working with redundant servers. So in addition to protecting your digital assets, SeaChange also protects your revenue streams, your technology investment and your business. And you have that from a reliable source.



Changing television for good.

6

FOX

Ownership: News Corp.
 Top executive: Sandy Grushow, chairman, Fox Television Entertainment Group
 Programming: general entertainment
 Type of network: broadcast
 Projected 2000 revenue: \$1.8 billion
 TV homes reached: 97.65%
 Total day avg. viewership: not applicable
 Prime time avg. viewership: 6.8M homes
 ▶ Hot property: *Malcolm in the Middle*



Ownership: Time Warner
 Top executive: Jeff Bewkes, chairman & CEO
 Programming: general entertainment
 Type of network: pay-TV cable
 Projected 2000 revenue: \$1.7 billion
 TV homes reached: 36 million (HBO and Cinemax)
 Total day avg. viewership: 862,000 homes
 Prime time avg. viewership: 1,610,000 homes
 ◀ Hot property: *Sex and the City*

HBO
 IT'S NOT TV IT'S HBO

7

8

HSN

Home Shopping Network

Ownership: USA Networks
 Top executive: Mark Bozek, CEO/president
 Programming: retail shopping
 Type of network: cable
 Projected 2000 revenue: \$1.5 billion
 TV homes reached: 74 million
 Total day avg. viewership: not applicable
 Prime time avg. viewership: not applicable
 ▶ Hot property: *NFL Shop*



Ownership: Time Warner
 Top executive: Bradley J. Siegel, president, gen.-entertainment networks, Turner Bdcstng.
 Programming: general entertainment
 Type of network: ad-supported cable
 Projected 2000 revenue: \$1.2 billion
 TV homes reached: 79 million
 Total day avg. viewership: 682,000 homes
 Prime time avg. viewership: 1,317,000 homes
 ◀ Hot property: *Bull*

TNT

9

10

NICKELODEON

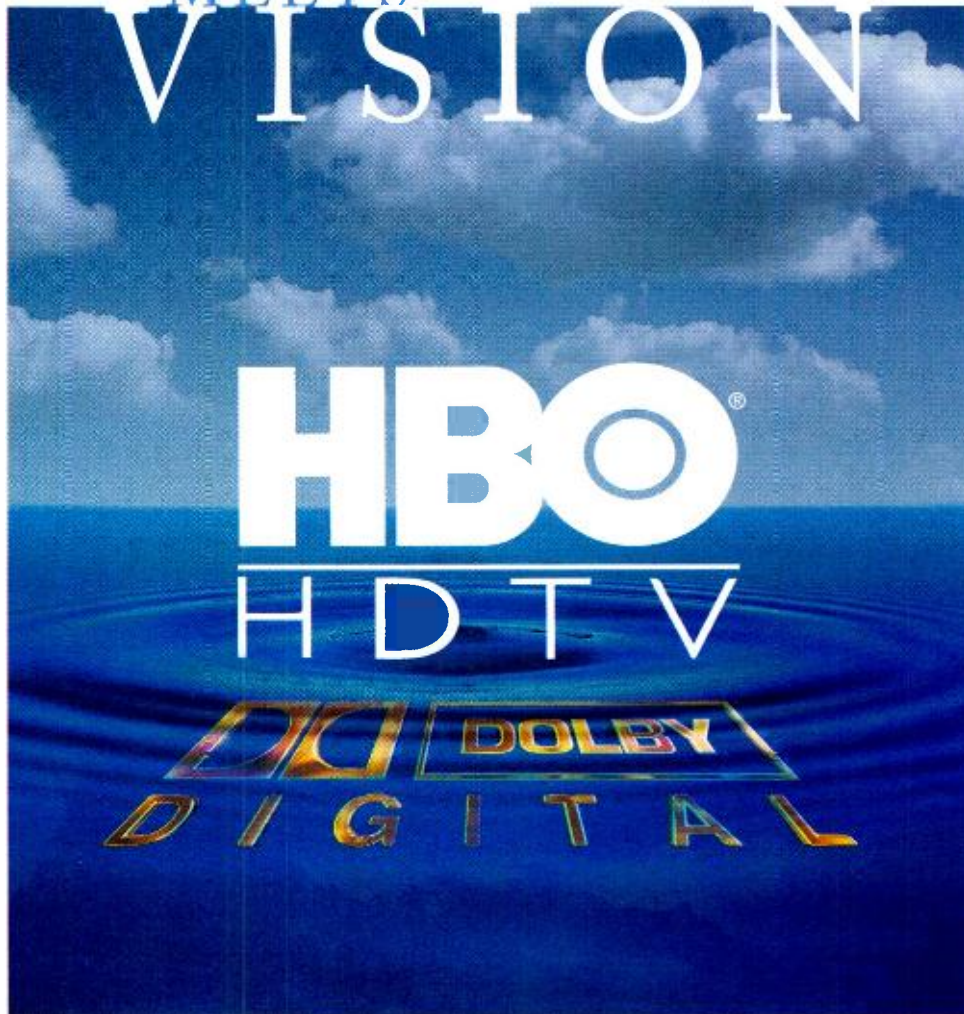
Ownership: Viacom
 Top executive: Herb Scannell, CEO/president
 Programming: children-oriented
 Type of network: ad-supported cable
 Projected 2000 revenue: \$1 billion
 TV homes reached: 78 million
 Total day avg. viewership: 1,179,000 homes
 Prime time avg. viewership: 1,332,000 homes
 ▶ Hot property: *The Brothers Garcia*



SOUND

MEETS

VISION



Experience the next level in entertainment. HBO HDTV coupled with Dolby Digital 5.1-channel audio delivers incomparable sound and an outstanding picture. This is television the way it was meant to be—remarkable picture quality, unparalleled sound.

Dolby is proud to be a part of HBO's vision of the future.

www.dolby.com/tvaudio



BREAKING SOUND BARRIERS

Dolby Laboratories, Inc. • 100 Potrero Avenue, San Francisco, CA 94103-4813 • Telephone 415-558-0200 • Fax 415-863-1373
Wootton Bassett, Wiltshire SN4 8QJ England • Telephone (44) 1793-842100 • Fax (44) 1793-842101 • www.dolby.com

Dolby and the double-D symbol are trademarks of Dolby Laboratories. "Sound Meets Vision" is a registered trademark of ProSieben Media AG, Germany.
HBO is a registered service mark of Time Warner Entertainment Company, L.P. © 2000 Dolby Laboratories, Inc. S00/13417

11



Ownership: Viacom
Top executive: Matthew Blank, chairman/CEO
Programming: movies, original series, sports
Type of network: pay-TV cable
Projected 2000 revenue: \$855 million
TV homes reached: 24.2 million (Showtime, TMC and FLIX)
Total day avg. viewership: 236,000 homes
Prime time avg. viewership: 465,000 homes
 ► **Hot property:** *The Blair Witch Project*



Ownership: Time Warner
Top executive: Dennis Quinn, executive VP and general manager
Programming: general entertainment
Type of network: ad-supported cable
Projected 2000 revenue: \$806 million
TV homes reached: 80.6 million
Total day avg. viewership: 901,000 homes
Prime time avg. viewership: 1,475,000 homes
 ◀ **Hot Property:** *Ripley's Believe It or Not*



12

13



Ownership: USA Networks Inc.
Top executives: Steven Chao, president, USA Cable; Rob Sorcher, executive VP/GM
Programming: general entertainment
Type of network: ad-supported cable
Projected 2000 revenue: \$800 million
TV homes reached: 78 million
Total day avg. viewership: 702,000 homes
Prime time avg. viewership: 1,663,000 homes
 ► **Hot property:** *Eco Challenge*



Ownership: Time Warner
Top executive: Tom Johnson, chairman/CEO, CNN News Group
Programming: national and international news
Type of network: ad-supported cable
Projected 2000 revenue: \$776 million
TV homes reached: 78 million
Total day avg. viewership: 279,000 homes
Prime time avg. viewership: 521,000 homes
 ◀ **Hot property:** Election 2000 coverage

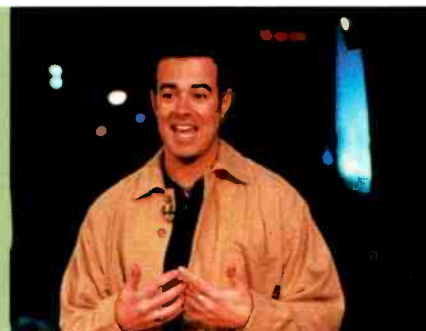


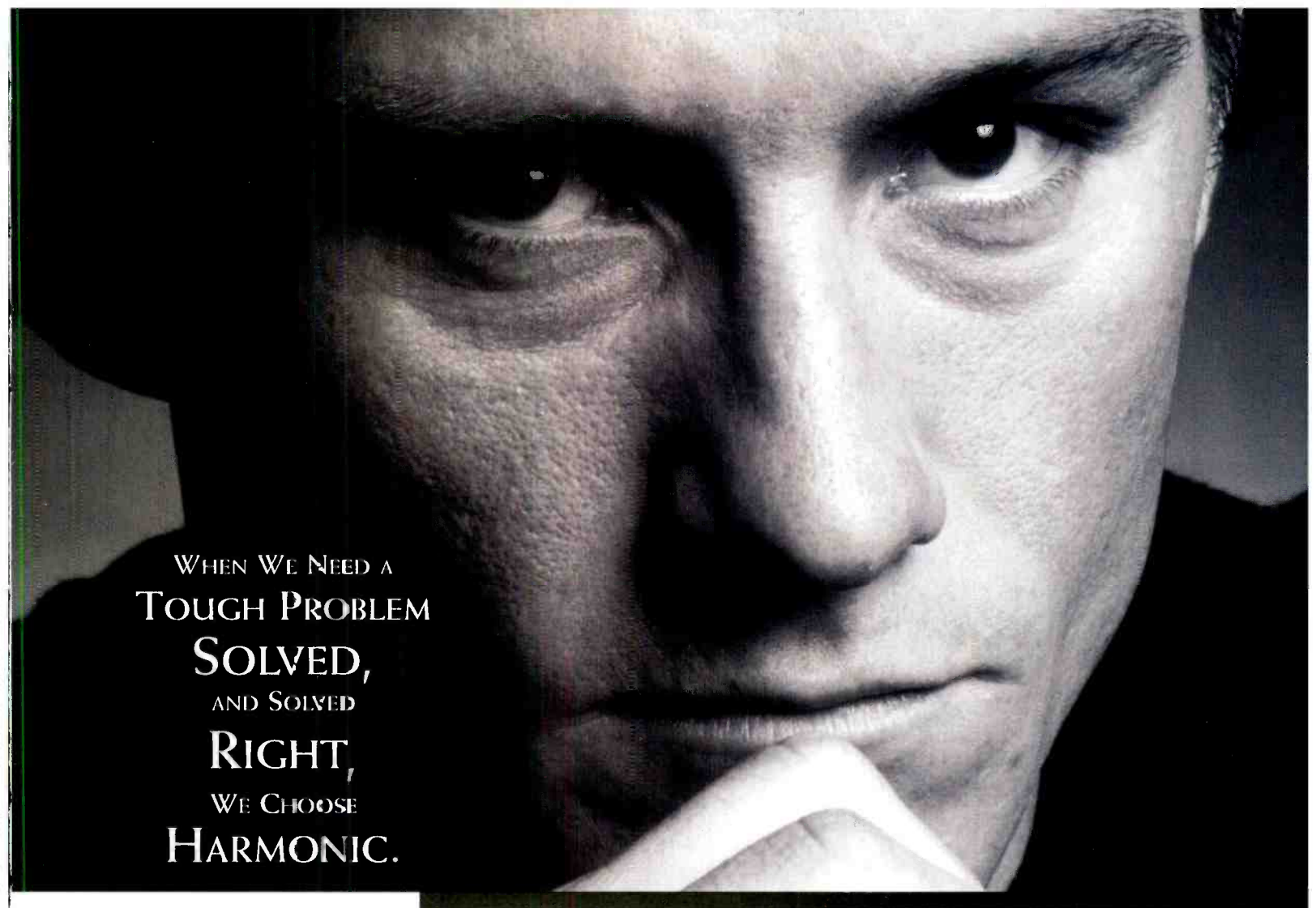
14

15



Ownership: Viacom
Top executive: Van Toffler, president
Programming: music-oriented
Type of network: ad-supported cable
Projected 2000 revenue: \$730 million
TV homes reached: 74.9 million
Total day avg. viewership: 437,000 homes
Prime time avg. viewership: 679,000 homes
 ► **Hot property:** *Total Request Live*





WHEN WE NEED A
TOUGH PROBLEM
SOLVED,
AND SOLVED
RIGHT,
WE CHOOSE
HARMONIC.

**THE TOUGHER YOUR PROBLEM,
THE HARDER WE WORK.**

Face it, many companies provide broadband solutions. Unfortunately, few of these solutions work the way they're expected to. Which is why more and more broadband service providers are bringing their architectural problems to Harmonic. Simply put, our solutions work, 24 x 7.

**WE DELIVER BROADBAND INNOVATIONS –
FROM THE HEADEND ACROSS THE ENTIRE NETWORK**

Harmonic knows broadband networks inside and out. Our world-class expertise in advanced fiber optic networks and digital video systems helps service providers stay competitive and get to market faster with delivery of video, voice and data over broadband networks.

At Harmonic, we'll do whatever it takes to solve your toughest broadband problems quickly. Our digital and fiber optic engineers are technically astute, highly responsive, and totally committed to developing innovative optical networking, digital video systems, and high-speed data solutions that work.

No matter how difficult your broadband challenge may be, Harmonic can help solve it. For more information, visit www.harmonicinc.com. Or call us +1.408.542.2500.

CALL US ABOUT YOUR TOUGH PROBLEMS IN:

Optical Access Networks | Digital Video Systems
IP Data Gateways | Network Management
System Integration

Smart Solutions for Broadband Systems



16



Ownership: Fox Entertainment and Cablevision's Rainbow Media partnership
Top executive: Tracy Dolgin, president
Programming: 24-hour sports
Type of network: ad-supported cable
Projected 2000 revenue: \$589 million
TV homes reached: 70 million (21 reg. sports nets)
Total day avg. viewership: not available
Prime time avg. viewership: not available
 ► **Hot property:** *The Last Word With Jim Rome*



Ownership: Discovery Communications
Top executives: Johnathan Rodgers, president, Discovery Networks; Mike Quattrone, exec VP/GM
Programming: science-oriented entertainment
Type of network: ad-supported cable
Projected 2000 revenue: \$574 million
TV homes reached: 79.8 million
Total day avg. viewership: 498,000 homes
Prime time avg. viewership: 933,000 homes
 ◀ **Hot property:** *Walking With Dinosaurs*



17

18



Ownership: Walt Disney Co.
Top executive: Ann Sweeney, president
Programming: kids and family entertainment
Type of network: ad-supported cable
Projected 2000 revenue: \$557 million
TV homes reached: 67.2 million
Total day avg. viewership: 510,000 homes
Prime time avg. viewership: 944,000 homes
 ► **Hot property:** *Even Stevens*



Ownership: Disney and Hearst
Top executive: Carole Black, president/CEO
Programming: women-oriented general entertainment
Type of network: ad-supported cable
Projected 2000 revenue: \$550 million
TV homes reached: 78 million
Total day avg. viewership: 846,000 homes
Prime time avg. viewership: 1,319,000 homes
 ◀ **Hot Property:** *Strong Medicine*

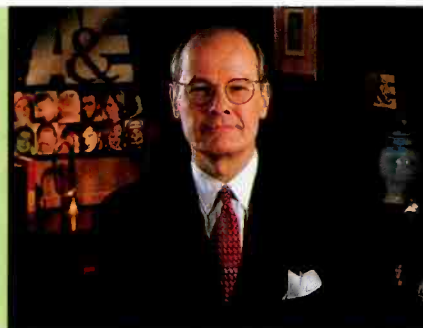
Lifetime
 Television for Women

19

20



Ownership: ABC, NBC and Hearst
Top executive: Dan Davids, president/CEO
Programming: drama series, original movies, documentaries
Type of network: ad-supported cable
Projected 2000 revenue: \$523 million
TV homes reached: 77 million
Total day avg. viewership: 708,000 homes
Prime time avg. viewership: 1,101,000 homes
 ► **Hot property:** *Biography*



Now your local advertisers can reach an audience of devoted soap fans!



PORT CHARLES



ALL MY CHILDREN

*Today's
episodes tonight*



ONE LIFE TO LIVE



GENERAL HOSPITAL

**SOAP
CENTER**

*the original program
devoted to all soaps*

Reach soap fans as they view their favorite shows in primetime, on weekends and other convenient day parts!

• *ABC is home to 3 out of the top 5 daytime dramas in terms of delivery among women 18-49.**

• *General Hospital is the #1 soap opera among women 18-49.**

HOSTED BY
BROOKE ALEXANDER
&
DAVID FORSYTH



ESPN Affiliate Ad Sales Now Represents SoapNet
Northeast 860-766-7434 Southeast 360-766-7435 North Central 312-228-5842
South Central 312-228-5844 Rocky Mountain 303-290-7888 Western 818-955-7405

SoapNet.com

21



Ownership: General Electric
Top executive: Bill Bolster, president
Programming: business news
Type of network: ad-supported cable
Projected 2000 revenue: \$521 million
TV homes reached: 77 million
Total day avg. viewership: 272,000 homes
Prime time avg. viewership: 292,000 homes
▶ Hot property: *Squawk Box*



Ownership: Univision Communications Inc.
Top executives: Ray Rodriguez, president/COO, Univision Network
Programming: Spanish-language entertainment
Type of network: broadcast/cable
Projected 2000 revenue: \$470 million
TV homes reached: 93% (Spanish homes)
Total day avg. viewership: 726,000 homes
Prime time avg. viewership: 1,764,000 homes
◀ Hot property: *Noticiero Univision*



22

23



Ownership: Time Warner
Top executive: Jeff Bewkes, chairman/CEO, HBO
Programming: movies
Type of network: pay-TV cable
Projected 2000 revenue: \$434 million
TV homes reached: 36 million (HBO and Cinemax)
Total day avg. viewership: 340,000 homes
Prime time avg. viewership: 540,000 homes
▶ Hot property: *Girl Interrupted*



Ownership: Liberty Media
Top Executive: John J. Sie, founder and chairman/CEO
Programming: movies
Type of network: pay-TV satellite
Projected 2000 revenue: \$420 million
TV homes reached: 11 million
Total day avg. viewership: not applicable
Prime time avg. viewership: not applicable
◀ Hot property: *The Sixth Sense*



24

25



Ownership: Discovery Communications
Top executives: Johnathan Rodgers, president Discovery Networks; Jana Bennett, exec VP/GM
Programming: information-oriented
Type of network: ad-supported cable
Projected 2000 revenue: \$400 million
TV homes reached: 75.6 million
Total day avg. viewership: 323,000 homes
Prime time avg. viewership: 645,000 homes
▶ Hot property: *Junkyard Wars*



SATURDAYS ARE BORN TO BE WILD ON FX

***The #1 Spectator Sport¹
And The #2 Rated
Televised Sport² In The U.S.
Is Coming To FX
February 2001.***



For more information regarding NASCAR on FX
please contact your local Fox Cable Networks
representative or call 310-444-8521



¹ NASCAR estimates 1999 season.
² NIT year to date through 11/12/00; professional sports on broadcast networks.

© 2000, FX Networks, LLC. All Rights Reserved.
NASCAR is a registered trademark of the
National Association for Stock Car Auto Racing, Inc.



Tom Hanks (shown here directing an episode) is executive-producing *Band of Brothers* for HBO.

Red-carpet cable

High-profile talent showcasing its work on the small screen

By Deborah D. McAdams

Cable credits are starting to resemble a Who's Who of Hollywood. Steven Spielberg is doing projects for HBO and Sci Fi. Sidney Lumet is creating a series for A&E. Barbra Streisand and Whoopi Goldberg are creating shows for Lifetime. Francis Ford Coppola, Tom Hanks, Mel Gibson, Debbie Allen, Richard Donner, Jet Li and Allen Ball are among the celebrity filmmakers popping up all over cable.

"In the theatrical marketplace, you see a certain kind of movie not being made: Movies that are character-driven that don't have 'blockbuster' written all over them," said Chris Albrecht, president of HBO original programming. HBO is laying out more than \$110 million next year for *Band of Brothers*, a 10-part miniseries executive-produced by Spielberg and Hanks. "As the studios make fewer and fewer of this kind of theatrical, cable opens up opportunities

for these people."

For Roger Corman, cable means the *Black Scorpion* lives. Corman is a Hollywood B-movie legend who has made more than 550 films, including *Screwballs*, *Humanoids From the Deep*, *Vampirella* and the original *Little Shop of Horrors*. He describes *Scorpion* as a sort of "female Superman, Spiderman, Batman" that started as a series of feature films showcased on Showtime five years ago. After it ran, he was contacted by a German network wanting to license the project.

"I had no plans to do a TV series, but I didn't want to settle for just a license deal," Corman said. Gambling on German interest and healthy Showtime ratings, he went ahead and made 22 one-hour

episodes on his own dime—at about \$900,000 a pop. Showtime made him an offer he handily refused. Then Sci Fi jumped on it, giving him a prime time slot on Friday nights and a basic license fee plus a premium based on ratings. "And we had a better chance to get big comparative ratings on the Sci Fi Channel than anywhere else, because they're very aggressive about marketing new originals."

For a midsize network with 65 million subscribers, Sci Fi attracts as many high-profile filmmakers as far richer networks. (Sci Fi is on track to take in about \$270 million this year, compared with TNT's more than \$1 billion and HBO's \$1.7 billion.) Coppola helped develop *First Wave*, the alien-invasion thriller series, for Sci Fi. *X-Men* producer Richard Donner is working on bringing *Monster Smasher* to Sci Fi (although it's currently on hold). Spielberg is producing *Taken*, a miniseries dramatizing the history of alien abductions for Sci Fi. Brian Henson, of Muppet film fame, is producing *Farscape* for the network (see Q&A, page 72).

"I think the genre itself attracts smart, intelligent people," said Bonnie Hammer, executive vice president and general manager of Sci Fi. "It's a draw for people who want to do quality work."

Sci Fi sister net USA is just starting to bring in the big guns of film. Jan de Bont, director of the Greyhound-in-distress film *Speed*, is developing a one-hour dramatic series called *Thought Crimes* for the network.

"It was being developed as a two-hour movie of the week. I read the script and thought it would be a great series," said Jim Miller, who became executive vice president of original programming at USA in October. "I said, 'Let's go straight to series.' Jan came in to pitch a second show."

'Part of what makes any new network get visibility is bringing viewers something fresh that they don't see anywhere else.'

—Debbie Allen, producer, *Cool Women*, Romance Classics network

Miller, a former film and television producer himself, was pitched by John Woo, Coppola, Brent Ratner and John Landis in his first few weeks on the job. He stresses, however, that

AROUND THE WORLD. AROUND THE CLOCK.

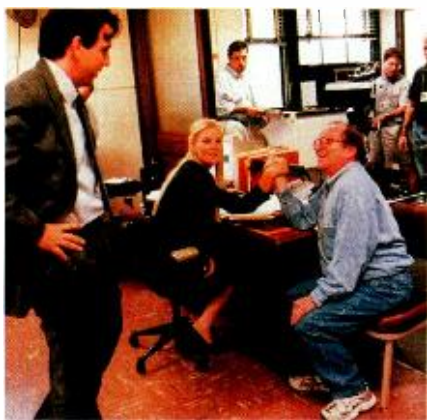


CNNfn is your subscribers' only 24-hour source for coverage of the world of money each and every weekday. The network's team of award-winning financial journalists takes you deeper into the story of daily U.S. market coverage. And after the closing bell, CNNfn is the only network providing live overnight updates of the Asian and European markets that directly impact the US economy and your subscribers' bank accounts. Give your subscribers the investment edge and strengthen the value of your channel portfolio—launch CNNfn today.

CNNfn
the financial network

For more information, call your Turner representative at 404-827-2250
For your marketing needs visit us at www.TurnerResources.com | www.CNNfn.com | AOL Keyword: CNNfn

CNNfn is a trademark of Cable News Network LP, LLLP. A Time Warner Company. All rights reserved.



Director Sidney Lumet (right, foreground) on the set of *100 Centre Street*, his first TV project in 30 years.

it's the project and not the name attached that makes for a deal.

"The thing that's really important is that, no matter how big the name, the idea is compelling," he said. "If I have a project that I take to the public and say, 'I have a big name but no idea,' I'd get killed. If there's something that doesn't work for you, you have almost a moral obligation to say no."

A&E's Allen Sabinson said yes to Sidney Lumet after a broadcast network shied away from a pilot for *100 Centre Street*, Lumet's first television work in 30 years. A&E will premiere the series in January.

Romance Classics (the Rainbow service undergoing relaunch) also went to Debbie Allen with *Cool Women*, a show that profiles the extraordinary accomplishments of ordinary women. Allen—writer, actor, choreographer and producer of *Amistad*—jumped on the project. Her company, Red Bird Productions, produces the show, and Allen said she edits every episode. "I get a lot of requests that I can't even read or think about. But to have the opportunity to celebrate an amazing group of women who could go so uncelebrated and unrecognized, for me, in its own way, it is as big as *Amistad*."

It doesn't matter to Allen that Romance Classics reaches only about 25 million households, relatively few for an established cable network.

"Part of what makes any new network get visibility is bringing viewers something fresh that they don't see anywhere else," Allen said. "I think this show will help put

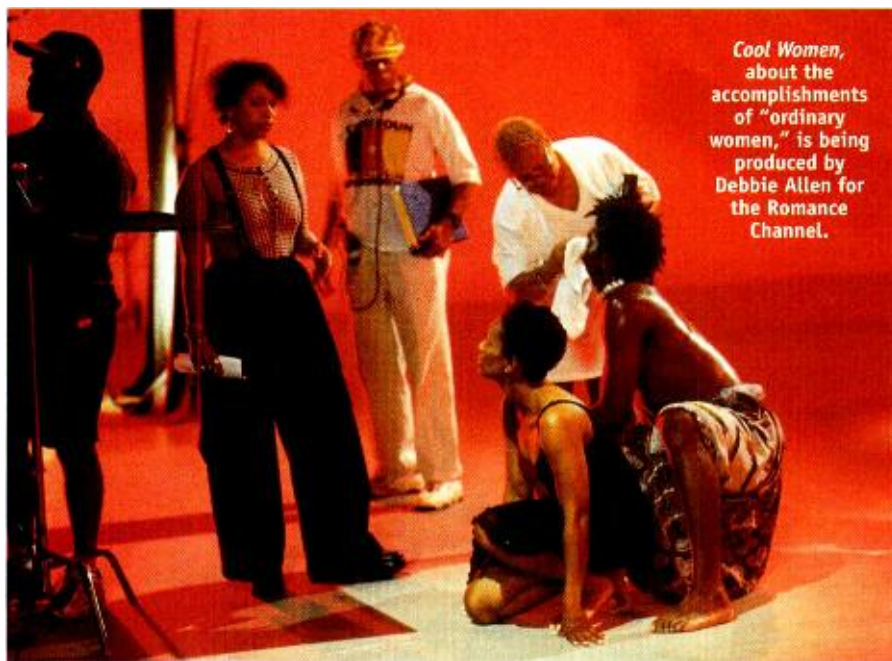
Romance Classics on the map, because so many people want to see it."

TNT has long been a playground for celebrity filmmakers—Anjelica Huston, Goldie Hawn, Tommy Lee Jones, Dennis Quaid, Alec Baldwin and Patrick Stewart among them. TNT will spend about \$523 million on programming this year—second only to ESPN's \$758 million, according to Paul Kagan Associates. But a huge portion of TNT's funding goes to procuring first-time television rights to blockbuster theatricals.

Julie Weitz, TNT executive vice president of original programming and series, believes the film luminaries create the gold standard for network originals without breaking the

Albrecht asks. It's too long for a theatrical release, too expensive for a basic cable network and too much of both for a broadcast network. Network bugs and commercial interruptions would detract from the story, a real-life account of a group of men in a World War II rifle company who lived and died during some of the most horrific ground fighting of the conflict. Spielberg and Hanks brought the project to HBO, which is footing the entire bill—one that amounts to more than most basic-cable networks have to spend on programming for an entire year.

"Look, we can't do this every year, but when these people come in and say, 'We want to do this,' you say, 'OK,'" Albrecht



bank. "The budget range for all of our movies is \$5 million to \$9 million, and they all know it, and they all work within it."

They encounter the same dictum at Lifetime, where the cutoff point for original movies is \$5 million. "Everybody knows what the range is, more or less," said Executive Vice President of Entertainment Dawn Tarnofsky-Ostroff. "Nobody is going to bring us a \$50 million project, because we're not a big movie studio."

HBO is as close to being a big movie studio as anything in cable. Where else but at HBO could *Band of Brothers* get made,

said. "This is our opportunity to really stand out. You just go ahead and take the risk."

The risk is calculated for HBO. As a pay network, it doesn't have the option of demanding premiums for advertising or jacking up license fees, as ESPN did when it paid \$4.8 billion for football. HBO's \$1.7 billion annual net revenue is mostly from subscriptions, and the only way to substantially grow it is to get more subscribers.

"*Band of Brothers* may never pay for itself," Albrecht said. "but we look at the overall lineup and say, 'How can we keep as many people as we can?'" ■

GOD



PEOPLE OF EARTH

*Your audio. Your video.
Directly to your audience.*

Wouldn't the world be simpler if you could talk directly to the people you need to talk to and skip all the middlemen? At Activate, that's exactly what we help you do. We put your audio and video on the Internet, so you can get your message straight to whomever you want, wherever they may be. Music clips, short features, trailers, even the recipe for eternal salvation. For more information, call us at 1-877-577-9261. Or look us up on the Web at Activate.com.

 **activate**
a cmgi company

THE TEN COMMANDMENTS

STONE TABLETS

MOSES

MOSES' PEOPLE


MOSES' PEOPLE'S PEOPLE

SCRIBES

HOLY BIBLE

GIDEONS

HOTEL ROOMS



Brian Henson, chairman of the Jim Henson Co., is in London for the production of *Jack and the Beanstalk: The Real Story*, a four-hour miniseries for CBS. Henson is director and executive producer of the show.

Far from kids TV

Brian Henson's creative heritage goes back more than 40 years, when his father, the late Jim Henson, developed one of the most successful programming franchises by playing with puppets on television. The whimsy of Kermit the Frog evolved into the multinational, multimedia Muppet empire known as the Jim Henson Co. Brian Henson started in the Creature Shop, the breeding ground for mechanized hand puppetry gone awry, and went on to direct and produce several Muppet feature films.

*He is now chairman of Jim Henson Co., and his current projects are mostly in television: a partner in the Odyssey channel, a miniseries for CBS, Disney Channel's *Bear in the Big Blue House* and Sci Fi's *Farscape*. *Farscape*, a series about an American astronaut lost in the far reaches of the universe, is one of the most ambitious departures ever from the house of Henson, home of children's TV. Here, Henson talks with BROADCASTING & CABLE's Deborah McAdams about how *Farscape* came into being, how it landed on Sci Fi, and the rewards and pitfalls of working in cable.*

Photo: David Levenson / Black Star

IT'S JUST LIKE NYPD BLUE.



BUT REAL.

You don't have to be a detective to figure out what separates *Brooklyn North Homicide Squad* from other cop shows. *Brooklyn North* is the truth, the whole truth and nothing but the truth. Follow real detectives from some of Brooklyn's busiest precincts as they investigate and solve real crimes. There are no writers, no directors and no actors. Just real cops, real investigations, real heroes. Tune in to the season premiere, and see for yourself. To launch Court TV, call Bob Rose at (212) 973-3348.

BROOKLYN NORTH HOMICIDE SQUAD

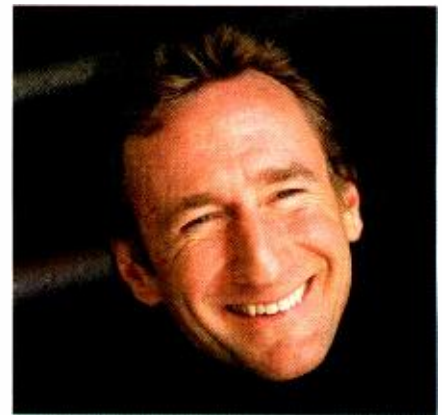
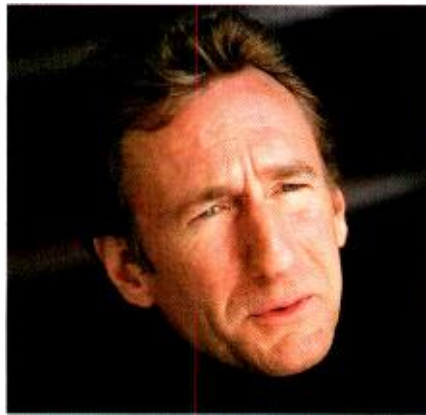
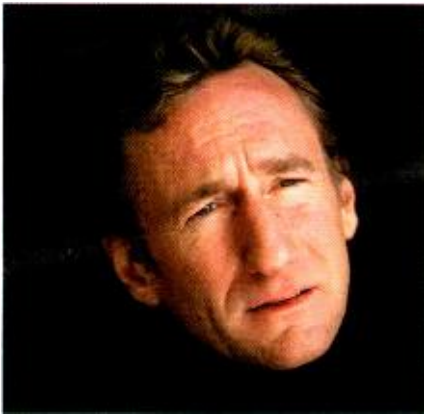
December 5th, 6th & 7th at 10 PM ET/PT COURT

"NYPD Blue is a service mark of Steven Bochco Productions, Inc." © Courtroom Television Network LLC.

HYBRID FILMS

www.courtstv.com

Photos: David Levenson / Black Star



'What's great about being on a cable channel vs. a network is, they made a major commitment. They understand it's going to take a while to find their audience.'

There has been an influx of very prominent producers and people from the film world into cable projects. The Jim Henson Co. has had a long relationship with television, most of it for children. How did you get involved in *Farscape*, and was it specifically developed for cable?

To start with, I wanted to do something that was more adult and showed off everything that we can do from our Creature Shop for television, because we'd been doing a lot for films and didn't have a television series that sort of captured that. Science fiction is quickly where we went—Alex Rockwell and myself, both being science-fiction fans—because we wanted something that was adult fantasy.

From there ... we wanted to do something that was much more character-driven than most science fiction ... and something that was much more daring, something that was like science fiction with no rules, where the characters could drive the series more than the plot line.

Rocky came up with the concept of throwing a normal, American earthling into the middle of this alien reality. We'd write material around how extraordinary this world is, because you have one character reacting like you ... thrust into another galaxy, where everything is alien.

Did you shop it to a broadcast network?

It was developed out of our British office and initially set up at Fox. Fox ordered

scripts on it. I think we wrote five to seven scripts. I don't remember now; this was years ago, way back in 1992. And, between '92 and '94, we were really working with them. Then there were a lot of changes at Fox Television. A different science-fiction series kind of came in with the new executives, so our series was put on hold.

We took it back and considered doing it as first-run syndication, then started thinking maybe there is a cable partner that would want a show this big. Rod Perth had a look at the show, over at Sci Fi. He was running Sci Fi at the time, and he basically said, I love this series, and we'd be ready to spend pretty good money.

Now, the reason it worked so well for us is—Sci Fi being a cable channel, just like first-run syndication—we were able to do a full order for a full season, not just a pilot. The economics of producing pilots, where you have an ambitious show like this, are virtually impossible.

How expensive?

A pilot of ours probably cost about \$7 million, which nobody would ever do. So that's what led us to the Sci Fi Channel. Also what's great about being on a cable channel vs. a network is, they made a major commitment. They understand it's going to take a while to find their audience.

They're not looking for record-breaking ratings on the first episodes airing. They expect to take a little time building an audi-

ence. Our shows tend to be unique enough and interesting enough that they're not so much like something else. But they tend to need a little time to build an audience. So, everything worked very well on this show, doing it with the Sci Fi Channel. And we're also able to do it as a co-production. This one is an Australian co-production.

The Creature Shop is in London. How did Australia get involved?

Basically, whenever we're looking for production financing for starting up a show, we tend to look at more than one country. So we look for a British-Australian co-production or a British-Canadian co-production, or an American-Canadian co-production, or something like that.

Why?

It does two things. It can give you tax savings where you're shooting, and it also gives you a commission from two countries, rather than a commission from one country and acquisitions from everywhere else. So, if you have a co-production, you'll get commissions from two countries, which obviously helps the financing tremendously.

In household-reach numbers, Sci Fi ranks No. 25. In that sense, it's a bit exclusive.

I'm betting on Sci Fi being able to grow as a channel. And Sci Fi is betting that *Farscape* can grow them as a channel. So it's

CADANT ENGINEERING

Partitioned Services Support
supports thousands of ISPs, ASPs, and/or
Virtual Private Networks

Frequency Channel Control
High service quality and availability are maintained
by ensuring that data subscribers are using
the most reliable channels at any given time.
When encountering RF plant noise or other congestion
conditions, the C4's Frequency Channel Control
(FCC) feature automatically and dynamically
migrates subscribers to the optimal upstream and
downstream channels without losing their active
data sessions.

Highest Density and Scalability
maximum of 32 downstream and 128
upstream channels per chassis

Designed to meet or exceed
all DOCSIS 1.1 and
PacketCable requirements

Wire-Speed Performance
all DOCSIS 1.1, RoS, billing and performance
monitoring counts and measures collected
and processed at true wire speed, RoS

$$C4 = \frac{\text{Data}}{\text{Cable}} + 0.1$$

Unprecedented Data Observability
counts and measures beyond DOCSIS 1.1

TURNING VISION INTO REALITY



THE CADANT C4™ CABLE MODEM TERMINATION SYSTEM



At Cadant, exceptional engineering equates to innovative DOCSIS 1.1 solutions. Cadant uniquely combines the best of telephony, cable, and data technologies creating a superior next-generation CMTS.

 **CADANT®**
INNOVATIONS IN BROADBAND

Come visit us at the Western Cable Show — Booth 4061

www.cadant.com
Ph: 630 955 9840 Fax: 630 955 9870

Lifetime...

Strong Medicine
Janine Turner, Rosa Blasi

Any Day Now
Annie Potts, Lorraine Toussaint



The #1 rated network

for women* *Lifetime*
Television for Women

Lifetime Movie Network...

Navigating the Heart

Jaclyn Smith

Custody of the Heart

Lorraine Bracco

The Truth about Jane

Stockard Channing

The #1 new network choice

for women* *Lifetime*
MOVIE NETWORK

www.lifetime.com

*September 2000 Beta Research Cable Subscriber Interest Study - Ranking based on percent with high interest among ad supported emerging networks.



Henson's *Farscape* is doing well for Sci Fi, bringing in about 1 million households.

sort of like everybody's got their chips on the table, in America, with this particular show. They're paying a lot of money for it, and they're basically relying on us, as the flagship, to grow their channel. Even the amount they're paying doesn't make sense to us as a company, unless they can grow their channel.

Farscape is pulling in around one million households. I can tell you, on a good night, a single run will earn a 1.7 rating.

That's modest compared with theatricals and broadcast. You can get five, maybe 10 times that number of people elsewhere. Does that ever make you consider not taking a project to cable?

Absolutely, especially if you're a company like us:

You are relying on the ancillary businesses like merchandising and publishing to make money. If you have a smaller audience, that's a problem. Having said that, we wanted to be the most talked-about underground hit on science fiction, and I think we're there.

If you go to the science-fiction conven-

tions and stuff like that, *Farscape* is certainly the most talked about. But the audience is small. We did a lot of thinking about this beforehand. That was part of why we named the show *Farscape*. We thought we needed a word that was not a word—a word that would belong to us, so that when people tried to find our show on the Internet, when they type *Farscape*, they'll get us. And we wanted to make sure that we could get as close a link as possible to the show.

'Farscape took weeks to find an audience. A network gives you four weeks, and that's that. If you didn't find it in four weeks, you're dead.'

Our Web sites are getting 500,000 hits a day. The *Farscape* Web site is probably getting three times more hits per week than the show is actually getting audience. So we're trying to build as close a relationship as we can with that audience and then give them whatever they're asking for. What

we're doing now is a limited line of collectors' items that the people who are watching the show can buy before they hit the shelves.

Is international distribution necessary if you have limited U.S. distribution?

I think that it's probably fair to say that, if you have limited U.S. distribution, you bet-

ter be a hit in two other major territories outside of America.

And what are those for *Farscape*?

I don't know yet, because it's only in English-speaking territories. It's been moving around in Australia, and so it's just sort of finding an audience. In England, it's doing very well. It's just premiering in Germany. I have real high hopes for Germany, which is the second biggest market in the world.

How does having the show on cable impact international distribution?

When you're with a cable channel, international distributors, even though they love the idea of the show's being on network television, also know it can be gone in a minute. It's nice for them to know that you're partnering with someone in America who will push hard for a year to try and make it work and not pull it off the air.

We've heard it's around \$1 million per episode.

The broadcaster wants people to think it's not so expensive. It's a lot more than that, but we are unspecific about our budget.

Was there any talk about sharing a window with USA?

You should talk to Sci Fi about that. I think we would like that, obviously, because we'd get a bigger audience. But then, it's odd, they don't need it so much. It's such a perfect show for the Sci Fi Channel, because it so perfectly matches their mission. Basically, our show matches what they're trying to do to their whole channel.

What was your first production for cable?

Fraggle Rock was commissioned, I think, in 1980, and that was our first series for cable. I think it might have been *the* first series shot for cable, on HBO.

We also have a series on Fox Family that we're shooting right now called *The Fearing Mind*. We have two shows for the Odyssey Channel. [The Jim Henson Co. owns 22.5% of Odyssey.] Truthfully, as a compa-

In a business that never stands still, it's smart to team up with a partner whose focus is on what comes next. EMC, a leader in digital media infrastructures, can help you not only cope with change, but prosper from it. EMC's Media Solutions Group offers a suite of end-to-end digital delivery solutions.

These include Media Asset Management, Digital Multi-Channel Broadcasting and Media Streaming that delivers everything from low-res to broadcast-quality content.

We'll help you cope with change.

(And we're not talking about the new Fall lineup.)

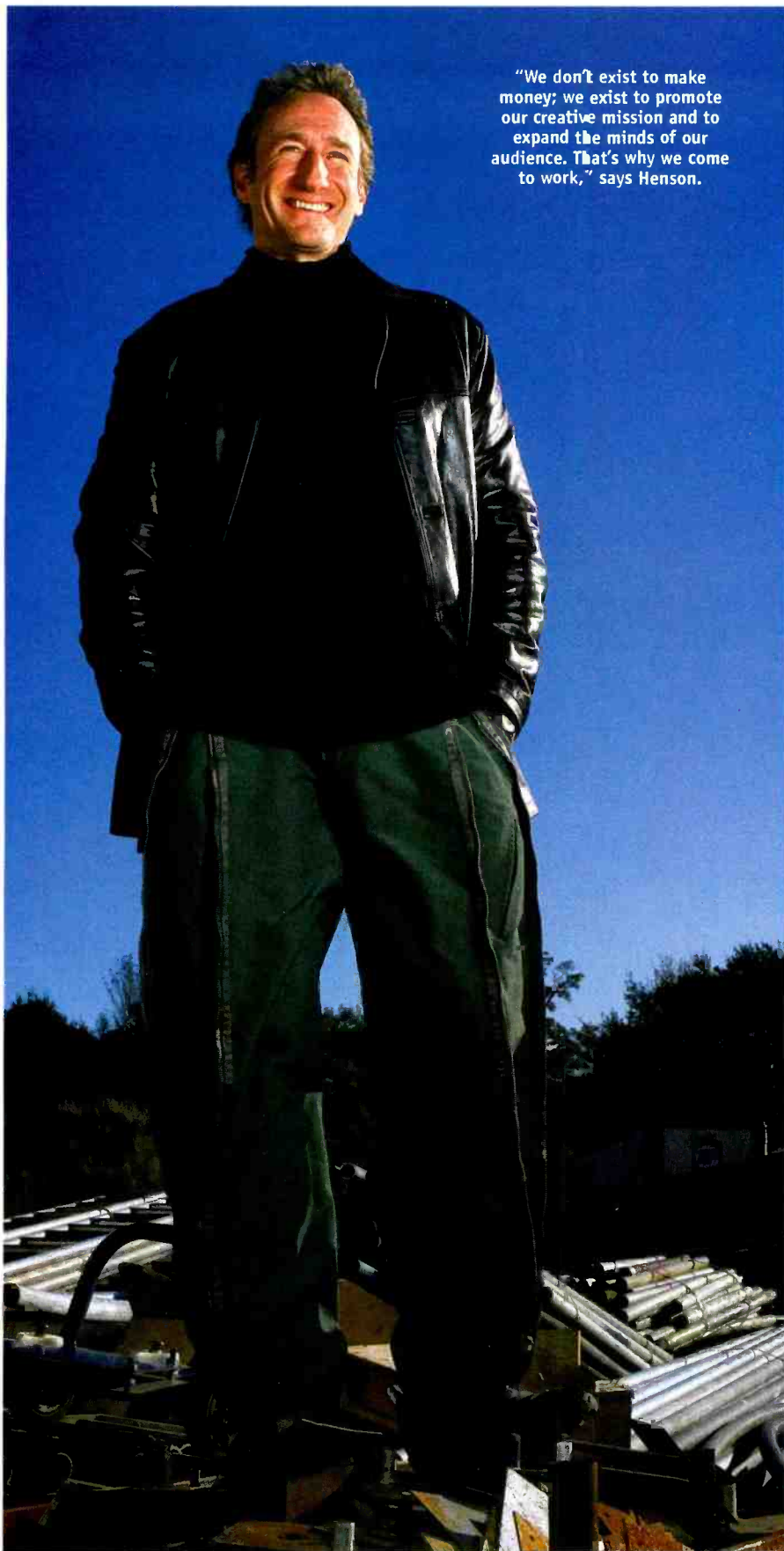
Since EMC's media solutions are built on the world's most trusted storage infrastructure, they are reliable, scalable and flexible. And you can always depend on EMC's award-winning, 24/7/365 service. Just what you expect from the leader.

To get more information about our full range of integrated digital media solutions, contact us at www.EMC.com/media



EMC²
where information lives

EMC and EMC² are registered trademarks and where information lives is a trademark of EMC Corporation.



"We don't exist to make money; we exist to promote our creative mission and to expand the minds of our audience. That's why we come to work," says Henson.

Photo: David Levenson / Black Star

ny, we've had the most luck on first-run syndication and cable networks.

Because our shows are so unique, we tend to not go straight in and get a huge audience. Even *The Muppet Show*, if it had been on a network, would almost have certainly been canceled, because it required nine months to grow its audience.

Of course, once it grew its audience, then it was the No. 1 show. But it took time. Like all of our shows, we don't produce series where we can just borrow the stars that had the highest rating and channel a story line ... that allows them to play such a similar part that the audience can almost feel like they're watching a continuation of the last show. We're not that kind of company.

So creative is the primary concern here?

Well, that's what we are as a company. We don't exist to make money; we exist to promote our creative mission and to expand the minds of our audience. That's why we come to work. As a company, we have to make money, but that's not why we come to work. Our biggest [financial] success right now is *Bear in the Big Blue House* [for Disney Channel].

Will *Farscape* go into syndication?

Syndication is such a weird thing these days. When you say syndication, what you're implying is off-prime time hours on network television. Maybe not, because, right now, there are cable channels that will often pay you better than syndication.

So, maybe yes, maybe no. It all sort of depends when we get to that opportunity. It could be that Sci Fi decides, "My gosh, this is doing so well for us, we want to keep the rights to it, even though we're not commissioning it anymore."

Maybe they'll be the ones with the highest offer. We're certainly banking on having long-term value; we always do. But I don't even know what a show going into syndication particularly means anymore. I know what it means by the definition.

***Farscape* is an ambitious undertaking.**

It sure is, and right now, as a company,



faster
data



rich
video



real
voice



killer
party

Everyone at the Western show is asking. Who's changing the face of voice over cable? Where can you find the ultimate in data, video and voice? What's new in broadband? How's the technology for data over cable changing? And most importantly, when does the party start? Terayon has all the answers. Including your invitation to the hottest party in town, featuring a live performance by The Bangles. So drop by our booth #3601 to see the ultimate in broadband. Then on November 30th, bring your party attitude to the Bonaventure Hotel's California Ballroom from 9:00 pm till Midnight. And get ready to rock.



Ultimate Broadband.



what we're good at doing is producing highly ambitious shows that are highly imaginative and fairly unique. Frankly, right now, it's tending to work better with the cable channels that have a more targeted mission. Whereas the networks are still so broad in what they're looking for and often are sort of trying to cater not to the lowest common denominator but to the least-interested common denominator.

On that note, *Farscape* is sort of the antithesis of reality programming, television's flavor of the moment. It is as far away from that as you can possibly

many miles.

The original *Star Trek* continues to have a following. Do you think *Farscape* has that potential?

Well, sure. We're very careful to make sure it does. We're careful to make sure it can't date itself. Except for some of the costuming, nothing about it can make it topical or culturally specific. Probably in 20 years, you'll look back at *Farscape* and say, "Oh, look, they're wearing trendy '90s costuming," but, other than that, there won't be anything that will make it a 20-year-old show.

The only thing that dates on *The Muppet*

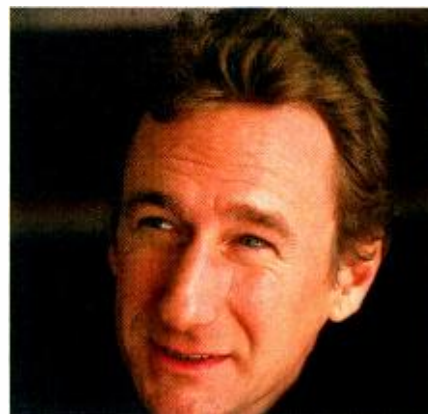
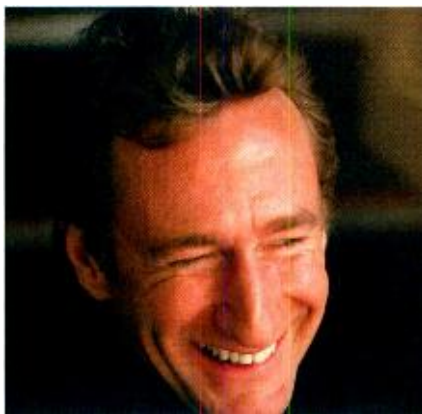
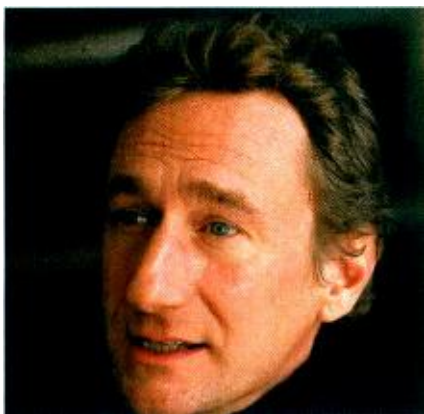
we had the opportunity, we might do it. It just comes down to the right casting.

Did your father have any interest in doing something like *Farscape*?

No, not at all. He died two years before we even started talking about it.

So this was one of your goals—to do something, as you said, more adult.

Yeah. Basically, I'd always been working in the Creature Shop. Until my father died, that was really what I did in the company. When he died and I took over the business, which was mostly children's television, the Creature



'We'll never change to become a reality programmer. I don't think anybody in the company would be interested in coming to work anymore.'

get. Do you take that into consideration on a project like this, in terms of timing in bringing it to the market?

As everybody who's seen the writing on the wall knows, everybody is swinging towards reality programming, although it's typically narrative where they're staging everything and shooting it. But ... we'll never change to become a reality programmer. I don't think anybody in the company would be interested in coming to work anymore. So we sort of said, "You know what? Let's look at this as a positive for us, that we're going to be the premier producer of fiction-narrative-driven shows while everybody else is shifting to this other model."

At least your programming has a shelf life. Most reality programming only has so

Show, which has been on the air since 1976, are the guest stars. Nothing about the rest of the show does.

That show was extraordinarily simple for some of the people it had on, such as Orson Welles playing with these puppets. Is there any thought of interjecting that sort of celebrity power in *Farscape*?

In a lot of ways, you undermine the credibility of a science-fiction series if you start marketing it for being contemporary with stars that are on covers of fashion magazines. I thought putting Whoopi Goldberg on *Star Trek* worked very well, because of the way she embraced it. It's not particularly something that we would look for, but, if

Shop was still doing a lot of feature work. I tried to figure out how to bring it more into the core business of the company, and the only way to do that was to bring what the Creature Shop could do into television.

And knowing that the first series would be hard work to break into that area. The one-hour drama, with a fantasy content, was going to be a hard thing to break into.

Farscape did it very well, and then *Fearing Mind*, which is also an adult horror series. Now what I'm trying to do is create more of those, because I think bringing the Creature Shop back into the core business is a really good thing for us.

What else are you working on?

I'm producing a project in England for

**ENLIGHTENING
INFORMING
ENTERTAINING**

rhythmic
BEATS



**BET HAS SOMETHING
FOR EVERYONE...**

joyful
LAUGHTER



insightful
TALK



powerful
SPORTS



spiritual
CONNECTIONS



gleaming
STARS



Visit booth #625 for more information or contact your BET representative.
Eastern 202-608-2000 Central 312-819-8600 Western 310-552-8400 Canada 416-227-0296



www.BET.com/affiliate-marketing

CBS [*Jack and the Beanstalk: The Real Story*, a four-hour miniseries].

Is it easier to work with a cable network?

Yeah. But doing one-off with a network is great. I'm having only a great time working with CBS on this movie. It gets a little harder with a series, mostly because it's all about the ratings. It doesn't matter what anybody says. And with a one-off movie—heck, you cast it carefully, then you do a big old marketing campaign, and it either worked or it didn't. That's probably kind of a pain in the neck, too, because it's not whether it's good or not; it's how did it rate?

Would you like to do more broadcast-network projects?

If we have something that we really think could be just right for network television, we'll show it to them. But what we really want to hear is a very enthusiastic response. *Farscape* took weeks to find an audience. A network gives you four weeks, and that's that. If you didn't find it in four weeks, you're dead. With our company, we work too many years on things to do that. There's too much passion invested. There's nothing

more soul-destroying than having a good series cancelled after four weeks. And then having a network say, "You know what, it's a really good series. I don't know, maybe the marketing missed, or maybe it's just the wrong time." You just want to kill them.

Did you watch Sci Fi before this all started?

Yeah, I did. I'm their core audience.

What did you watch?

Well, at that time, mostly what they were playing was just old science-fiction movies, and I would constantly stop because I love science fiction. I don't think at that point they were showing any series. I think ours was the first series they commissioned.

Are you a sci-fi geek?

I'm not a sci-fi geek, but, if there's a science-fiction movie on that I've never seen because it did so badly, chances are I'll watch it, because it will be a movie I haven't seen and it's science-fiction. Then I can watch it for the monster or whatever the science-fiction device is. I enjoy all that stuff. But my favorite films are science fiction—I was a big *Blade Runner* fan, a huge *Star*

Wars fan. I am their core audience: I'm 36, I'm right where their main audience is. My favorite television series for years was *Star Trek*. *The War of the Worlds* was fantastic. I can still watch that till the cows come home.

Some shows that do well with 18-to-34-year-olds are repeated several times a week. *Farscape* is on once. Do you object to having such shows repeated more during the week, or do you think it's better to limit the supply?

They could make a lot more money if they played *Farscape* 10 times a week, but I think they're watching the HBO model, and what HBO is doing is very gutsy: They're not rerunning their series. ... They rest the thing for four months, and then they premier the next season. On that very first premier, they double their best ratings from the previous season and then hold it.

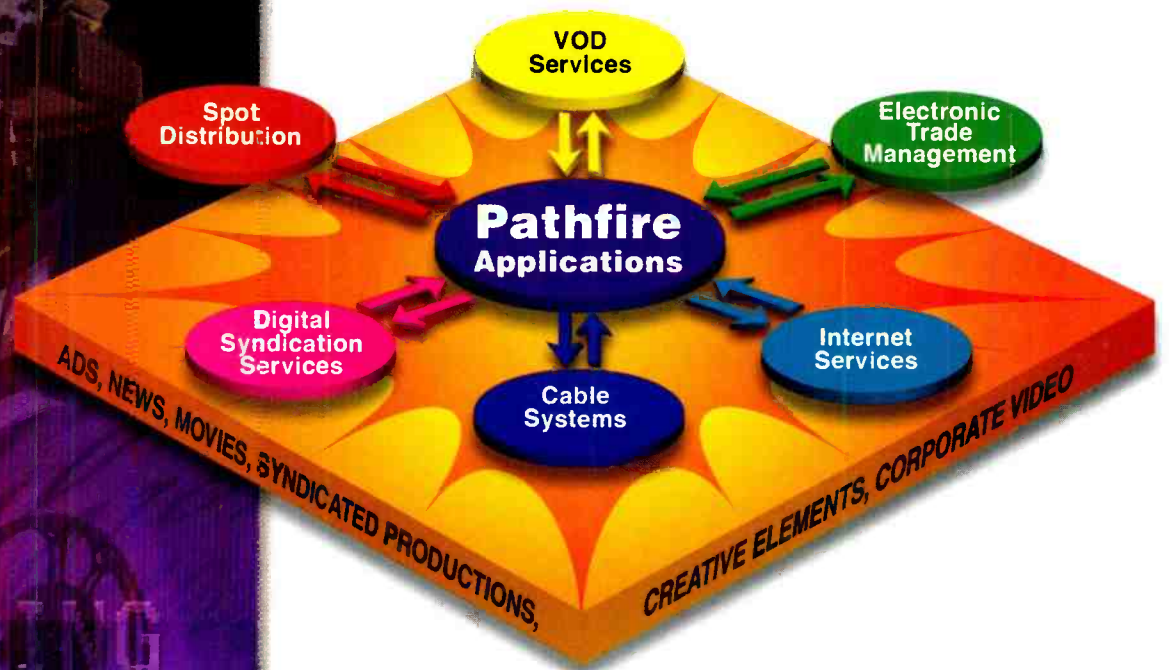
I think Sci Fi is really trying to do the same thing with *Farscape*. They're going to rest now. They're not even going into repeats. They're going to rest off the air for a few months, and then, when we re-premier, we will have a good marketing plan that gets our million people talking about how hungry they are to see it. Hopefully, we'll re-premier with better ratings than we ever had—even better than this year.

So, I like their approach. And the other thing, it's not going to burn up the series. The series is not going to get old quick if they do this. As long as those million people don't forget about us, I'm all for them taking this approach, because what they're doing is building a fanatical fan following, rather than a bigger, interested audience.

Will there be new characters next season?

There's always new characters that come in and out, and I can't really comment on running characters because, for this audience, we don't give away anything. We don't tell anything, and, if I told you anything, one of the producers would release misinformation on the Internet so that anything I said was dubious. Basically what we do is we try not to let people know what's coming. That's part of the buzz. ■

VNI Becomes Pathfire™



Enabling Digital Media

Cable systems, broadcast stations, Internet and entertainment companies face the challenge of managing and distributing ever-increasing amounts of digital media—ads, news, movies, syndicated productions, stock footage and other types of content. Video Networks Inc. (VNI) provides leading-edge software applications that drive digital media content into the existing infrastructure at our customer locations, quickly and efficiently. Our unique e-commerce solutions improve the efficiency of the billing and processing transactions related to the exchange of digital media assets. We enable our customers to manage, distribute and exchange digital media through satellite, terrestrial and Internet technology.

Our new name, Pathfire, evokes the things we do as a company as well as the unique and dynamic way in which we do them.

**See our revolutionary applications at the
Western Cable Show in booth #2629, South Hall**

VNI VIDEO NETWORKS
INCORPORATED

SOON TO BE PATHFIRE

770.619.0801 www.vninet.com

Shopping channels: Less of a hard sell

HSN, QVC and ValueVision all have a leg up on the industry when it comes to mastering the art of TV-commerce

By Steve Sullivan

It has always been something of a hard sell for home-shopping channels. As a whole, they've overcome image problems and carriage issues to become a multi-billion-dollar retailing force. In fact, they rank among the highest-revenue-generating networks, according to BROADCASTING & CABLE's Top 25 TV Networks. Now that they have widespread distribution on cable and satellite, they are spreading onto other platforms with conspicuous success.

The concept of a shopping channel came about as a fluke back in 1977. An advertiser on an AM radio station in Clearwater, Fla., couldn't pay his bill, and, in lieu of cash, the station owner accepted 112 electric can openers to auction off on the air. The can openers quickly sold out, and the station realized it was onto something. That local station owned by Lowell "Bud" Paxson—WWQT (AM)—created a regularly scheduled radio show that, in 1981, spawned a Tampa Bay, Fla.-based cable-access show called

Home Shopping Channel. One year later, the show had earned a permanent spot on the Tampa system. By 1986, Home Shopping Channel had evolved into the publicly traded Home Shopping Network.

The key to the success of HSN and its competitors—QVC and ValueVision—is simple. "We're good at selling stuff to people," says Jack Kirby, president of HSNi, the interactive division of the Home Shopping Network.

Actually, they're not just good; they are experts at it. "They're basically testing things around the clock," says Josh Bernoff, principal analyst at Forrester Research. "They find co-hosts who are successful at selling things. They find a particular screen layout that works best. They find out what really sells at a particular price point. They have all these techniques that are very effective at

turning viewers into buyers."

Turning viewers into buyers is a particular challenge for a television retailer. How do you convince someone who isn't close enough to the product to see it and feel it, to turn the viewing experience into a transaction?

Doug Rose, vice president of brand merchandising and development for QVC, says it has a lot to do with creating trust. "The customer needs to be confident that what they order is going to be to their liking." He says it's vital to become an advocate for the consumer. QVC and other successful television

retailers invest in scrutinizing quality-assurance processes, fact-checking items and torture-testing them to make sure they stand up to the claims made by the manufacturers—all the sorts of things that if we were in a short-term business, we might not bother with, says Rose. "But we're in a long-term business, and it's all about creating this level of trust that will in

turn create a repeat customer."

Building trust is important, but offering an interesting selection of goods and creative packaging also helps. For the most part, the channels hawk the standard assortment of jewelry, cosmetics, apparel, cookware and collectibles. But unusual items tend to do particularly well on the

The home-shopping audience is remarkably similar from channel to channel. And it's not the low-income trailer-park dweller seeking a vial of Elvis sweat.

shopping channels.

"We've shipped over 1 million Maryland crab cakes all over the country,"

Consumers spend more money on shopping Web sites, like those of HSN (!) and QVC, because the online inventory is more comprehensive and often includes additional items. "We're not space-constricted like on television," says HSNi President Jack Kirby.



says QVC's Rose. "Typically, our success has been in products that aren't found everywhere. We excel at selling products that have a unique point of differentiation, that have a unique story to tell, and that are demonstrable on live television."

Exactly what type of viewer is compelled to buy a can opener off a radio show, or a box of crab cakes peddled on TV? The home-shopping audience is remarkably similar from channel to channel. And it's not the low-income trailer park dweller seeking a vial of Elvis sweat.

"The profile of our average consumer is female, mid-30s to high-40s in terms of age, generally pretty stable in terms of living in their houses for 10-plus years with a couple of kids and a husband," says Dick Barnes, ValueVision's chief financial officer. "The income levels were actually a little higher than we thought they'd be," he adds. The two highest skews for us, from an income standpoint, were \$50,000 to \$75,000 and \$75,000 to \$100,000. That's good, because that's an attractive consumer."

"It's very easy to look at a channel like that and say it's a channel for lower-income people," says Forrester's Bernoff. "People have been pooh-poohing them from the start. But they have a surprisingly attractive demographic, and they're very sophisticated at taking their audience and turning them into buyers."

And buy they do. The top-three shopping networks based on sales figures—QVC, HSN and ValueVision—combined for more than \$4.28 billion in 1999.

Today those three networks reach more than 248 million homes worldwide. But reaching those households has been a challenge. Like all other cable channels, the shopping networks have had to compete for carriage.

For Comcast-owned QVC and for HSN, which is a subsidiary of Barry Diller's USA Networks, the road to widespread distribution has been a little easier. These channels have used their cable systems and cable-network clout to gain widespread carriage. For

ValueVision and other smaller operations, distribution has been more difficult to come by.

Last year, ValueVision received a tremendous boost when NBC bought a 36% stake in the company. As part of the deal, NBC became ValueVision's negotiator with cable operators. "NBC takes ValueVision and packages it with a broader offering with their content and other pieces of NBC in those negotiations," says Barnes. "As a result, it's driven a lot more in terms of cable distribution than we ever could have done on our own."

While the NBC affiliation has helped ValueVision secure additional carriage, the company's distribution is considerably less than that of its top-two competitors. The network's 36 million homes are less than half of QVC's 75 million and far behind HSN's worldwide total of 137 million. As a result, in areas where cable

the system, a station's local service to the cable community, carriage of other similar stations in the market and evidence of viewership in the community.

Cable operators, whose analog systems had only limited space available, argued that home shopping channels were not operating in the public interest. Because of this, they contended that these local broadcast stations, which for the most part had weak signals and small audiences, did not qualify for must-carry status.

"When Congress adopted the must-carry rules in 1992, they left the question of whether home-shopping channels were entitled to must-carry up to the FCC," says Mark Palchick, a partner in the Washington office of Vorys, Sater, Seymour and Pease. "Congress basically punted."

In a May 1993 report, the FCC said that stations carrying home-shopping programming, assuming they deliver the requisite signal strength and meet all the other requirements for must-carry, were indeed operating

in the public's interest and were therefore eligible for carriage. "When the FCC said home-shopping channels and specialty-format stations were in fact covered by the must-carry rules, a lot of people took exception to that," says Palchick.

Since that time, there has been an ongoing thrust and parry between cable systems and broadcaster-affiliated shopping channels attempting to get onto systems. When the local broadcaster is denied carriage, it has the

option of petitioning the FCC for enforcement of the must-carry order.

In 1998, such a petition was filed by KTAQ-TV, which broadcasts from Greenville, Texas, about 35 miles northeast of Dallas. The station had added home shopping to its daily program mix in 1995. In 1998, the station was carried on a handful of systems in the eastern part of the vast Dallas-Fort Worth market, but it also want-



QVC's Doug Rose says, "Typically, our success has been in products that aren't found everywhere."



ValueVision's Internet site has been a moneymaker. "We use the same product line and same fulfillment process as on the television side," says CFO Dick Barnes.

operators have been stingy about providing an exclusive channel for ValueVision, the company relies on a common strategy: affiliating with a local broadcaster to take advantage of the must-carry provision of the 1992 Cable Act.

The must-carry rules require cable operators to carry all stations within their community that meet certain criteria, which includes historic carriage of the station on

broadbandmusic(madonna)

broadbandbaywatch

broadbandivingyoga

broadbandtootsie

broadbandsaturdaynightlive

broadbandfun

Now that your customers are craving broadband, why not give them all the fun that goes with it? Intertainer has the non-stop, on-demand movies, TV, music and shopping your customers are waiting for. So now they can hop on and fly to everything they want with the simple touch of a button—and you can reward yourself with a powerful new revenue stream. Contact Tim Krass at 310.202.2900 to bring a virtual video store to your customers today with Intertainer, the first and only Broadband Entertainment Network.™

*Movies, music, TV, concerts
and shopping—right this very second.*

powered & protected by



Let us Intertain you at Booth 1377 of The Western Show 2000.


intertainer[®]
entertainment on demand

©2000 Intertainer, Inc.

ed to get expanded carriage in the western part of the market on cable systems operated by Marcus Cable. When Marcus chose not to carry KTAQ to several communities in the Fort Worth area, the station petitioned the FCC for must-carry status. Marcus claimed that KTAQ had neither signal strength nor ratings presence in either cable or non-cable households in the communities in question. KTAQ countered with the argument that audience share did not count as much as annual sales in the area. It said that, in the areas covered by Marcus' cable systems, it generated between \$750,000 and \$1.25 million annually.

Although sales may imply viewership, it

with the cable companies," says Simons. "As we upgrade our signal, our new coverage does include those areas out west. We hope Charter will add us to their lineup. If not, we'll petition the FCC again."

The hope for shopping channels is that the expanded capacity of digital cable systems will reduce the necessity for must-carry squabbles. Another anticipated feature of the digital systems is the opportunity for enhancements and interactivity that could make transactions even easier. This and other emerging interactive platforms give the shopping channel executives plenty of reasons to feel optimistic about the future.

In July, Forrester Research released a

as the end, we always look at technology as a means. Our business is retailing. We look at technology as just new tools through which and by which we can sell more goods to more people."

If the Internet is an example of whether or not their audiences will adopt new technologies for home shopping, there is good reason to be optimistic.

"When the Internet emerged in the mid-'90s, there were some people in QVC who were fearful of what that might do to our television-retailing business," says Rose. "I can tell you that in the ensuing five years, our [television] growth rate has actually accelerated. Unlike other dotcoms that have struggled, we've taken to the Internet quite well, and it's been a profitable business for us."

ValueVision's Internet site has been a moneymaker, too. "We use the same product line and same fulfillment process as on the television side," says Barnes. "The main difference between us and other Internet players out there is that we already have the infrastructure in place. The Internet business this current fiscal year is about 5% to 7% of our total sales. It's growing much more rapidly than our TV sales. We expect, over time, it will become a bigger portion."

"We do find that consumers that shop both channels of distribution spend more money," HSNi's Kirby adds.

One reason they spend more money is that the online inventory tends to be more comprehensive. It includes whatever is offered on the television programming, plus additional items in the same brand line, along with similar items from other manufacturers. The Web sites also frequently offer merchandise that is no longer carried on the television side. "We're not space-constricted like on television," says HSNi's Kirby.

While all the retailers are enthusiastic about their online experiences and the potential of broadening their reach, they haven't forgotten their roots. "If we find that our customers want to use these new mediums, we'll be there," says Kirby. "But the fact of the matter is that our core business is our television business. It's very healthy, and it continues to grow significantly." ■

HOME SHOPPING'S BIG THREE				
(based on annual sales)				
Service	Owner	Households	1999 sales	Web site
Home Shopping Network (founded 1977)	USA Networks	137M worldwide	\$1.2 billion	www.hsn.com (launched 1999)
QVC (founded 1985)	Comcast Corp.	75M U.S.	\$2.8 billion	www.qvc.com (launched 1996)
ValueVision (founded 1990)	NBC (36%)	36M U.S.	\$274.9 million	www.vvtv.com (launched 1999)

Source: Individual companies

is not one of the statutory requirements the FCC considers for must-carry status. In December 1998, the commission dismissed KTAQ's argument as moot.

Since 1995, KTAQ has split its programming between family-oriented fare and shopping shows provided by Pandamerica and Shop At Home. In early November, the station switched its shopping affiliation to ValueVision. The agreement gives ValueVision access to 560,000 homes in the Dallas-Fort Worth market via AT&T Broadband systems. Station owner Mike Simons says KTAQ is upgrading its signal and will be making another run at getting additional carriage on the systems in the western part of the market, which are now operated by Charter Communications.

"There are a lot of different ways to work

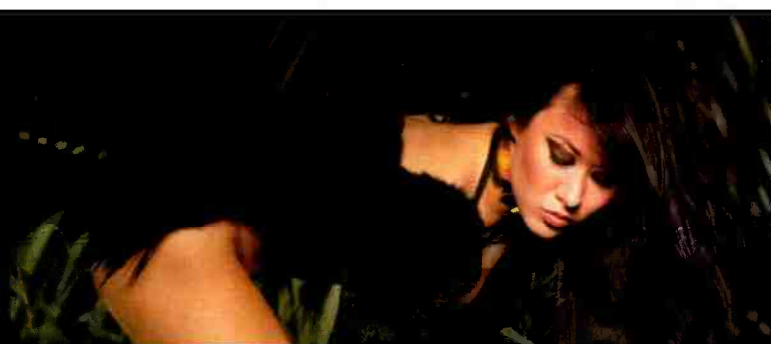
study on "smart television" devices and services, such as TiVo, WebTV and Wink. Forrester predicts that by 2005, smart television will create a \$25 billion revenue stream. Analyst Bernoff says, "Of all the things on television, the home-shopping channels are the ones that can gain the most by allowing people to complete the transaction right on the television screen as opposed to calling on the telephone. [They] will probably be better off, because these devices will significantly increase the conversion rates of people who are watching seeing something they want to buy."

All of the major shopping channels are exploring these developing technologies.

"We're looking at our current situation as a learning phase," QVC's Rose says. "In contrast to companies who see technology



OUR HOUSEHOLDS
ARE UP
238%



WHAT A
TURN ON.



HOW SUCCESSFUL WAS OUR YEAR?

- That 238% means over **22 million** addressable households.
- The network launch of **ETC.** (erotic television clips) a one of a kind programming concept.

WHAT DOES IT ALL MEAN?

- Buy rates that are among the **best in the business**, adult revenue that's unmatched anywhere...
and one very nervous bunny.



FANTASY FASHION SHOW!

Featuring: Adult entertainment's brightest stars, including **Sydnee Steele** and **Jessica Drake**.

COCKTAILS & SHOW START AT 4:00PM

Wednesday, November 29th

BOOTH 1581, The Western Show

Sexy fashions by: **SharonAusten.com**



The
EROTIC
networks

FOR PEOPLE WHO LIKE TO WATCH.

888.728.9993

BROAD BAND WAGON

THE WESTERN SHOW

Sessions & Speakers

Nov. 28-Dec. 1
Los Angeles Convention Center

TUESDAY, NOV. 28

International Roundtables

Room 4061-4 p.m.

The State of Finance1 p.m.

What has been the impact of growing global investments? How will the rollout of advanced services affect the business?

Moderators: Alex Swan, Phillips Business Global Division; Rex Porter, *Communications Technology*

Speakers: Luis Fernando Baptistalla, Infrastructure Technology, Globacabo, Brazil; Richard Green, CableLabs

Technology Update: The World View2 p.m.

How are new broadband services progressing overseas?

Moderators: Mike Galetto, *Multichannel International*; George Winslow, *Multichannel International*

International Roundtables

Room 4043 p.m.

Taking Care With Content

Programmers may need to be careful of local-content regulations and sensitive to cultural issues.

Sean Spencer, TAP Latin America

Hiring Overseas

Best hiring and compensation practices, foreign tax codes and visa issues.

Broadband Goes Global

Update on upgrades and product rollout in Europe, Asia and Latin America.
Steve L. Herman, Pacific Century CyberWorks, Japan

Plenary Session3:30-5 p.m.

Moderator: Jim Louderback, TechTV

Speakers: George Bell, Excite@Home; Robert Glaser, RealNetworks; Jonathan Taplin, Intertainer

WEDNESDAY, NOV. 29

Opening General Session9-10:30 a.m.

Moderator: Ken Auletta, *New Yorker*

Speakers: Dan Somers, AT&T Broadband; Barry Diller, USA Networks Inc.; Michael Willner, Insight Communications; Dr. John C. Malone, Chairman, Liberty Media

One-On-One With Larry Ellison

Room 403 B11 a.m.-12 noon

Moderator: Larry Wangberg, TechTV

Competitive Video Delivery: What Does the Customer Want?

Room 408 B1-2:15 p.m.

Moderator: Jimmy Schaeffler, The Carmel Group

Speakers: Kirk Parsons, JD Power & Associates; Tola Murphy-Baran, NFL Enterprises; Lynne Elander, Cox Communications; Stanley W. Kozlowski, National Rural Telecommunications Cooperative; James Ackerman, OpenTV Corp.

Hooray for Digital Hollywood

Room 408 A1-2:15 p.m.

Moderator: Joe Cantwell, Bravo Networks

Speakers: Paul Lee, BBC America; Kevin Wendle, iFilm; Stephen McKenna, Sun Microsystems Inc.

The Customer in Control

Room 409 A/B1-2:15 p.m.

Moderator: Ann Montgomery, Adelphia Communications

Speakers: Alex Thompson, Mixed Signals; Peter Gatseos, AT&T Broadband; David Limp, Liberate Technologies; Robert Van Orden, Scientific-Atlanta Inc.

Walking the Diversity Talk

Room 406 A/B1-2:15 p.m.

Moderator: Senator (ret.) Art Torres, Walter Kaitz Foundation

Speakers: David Mixner, DBM Associates; Pandit Wright, Discovery Communications Inc; Patricia Andrews-Keenan, President, NAMIC

The \$180-Million Special-Effects Storm!

"Super suspenseful and terrifying *Titanic* and *Jaws* combined."

- Pia Lindstrom, FOX-TV

• Multimillion-Dollar Ad Campaign



"A one-of-a-kind
experience.
You've never
been on a ride
like this before."

- Bill Bregoli, WUSTWOOD CONERADIO

THE PERFECT STORM

On December 29th *The Storm* hits Pay-Per-View!

WARNER BROS. PICTURE PRESENTS
A BALTHAZAR FILM
A BALTHAZAR PRODUCTION
"THE PERFECT STORM" STARRING GEORGE CLOONEY, MARK WALBERG, DIANE LANE, WILLIAM FICHTNER,
KAREN ALLEN, ALLEN PAYNE, BOB OLNICK, JACQUELINE BUREK, ELIZABETH MASTRANTONIO, JOHN C. RULLY, JAMES HONER, RICHARD FRANCIS BRUCE, J.C. ELLIOTT, WILLIAM SANDRELLI, JOHN SEALL, A.C.S., A.S.C.,
BARRIE LEVINSOHN, LUCAS HEADERSON, BASTIEN JUNGEE, BILL WITLUFF, PAULA WEINSTEIN, WOLFGANG PETERS, GAI KATZ, WOLFGANG PETERS, EC

www.perfectstorm.com www.warnervideo.com

REG. U.S. PAT. & TM. OFF. © 2000 WARNER BROS. ENTERTAINMENT INC. ALL RIGHTS RESERVED.



For information about *The Perfect Storm* on Pay-Per-View, please contact
Andy Mellett (818) 977-8280 or Deanne Lewis-Ries (818) 977-8291

WEDNESDAY, NOV. 29

Bridging the Great (Digital) Divide

Room 404 A/B2:30-3:45 p.m.

Moderator: Peggy K. Binzel, National Cable Television Association
 Speakers: Larry Irving, National Telecommunications and Information Agency; Hal Krisbergh, WorldGate; Curtis Symonds, BET; Rocco Commisso, Mediacom Communications Corp.

All Wrapped Up: Bundling & Packaging Broadband

Room 408 B2:30-3:45 p.m.

Moderator: Doug Seserman, AT&T Broadband
 Speakers: Howard Horowitz, Horowitz Associates Inc.; Vijay Iyer, Portal Software Inc. Joe Rooney, Cox Communications Inc.; Andy Addis, Comcast Cable Communications

Catching Dollars in Your Web

Room 406 A/B2:30-3:45 p.m.

Moderator: Joseph W. Ostrow, Cabletelevision Advertising Bureau Inc.
 Speakers: Barry Fisher, Turner Broadcasting Sales Inc.; Deborah Mullin, Cox Communications Inc.; David L. Smith, Mediasmith Inc.; James Sullivan, AT&T Media Services; William Wiehe, The Weather Channel

The Right People and the Right Process: What It Takes to Deliver Broadband

Room 408 A2:30-3:45 p.m.

Moderator: Bill Geppert, Vice President & General Manager, Cox Communications Inc.
 Speakers: Teresa Elder, AT&T Broadband; Deborah Lawrence, Cox Communications Inc.; John M. Pientka, Viasource Communications Inc.

Can Retail Deliver?

Room 409 A/B2:30-3:45 p.m.

Moderator: Pam Euler-Halling, Insight Communications
 Speakers: Dave Martella, Radio Shack; Norman Goldberg, Cablevision/The Wiz; Donna Thomas, Discovery Networks; Guiseppe DiGeso, Time Warner

THURSDAY, NOV. 30

General Session9-10:30 a.m.

Moderator: Paul Kagan, Paul Kagan Associates/Primedia Ventures
 Speakers: Lee Masters, Liberty Digital; Ann Winblad, Hummer Winblad Venture Partners; Geraldine Laybourne, Oxygen Media; Mel Harris, Sony Pictures Entertainment; Frank Biondi, Waterview Advisors LLC

One-On-One With John Chambers

Room 403 B10:40 a.m.-12 noon

Moderator: Spencer Kaitz, California Cable Television Association

Franchise Renewals in the New Millennium

Room 404 A/B1:45-3 p.m.

Moderator: Gary Matz, Time Warner Cable
 Speakers: Adrian Herbst, The Baller Herbst Law Group PC; Sheila Willard, Comcast; Gardner Gillespie, Hogan & Hartson LLP; William Marticorena Esq., Rutan & Tucker LLP

The Competition Speaks Out

Room 408 A1:45-3 p.m.

Moderator: Larry Aidem, Sundance Channel
 Speakers: Evie Haskell, Executive Vice President, Media Business Corp.; Chris Walczak, Pegasus Communications Corp.; Lew Scharfberg, RCN; Michael Thornton, DirecTV Inc.

The View From the Street

Room 406 A/B1:45-3 p.m.

Moderator: Willow Bay, CNN's *Moneyline News Hour*
 Speakers: Doug Shapiro, Bank of America Securities; Jessica Reif-Cohen, Merrill Lynch; Tom Eagan, PaineWebber Inc.; John K. Martin Jr., ABN AMRO Inc.

Does That Click Mean Cash?

Room 409 A/B1:45-3 p.m.

Moderator: David Wicks, Cablevision Systems
 Speakers: John Engel, e-Media; Matt Kay, Commerce.TV; Richard C. Fickle, AT&T Headend in the Sky; Robert Rosental, Cablevision Systems

Sharing the Big Fat Pipe:

Implementing Access Over Cable's Broadband

Room 408 B1:45-3 p.m.

Moderator: Tom Feige, Time Warner Communications
 Speakers: Cynthia Brumfield, Broadband Intelligence Inc.; Tom Andrus, EarthLink; Jeffrey Campbell, Core Networks; Susan K. Marshall, AT&T Broadband

Convergence, International Style

Room 406 A/B3:15-4:30 p.m.

Moderator: David Van Valkenberg, Balfour Associates
 Speakers: Geoffrey Roman, Motorola; Michael T. Fries, UnitedGlobalCom Inc.; John O'Farrell, Excite@Home; George E. Vondraarm, Convergys Corp.

Customers-On-Demand: The Rewards of VOD

Room 409 A/B3:15-4:30 p.m.

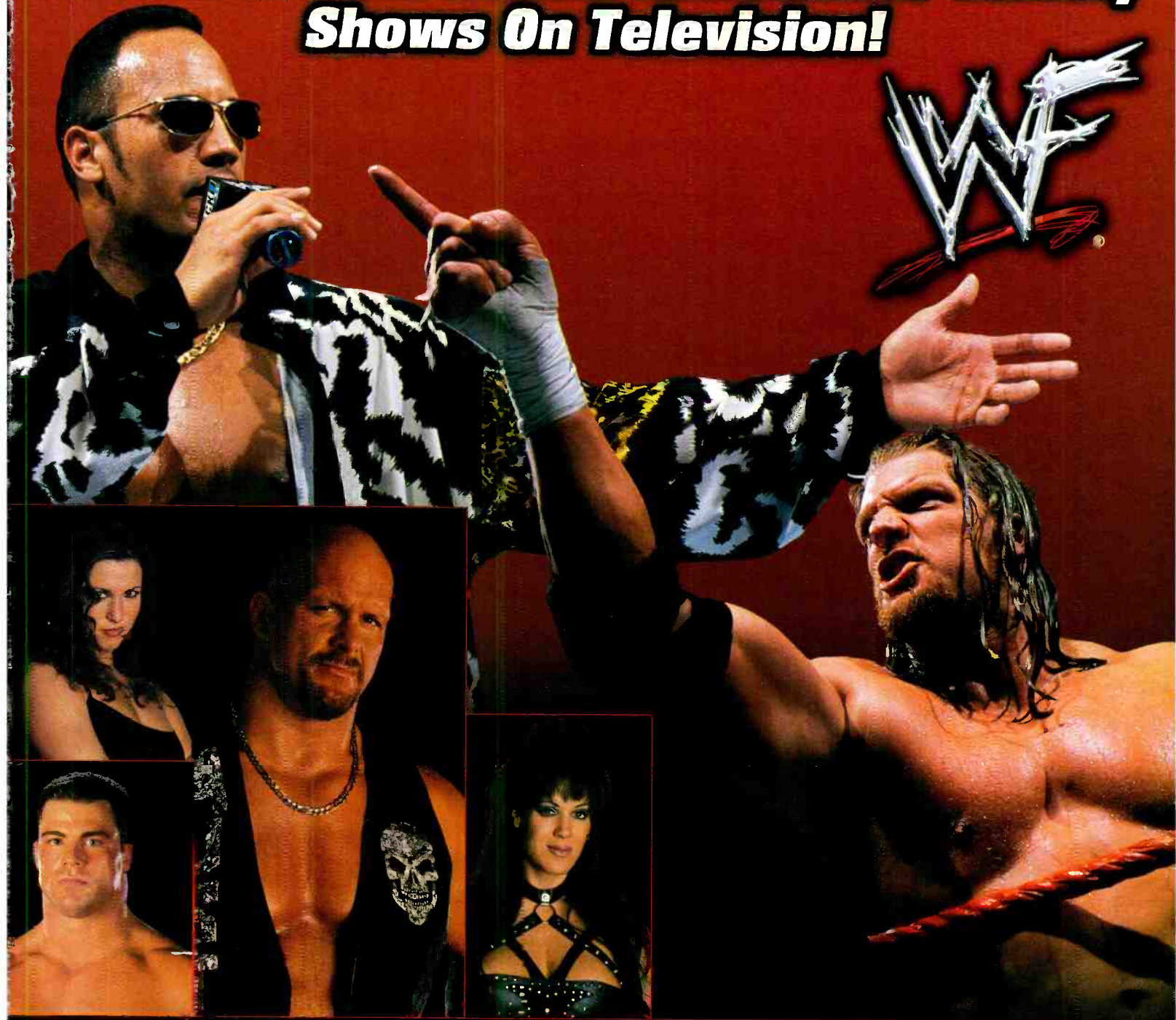
Moderator: Kim Kelly, Insight Communications
 Speakers: Holly Leff-Pressman, Universal Television & Networks Group; Henk Hanselaar, DIVA Systems; Que Spalding, Starz Encore; Tom Jokerst, Charter Communications

Will Cable's Telephone Ring Off the Hook?

Room 408 A3:15-4:30 p.m.

WORLD WRESTLING FEDERATION®

The Best-Built Action-Adventure, Variety Shows On Television!



#1 SHOW ON CABLE TELEVISION 



#1 SHOW WITH TEENS & YOUNG ADULTS ON 



#1 SHOW ON 

WWE.com

THURSDAY, NOV. 30

Moderator: Steve Craddock, Comcast Corp.

Speakers: Tom Wolzien, Sanford Bernstein & Co.; Bart Bartolozzi, Net2Phone; John Slevin, Lucent Technologies; G. Murthy Vangala, AT&T Broadband

The Line-Up: How Programming Decisions Are Made and Why Room 408 B 3:15-4:30 p.m.

Moderator: Decker Anstrom, The Weather Channel

Speakers: Fred Dressler, Time Warner Cable; Matt Bond, AT&T Broadband; Pam Euler-Halling, Insight Communications

Law & Public Policy Roundtables Room 403 A 3:15-4:30 p.m.

Poles, Interconnection, Municipal Telecommunications Franchising and Rights-of-Way Issues

Facilitators: Lesla Lehtonen, California Cable Television Association; Paul Glist, Cole, Raywid & Braverman

Digital and Analog Must-Carry, Retransmission Consent and Music Licensing Issues

Bruce D. Sokler, Mintz, Levin, Cohn, Ferris, Glovsky & Popeo, PC; Seth A. Davidson, Fleischman & Walsh, LLP; Diane Burstein, National Cable Television Association

Intellectual Property in the Digital Age

Christopher J. Harvie, Mintz, Levin, Cohn, Ferris, Glovsky & Popeo PC; Matt Zinn, TiVo; Bill Roberts, U.S. Copyright Office

Facing MMDS, SMATV, DBS and Telco Video Competition and the MDU Inside Wiring Rules

Michael A. Morris, Urban Media; John Seiver, Cole, Raywid & Braverman

Franchise Administration, Renewals and Transfers in an Era of Consolidation

Jeremy Stern, Cole, Raywid & Braverman; Trudi McCullum Foushee, Charter Communications; Greg Cannon, AT&T Broadband; Margaret Sofio, AT&T Broadband

Late Fee and Other Consumer Protection Litigation

Richard R. Patch, Coblenz, Patch, Duffy & Bass, LLP; Kathleen Marron, Robins, Kaplan, Miller & Ciresi; Robin H. Sangston, Cox Communications Inc.

The Internet: Legal Issues When Offering Cable OnLine Services

Howard B. Homonoff, CNBC/Dow Jones; Cameron R. Graham, AT&T Broadband; Leslie F. Spasser, Cox Communications Inc.; Howard J. Symons, Mintz, Levin, Cohn, Ferris, Glovsky & Popeo, PC

Telephony: Legal Issues When Cable Companies Offer Telephone Services

James R. Coltharp, Comcast Corp.; John B. Glicksman, Adelphia Cable Communications; Richard Smith, Cox Communications Inc.

Cable Technology and Policy: Open Cable, Set-Top Boxes, Emergency Alert System and Closed Captioning

Dorothy Gill Raymond, CableLabs; Neal Goldberg, National Cable Television Association; Amy Nathan, Federal Communications Commission; Loretta Polk, National Cable Television Association

FRIDAY, NOV. 30

Digital Workshops Room 408 A 9-10:15 a.m.

OpenCable Progress and PODS

David Broberg, CableLabs

Working in a Multiple-ISP Environment

Jeff Walker, RiverDelta Inc.; Luisa Murcia, AT&T Broadband

VOD: Killer App, But When?

Bethany Gorfine, Federal Hill Communications; Charlie Tritschler, Liberate Technologies

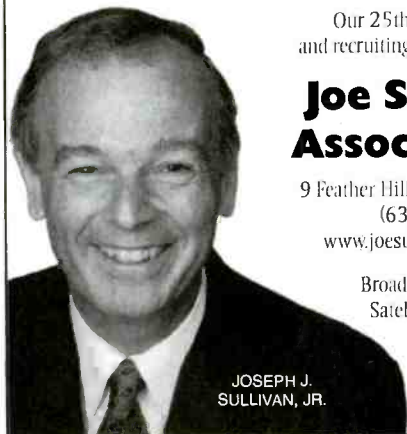
DOCSIS on a Chip

Rouzbeh Yassini, YAS Corp.

Broadband in the Whole House

Don Apruzzese, ShareWave

The person you describe is the person we deliver



JOSEPH J. SULLIVAN, JR.

Our 25th year of identifying and recruiting exceptional executives

Joe Sullivan & Associates, Inc.

9 Feather Hill • Southold, NY 11971
(631) 765-5050
www.joesullivanassociates.com

Broadcasting • Cable
Satellite • Internet



SHANE P. SULLIVAN

Meet the interactive cable guys

Western Show 2000
Nov 29 - Dec 1
Hall B, Booth 3230



**The digital cable revolution is happening now.
That's why you should meet NDS today.**

NDS brings you the interactive and security solutions you need to attract new subscribers and keep them spending more: interactive television, personal television services, targeted advertising, efficient use of bandwidth, T-commerce, Personal Video Recorder functionality and solutions to help securely deliver Video on Demand.

Making staying in, the new going out.

NDS understands the business of cable and delivers technology that helps you succeed. Technology designed to be open and work with leading suppliers to give you the right solution. Today - and tomorrow.

Visit us at the Western Show 2000, Hall B Booth 3230 and see why NDS is proud to bring you the new interactive cable guys.



Programming



Bed of Roses, starring Christian Slater and Mary Stuart Masterson, is one of the films featured on women-centered Lifetime network.

Too big to ignore

Television warms up to women with growing list of nets

By Deborah D. McAdams

Suddenly, it's *tres chic* to be she TV. The clamor surrounding the launch of Oxygen and the climb of Lifetime has emboldened an unprecedented expansion of networks with female appeal. Lifetime's self-branded movie net nearly tripled in size. Disney's SoapNet will end its first year with 8 million subscribers. Lifetime Movie Network, SoapNet and Rainbow's Romance Classics have pulled in 32 million subscribers between them in the past year.

Everyone has a different theory about the growth spurt.

"The rush usually comes when someone, anyone, announces the launch of a new service," said a cable-programming executive.

Lifetime Movie Network was launched two years ago, but the network added 8 million of its 11 million subscribers this year, much of it thanks to retransmission leverage exercised by parent partner Hearst.

"We created Lifetime Movie Network based on viewer demand," said Rick

Haskins, executive vice president of marketing. "For three years in a row, LMN was the No. 1 choice for a new network in Beta Research. What Oxygen did is to put emphasis on women ... and bring noise to the category."

Kate McEnroe made noise about the need for more women's networks when Romance Classics was first announced back in 1992, when advertising geared toward women was still pretty much limited to hygiene and housekeeping. Only in the past couple of years have the big-bucks advertisers, like automakers and financial institutions, come to recognize that women buy cars and manage money, McEnroe said.

Now three years old, Romance Classics has about 34 million subscribers—pretty much where Oxygen will be three years out. Unlike Oxygen, Romance Classics did not light a fire under the category, because

not all women craved romance, McEnroe discovered. More of them wanted a back rub and a good glass of Chablis.

"We underestimated the stress women were going through," she said. "The sense of how they wanted the network to be was this oasis."

Romance may actually be renamed Oasis at the Western Show, if a deal can be ironed out with Oasis TV, a small new-age network based in Beverly Hills, Calif. Oasis Chairman and CEO Robert Schnitzer said he'd met with Rainbow executives several times, but a deal was not yet sealed at press time.

For women who do crave romance, at least in the chiseled-chin, bed-hopping, back-stabbing form of soap operas, there's SoapNet. Launched Jan. 24, SoapNet reaches about 8 million subscribers, 90% of them analog. SoapNet gained notoriety as a rerun network foisted by ABC on cable operators in heated retransmission negotiations. But even with retransmission chips mostly spent, Anne Sweeney, president of ABC Cable Networks, said she still expects SoapNet to reach full penetration and to eventually have its own shows.

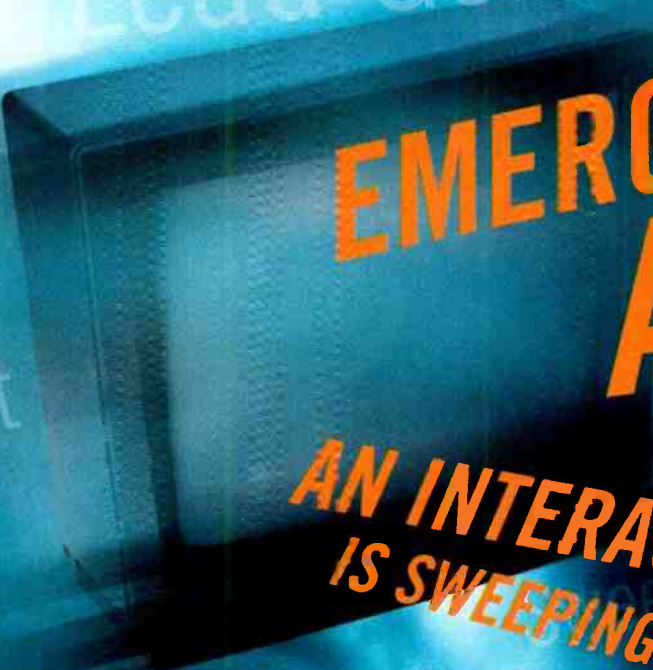
"It's the last genre to go to cable," she said, "and I believe, in time, it will make its own exclusive soaps."

Not all women craved romance. More of them wanted a back rub and a good glass of Chablis.

Sweeney likes to say that SoapNet is a "genre, not a gender network," but the audience is around 75% women, and that's the demo advertisers will see. Between Lifetime, Romance, Oxygen and more than eight other major cable channels skewing more than 60% female, advertisers already have plenty of choices to reach women.

The market won't support many more, said Tim Spengler, executive vice president and director of national broadcast at Initiative Media. "As the number of choices proliferates, you're going to see them cut into one another." ■

Virtual Channel
Advanced
Lead-Generation
Walled Garden



**EMERGENCY
ALERT!**

**AN INTERACTIVE STORM
IS SWEEPING THE GLOBE.**

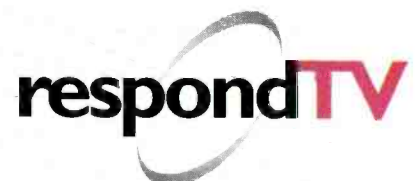
wallet
commerce
person

Where there is chaos and confusion, there is also mind-blowing potential. Find out why forward-thinking companies like **American Airlines**, **AT&T Broadband**, **Bloomberg**, **Coca-Cola**, **Ford**, **HGTV**, **Showtime** and **Tribune** trust us with their enhanced TV initiatives. We'll lead you to that place of calm, clarity and control you need to become an interactive powerhouse. Our mission is to help you turn interactive chaos into interactive payoffs.

BREEZE BY TO SEE US AT THE WESTERN SHOW. SOUTH HALL, BOOTH 1447, NOV. 29 – DEC. 1.

OR IF YOUR SCHEDULE'S A WHIRLWIND, GIVE US A CALL AT 415-522-5260 OR VISIT US AT WWW.RESPONDTV.COM.

**ENTER THE "i" OF THE
INTERACTIVE STORM.**



IN BRIEF

**COURT TV TO HIT 50M
SUBS BY DEC. 1**

Court TV will reach its 2000 goal of 50 million subscribers on Dec. 1, the company says, thanks to analog additions across Adelphia, AT&T, Charter, Comcast, Cox, Insight, MediaCom and Time Warner systems.

The number represents a 32% increase in subscribers from the same time last year. Since July, Court has added 8 million subscribers and expects to add 10 million more by then end of 2001.

**NAT GEO PREPARES FOR
JANUARY LIFT-OFF**

The National Geographic Society is gearing up for the January launch of its cable channel with an hour-long gala tribute to itself. Pierce Brosnan will host *Ford Motor Co. Presents Heroes for the Planet: A Tribute to National Geographic*, live from the Warner Theatre in Washington on Sunday, Jan. 7 at 8 p.m. on The National Geographic Channel.

The program will be simulcast on CNBC (which carries National Geographic's *Explorer* series on weekend nights) and rebroadcast on Fox News Channel (Fox being a two-thirds partner in the Nat Geo Channel) at 9 p.m.

NBC PROMOTES FIVE

Mitch Metcalf has been named senior vice president of program planning and scheduling at NBC. Metcalf, who has been senior vice president of NBC's West Coast program-research division, will now be responsible for overseeing the network's long-range program planning.

NBC also promoted four executives to senior directors in the network's program standards division: Joanna Jamerson, Deborah Lake, Ken Samuel and Betzy Torres.

Even more reality TV

Just when one thought programmers were through with the genre, they come up with still more ideas

By Susanne Ault

With CBS' *Survivor II*, ABC's *The Mole*, The WB's *Popstars* and UPN's *Road Rage* all coming down the pike midseason, programmers have to be running out of room for any new riffs on reality TV.

Guess again. Modern Entertainment, the U.S. sales arm of Stockholm-based Strix (the production company behind Scandinavia's *Expedition Robinson*, a precursor to *Survivor*), thinks it can tempt TV executives with a lot more spins of the genre.

Modern Entertainment just sold Strix's format, *Trading Places*, to The WB. While the network hasn't slotted a definite spot for *Trading Places* (the project: switching the lives of two completely different families for a week), Modern believes The WB pickup proves that it hasn't missed the boat on the trend in the U.S. It's currently in development.

To demonstrate to The WB, "We took a family that works and lives at the Salvation Army and transplanted them with a family of motorcycle riders," explains Michael Weiser, Modern Entertainment's president and CEO. "The bikers have to collect donations from the street, and the Salvation Army family has to learn how to run a garage—it's true, fish-out-of-water stuff, and a lot of fun to watch."

Admittedly, "you won't have a truck driver or a CEO of a billion-dollar company change

jobs," says Weiser. "But there are hundreds of possible combinations for the show," which debuted in Sweden last year.

Although Modern seems a little late getting in on the U.S. reality-format game, its producing partner Strix *does* know how to pick them—it acquired the idea for *Survivor* from producer Charlie Parsons a full four years before Mark Burnett (behind CBS' *Survivor* and *Survivor II*) did the same.

Prior to Burnett smelling success, Strix had already launched versions of *Survivor* in Norway, Denmark, Germany, Austria and Belgium. Also, Burnett nabbed Strix to act as paid consultants for the U.S. version of *Survivor*.

"If everyone knew *Survivor* was going to be such a big deal, they would have bought it before we did," says Weiser.

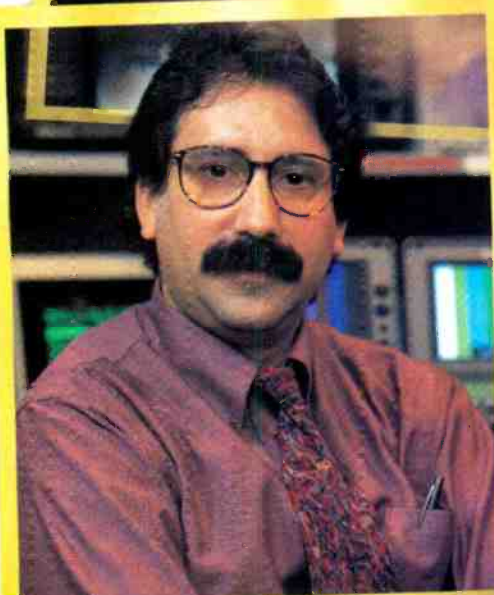
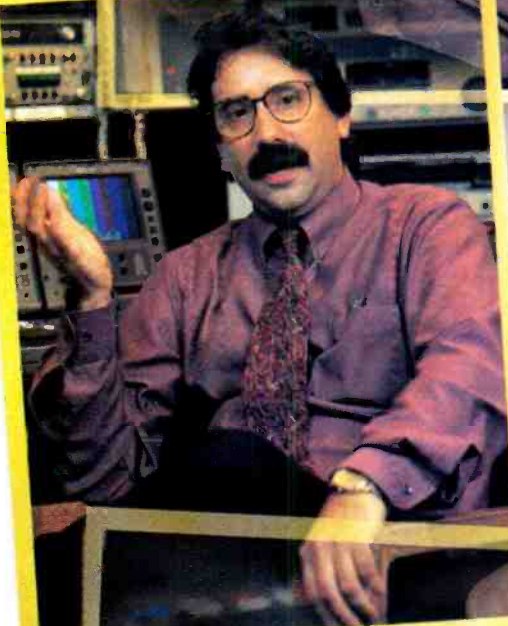
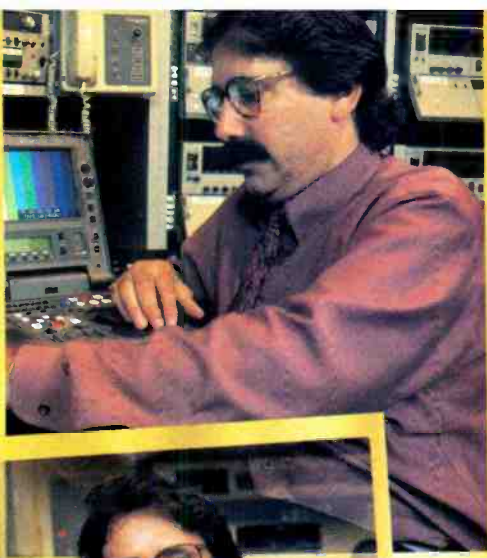
Another format Modern is shopping to network, cable and syndication outlets is *The Bar*, which Modern bets can do even better than *Survivor*.

Following 12 strangers trying to turn a fledgling bar into a moneymaking business, "*The Bar* is the most successful show we have produced since *Expedition Robinson*, so it has the potential to be every bit as big as *Survivor*," Weiser contends.

The Bar calls for contestants to compete to be the best servers, cooks and bartenders for prize money. Viewers must frequent *The Bar*



SONY®



“The Betacam SX laptop editor is my secret weapon.”

— Rick Minutello, Operations Director, WPXI-TV Pittsburgh

“Nobody in town beats us in spot news,” says Rick Minutello, “and Sony’s DNW-A225 laptop is a big reason why. The Betacam SX® laptop editor enables us to edit breaking stories anywhere, getting us on-air that much faster.”

Minutello also cites the Betacam SX editor’s versatility. “It’s perfect for fly-away packages. The crew can shoot all day and log tapes in the hotel room after dinner. Journalists can sign out A225’s to log footage at home. We even use them to record clean camera feeds when we broadcast live events.”

Sony’s Betacam SX format was an obvious choice, according to Minutello. “Betacam SP® equipment always stood up to punishment. Our DNW-7 camcorders bring that same reliability into the digital domain.

And our DNW-A100 and DNW-A45 studio VTRs are compatible with all our Betacam SP acquisition tapes, show tapes, air masters and edited packages. I can’t go out and burn all those tapes. With Betacam SX VTRs, I don’t have to.”

Betacam SX equipment completes the picture for WPXI, helping get news on the air faster and better than the competition. Says Rick Minutello, “This is my edge.”



**COMPLETE
THE
PICTURE**

BETACAM SX

1-800-472-SONY ext. WPXI
www.sony.com/professional

to generate its profits and viewers ultimately select the show's final winner.

Sweden's won \$10,000 but Modern says the U.S. top dog would likely net \$500,000 and an ownership stake in the restaurant. Also, for the U.S. version, Modern hopes to partner with such popular eateries as TGI Friday's or Hooters.

"The biggest kick to this is they're not just sitting in an apartment, but they're working, they're running a business. It's one of the few reality shows where contestants interact on a regular basis with the real world," says Weiser. "Plus, *The Bar* is already airing in Scandinavia, and it's crushing *Big Brother*, which it runs against."

Yeah, but how hard is it to beat the critically panned *Big Brother*?

Over there, "*Big Brother* did not do badly at all," insists Mark Itkin, senior vice president at the William Morris Agency. ■

DIC departs from Disney

Major producer of animated series buys back its assets and goes it alone

By Joe Schlosser

DIC Entertainment has left Disney World. The Hollywood-based animation studio, with the financial help of equity firm Bain Capital Inc., finally bought back its own assets from The Walt Disney Co. last week—a move long anticipated in the kids programming industry.

DIC, the producers of such animated series as *Inspector Gadget*, *Sonic The Hedgehog*

and *Madeline*, is now free to produce and distribute its fare to all comers outside and even inside the Disney gates. The studio had been partnered with Disney since 1995 and will continue to co-produce for them.

DIC Chairman and CEO Andy Heyward led the buyback from Disney, a "complicated" deal that he says will include future development and licensing efforts between the two studios. Neither side commented on the financial aspects, but it's believed to be worth well over \$100 million.

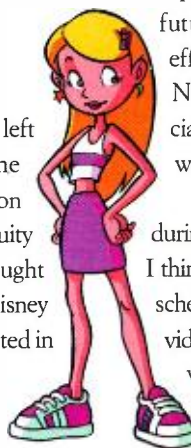
"We spent five years with Disney and during that time we got a lot of things done. I think we still have about one-third of the schedule on *Toon Disney*, we do a lot of videos with Buena Vista Home Video and we have things with ABC," Heyward says. "So there are a lot of good things there, but at the same time, there were things that we couldn't do

because Disney was so busy building and will always be busy building and supporting the Disney businesses. I understand that, but I think all of us yearned to be in a more entrepreneurial environment and now we are."

As part of the ongoing association between the two companies, Disney has renewed *Sabrina, The Animated Series* on ABC and has ordered another 26 episodes of *Madeline* for The Disney Channel. The two sides are also co-producing two animated direct-to-video films through Buena Vista Home Video and are doing a sequel for the movie *Inspector Gadget*.

Outside of its co-productions with Disney, Heyward says the studio is currently in production on new series *Poor Richard's Almanac* for PBS and four other individual series, including a *Sabrina* spin-off. Heyward says the animated spin-off, *Salem*, will be ready for next season.

Also on DIC's platter is an animated project with Mary-Kate and Ashley Olsen (aka the Olsen twins), the animated series *Super Duper Sumos* and another project based on a "major motion picture." DIC also wants a future in the international marketplace, where it has not been able to sell outside of the Disney-family. ■



Sabrina

SEVEN STUDIOS UP TO 3,850 SQUARE FEET

LIGHTING AND GRIP PACKAGES

DRESSING ROOMS AND FULLY FUNCTIONAL MAKEUP ROOMS

BE EVERYWHERE AT ONCE

PRIVATE CONFERENCE ROOMS AND GREENROOMS

CREWING SERVICES

IN-HOUSE POST-PRODUCTION AND TV CONTROL ROOMS

At Pioneer Studios, you'll find all the space, equipment and crew your project needs — from pre-production to post. And everything's under one roof.

Which means no commuting back and forth between the studio, editing suite or anywhere else. It's all down the hall or around the corner.

PIONEER STUDIOS
NOW THAT'S CONVENIENCE.

1365 ENTERPRISE DRIVE, WEST CHESTER, PA 19380 • (800)553-7372 • WWW.PIONEERSTUDIOS.COM

A modern jumbo jet has an intricate hydraulic system, 171 miles of electric wiring, 8 redundant computer systems, 57,000 gallons of jet fuel, 420 passengers, 6 tons of food and a ground speed of 600 MPH.

Flying one is almost as tough as running a newsroom.

That's why we invented ENPS.



There's no such thing as a simple news operation. It's even more of a

challenge with moves to digital, the 'net, and integration of new pieces of editing and playback equipment.

For hundreds of leading stations and networks around the world, ENPS means better ways of writing, editing, and production.

More newsrooms have moved to ENPS in the last three years than

installed any other system over the last decade, and most major manufacturers of news production and automation equipment are actively working with ENPS on plug-and-play connectivity using the AP-inspired MOS protocol.



In increasingly complex environments, if your best people are distracted by

technology, it's even harder to stay on course. With ENPS, reporters report, producers produce, editors edit, engineers engineer. The bottom line: You can't do more with less.

enps.com

It's all about control.

Closer look at TV news

Behind the numbers, Pew study finds many stations are sacrificing quality, creativity for high profits

By Dan Trigoboff

Is the commitment to maintain sky-high profit margins causing local television to abandon its commitment to the elements that created those profits—to the industry's own detriment?

In its third annual report on local news, released earlier this month (B&C Nov. 13, p. 21), the Project for Excellence in Journalism, which is affiliated with Columbia University's Graduate School of Journalism and funded by the Pew Charitable Trusts, drew that conclusion. "[T]he business is cutting back on precisely the elements that attract viewers—including enterprise, localism, breadth, innovation and sourcing." The majority of stories studied this year, said the project, "were either feeds or footage aired without an on-scene reporter."

Most of the 50 stations in the 15 markets surveyed were considered mediocre, including Boston, New York City, Los Angeles, Minneapolis, Chicago, Sioux Falls and Wichita. (The chart does not include survey results for morning newscasts in Birmingham, Ala.; Detroit; and Portland, Ore.)

"If the industry does not begin soon to change," say study leaders Tom Rosenstiel, Carl Gottlieb and Lee Ann Brady, "if it continues to insist on profit margins that can be sustained only by gutting newsrooms, the evidence strongly suggests the biggest loser in the Internet revolution will not be newspapers but local broadcast television news."

And, for the third time in three years, the survey pounded out the notion that quality—as it defines quality: longer, locally focused, more enterprising, better sourced and better balanced stories—leads to greater success in local TV. "Enterprise sells. Depth Sells.

What they're doing right—and wrong

Station	Grade	Comment
ATLANTA		
WXIA-TV	A	"Very local. Needs better sourcing, more balance, enterprise. News director promoted to WUSA."
WGCL(TV)	B	"From F to B in two years; new ownership. Good on breaking news. Best in town for balance."
WAGA(TV)	C	"Solid in other timeslots. Ratings hurt by declining Fox lead-in. Too many feeds. Good at ideas/issue stories."
BOSTON		
WBZ-TV	C	"Best in Boston dropped to C from B. Good localism. Ratings on the right track."
WHDH-TV	C	"Racy presentation, but most issues in town. Good at breaking news, sourcing. Could be more local. Up from D to C in a year."
WCVB-TV	D	"A year of change at a station known for stability. Highest story count at 11. Weakest sourcing in town."
CHICAGO		
WBBM-TV	B	"Carol Marin's experiment hasn't matured and may not get the chance to be a survivor." (The experiment was terminated.)
DENVER		
KUSA-TV	B	"Best in Denver shows ratings weakness. More breaking news, coverage of civic institutions would help."
KMGH-TV	B	"Decent station slipping in ratings. Best in Denver at sourcing, breaking news. Needs more localism."
KCNC-TV	D	"Highest story count, most local coverage in town. Low on ideas/issues. Too many unnamed sources."
LOS ANGELES		
KCBS-TV	A	"High on issues and ideas, low on crime. Covers L.A. well, could improve sourcing. Dismal ratings."
KABC-TV	B	"Ratings king at 6. Very local, lots of human interest, breaking news."
KNBC(TV)	D	"Tabloid formula: lots of crime, unusual events, feeds. Poor sourcing, least local coverage"
KCOP(TV)	C	"Best of 10 p.m. in L.A., but loses UPN audience. Good sourcing, issues. Low on crime and high on series."
KCAL(TV)	C	"Decent expert sourcing, poor mix of opinions. Local, good on breaking events."
KTTV(TV)	D	"Just missed a C. Good sourcing, lots of crime. More localism would help. Fox lead-in hurts."
KTLA(TV)	F	"Worst in L.A. Proof that tabloid can succeed. But can you sell Hal Fishman to the <i>Dawson's Creek</i> crowd?"
MINNEAPOLIS		
KSTP-TV	B	"Best half-hour in town. Lots of crime, investigations. Makes national stories local. Could improve sourcing."
KARE(TV)	C	"Down a grade from last year, ratings follow. Good sourcing, least local coverage."
WCCO-TV	C	"B last year. Best sourcing, investigations at 10. Strong breaking news, could be more local."
KMSP-TV	B	"Second-best prime show in study. Lots of sources, mix of opinions. Low on crime, local institutions." (9-10 p.m.)
KMSP-TV	D	"Is this the same station that airs the one-hour show? Lots of feeds, horse-race politics." (10-10:30 p.m.)

Business as Usual

FROM INDUSTRY CONSOLIDATION AND REGULATORY CHANGE TO TECHNOLOGICAL ADVANCEMENT AND ECONOMIC UNCERTAINTY, THESE ARE CHANGING TIMES FOR THE COMMUNICATIONS INDUSTRY. FOR THE FINANCIAL INNOVATORS AT FINOVA, IT'S BUSINESS AS USUAL. SINCE 1987, FINOVA HAS BEEN THERE FOR ITS CLIENTS, SERVING THE NEEDS OF ADVERTISING AND SUBSCRIBER-SUPPORTED BUSINESSES WITH INNOVATION, SUPERIOR SERVICE, RELIABILITY, AND LONG-TERM INDUSTRY COMMITMENT. FOR CUSTOM-TAILORED CAPITAL SOLUTIONS, YOU CAN DEPEND ON FINOVA.

FINOVA[®]

INNOVATORS IN COMMUNICATIONS FINANCE

FINOVA Capital Corporation

(312) 322-7205

www.fnova.com

FNV
Listed
NYSE

©2010 The FINOVA Group Inc.

BUSINESS CREDIT • COMMERCIAL EQUIPMENT FINANCE • COMMUNICATIONS FINANCE • CORPORATE FINANCE • DISTRIBUTION & CHANNEL FINANCE • FRANCHISE FINANCE
GROWTH FINANCE • HEALTHCARE FINANCE • INVESTMENT ALLIANCE • MEZZANINE CAPITAL • PORTFOLIO SERVICES • PUBLIC FINANCE • REALTY CAPITAL • REDISCOUNT FINANCE
RESORT FINANCE • SPECIALTY REAL ESTATE FINANCE • TECHNOLOGY FINANCE • TRANSPORTATION FINANCE

Programming

Breadth sells. Courage sells," the authors say.

But the authors say some stations are more interested in selling out. A third of the responding news directors reported that they were discouraged from covering stories due to concerns about sponsors.

Since its inception, news directors have suggested that the study takes an ivory-tower view of the news.

In Phoenix, Bob Morford, KNXV-TV news director said that sometimes a newscast has to find its own niche to attract an audience. As KNXV-TV's is the newest newscast among the five Phoenix stations, he notes, "If you're a heavy TV news viewer, you made your choice 10 or 15 years ago. I believe our product has a specific value in our marketplace: to attract low-use TV news viewers. We've created a newscast that has the goal of broad coverage."

Dennis Leonard, general manager of WBRC-TV Birmingham, Ala., which received an F grade for its morning newscast, said he believed that most of his station's newscasts were following the criteria of the study, but that in the morning, its audience wanted a focus on weather and traffic.

On the other hand, some stations like the results just fine. Tucson emerged as the best market for local news. According to the study, KGUN-TV got the only A given, both KOLD-TV and KVOA-TV earned high Bs and were within a handful of points of A grades.

Under Forrest Carr, KGUN-TV news director, the station has posted a Viewer Bill of Rights on its Web site, which addresses some of PEJ's priorities in its approach to covering crime and investigative reporting, but also promises positive, ethical and solution-oriented newsgathering. "I think the definition of quality should include a dialogue with the community," said Carr.

KTVK(TV) Phoenix, WXIA-TV Atlanta, KCBS-TV Los Angeles, and KTVU(TV) San Francisco also received A grades. In fact, in the three-year history of the study, no station has received higher grades than KTVU-TV, the Cox-owned station in the Bay Area.

News Director Andrew Finlayson passes off most of the credit to his predecessor Fred Zehnder, who led the news department for

Station	Grade	Comment
NEW YORK		
WABC-TV	B	"From worst to first in N.Y. Best half-hour in town for issues, investigations, sources. Light on breaking news.
WNBC(TV)	B	"Solid station. Bouncing back at 11 p.m. Good expert sources, mix of opinions. Could be more local."
WCBS-TV	C	"Improving, but long way to go. No investigations, lots of everyday incidents."
WNYW(TV)	C	"Just missed a B. Big on issues, breaking news, expert sources. Decent localism. Slipping in the ratings."
WPIX(TV)	C	"Beats market/nation for mix of opinions. Most multiple sources. Least coverage of metro area."
WWOR-TV	C	"Heavy ideas/issues, light on breaking news. Most investigation at 10 p.m. Many feed stories."
PHOENIX		
KTVK(TV)	A	"Best in Phoenix. Most investigations, expert sources. Half the national average for unnamed sources. Stories really well done."
KPHO-TV	B	"Almost an A. Big on breaking news and horse-race politics. Coverage too one-sided."
KPNX(TV)	B	"Good station in ratings war. Best at breaking news. Makes national news locally relevant."
KNXV-TV	F	"Lowest score in three years. Lots of stories, no depth. Promo: 'We won't waste your time.' They do."
SF/OAKLAND		
KTVU(TV)	A	"Best score ever in study. Twice national average for issues, experts, balance and relevance. Proof quality sells."
SIoux FALLS		
KELO-TV	A	"Ratings slippage despite monster tune-in. Covers state well, but too many stories with no sources."
KSFY-TV	C	"Too many unnamed-sources, one-source stories. Not much breaking news or issues. Ratings loser."
KDLT-TV	D	"Last place but climbing. Lots of news conferences. Best in town for issues. Covers Sioux Falls and its institutions."
TUCSON		
KGUN(TV)	A	"Does it all. Longest stories. Lots of investigations. Good at breaking news. No unsourced stories. Building ratings."
KOLD-TV	B	"Almost an A. Ratings cold. Needs investigations, more breaking news. Broad coverage of Tucson."
KVOA(TV)	B	"Longtime market leader, good station challenged. 40% news conferences. Many one-source stories."
WICHITA		
KAKE-TV	B	"Slipping score, decent ratings. Good sourcing. Lots of person-in-the-street interviews. Could improve breaking news."
KSNW(TV)	C	"Superficial, no investigations or tough interviews. Good expert sourcing and regional coverage."
KWCH-TV	D	"Longtime ratings leader halting slide. Only investigation in market. Low on expert sources."

20 years. "The people in this newsroom and the job they do reflect Fred's years of thoughtful and concerned leadership, said Finlayson. "I reissue Fred's memos."

Yet, the stability indicated by Zehnder's 20 years, Finlayson's 10 years, anchor Dennis Richmond's 24 years and General Manager Kevin O'Brien's 14 years at the station is rare in the TV business. Finlayson believes that

stability has helped the station promote localism. KTVU, Finlayson says, also directs strong effort to speak to all communities in the diverse Bay area.

And it is not the best-equipped station; it has neither a news chopper nor a satellite truck. In the survey, Finlayson joked that "we couldn't cover a car chase even if we wanted to." ■

MORE USERS.

MORE DOLLARS.

MORE CUSTOMERS.

Set the pace by adopting a remotely-hosted approach to your company's eProcurement and eMarketplace requirements. elcom enables enterprises of all sizes to get up and running faster and less expensively than any eProcurement provider without sacrificing features and functionality.



elcom

THE NEXT STANDARD OF VALUE IN B2B eCOMMERCE

1-800-446-9904 www.elcom.com

**BOSTON NEW YORK CHICAGO SAN DIEGO LONDON JOHANNESBERG DELHI SAO
PAOLO**

StationBreak

BY DAN TRIGOB OFF

REALLY ARRESTING DEVELOPMENTS

WCSC-TV Charleston, S.C., has had two staffers arrested this month. Veteran News Director Donald Feldman was charged by local police with forging a station check to cover a credit-card payment. Within a day, the station's morning weatherman, Aaron Brillhart, was arrested by the FBI in an apparently separate investigation. Staffers at the market's top-rated station say they are in shock.

Brillhart, who had been with the Charleston station only briefly, is accused of sending threatening e-mail to a Pennsylvania television station where he once worked. Jerry Trently, news director for WHP-TV Harrisburg, told reporters he could not discuss the e-mail in detail but said it was disturbing enough to warrant contacting the FBI. Brillhart had worked for the station earlier this year. According to reports, Brillhart surrendered to authorities in Charleston on an indictment from a Pennsylvania grand jury and was released on bond.

Police say Feldman used an

\$11,500 check to cover an American Express payment. WCSC-TV General Manager Rita O'Neill said she could not comment except to confirm that Feldman was no longer with the station as of Wednesday, and that Assistant News Director Mary Rigby is running the news department. Feldman was a 15-year employee of the station.

Neither he nor his attorney was available for comment.

WJLA-TV LOSES SUIT

After a three-week trial, a Fairfax County, Va., jury found WJLA-TV Washington liable for \$2.5 million in damages to a Virginia orthopedist who said he had been defamed by a station report. According to newspaper reports from the trial, Dr. Stephen Levin's lawyers argued that his stretching and muscle manipulation treatment was medically recognized and his patients consented. In making the seven-figure award, the jury reportedly found that the station knew the defamatory statements were false and acted recklessly and with disregard for the

truth. The station plans to appeal. In fact, the station may have been penalized more because of the promos than because the story. Even WJLA-TV reporters who worked on the story would not say the promos were fair. Station attorneys suggested the jury was confused over a procedure that might be appropriate when performed by an obstetrician-gynecologist to relieve back spasms but not when performed by Levin.

ANCHOR ANSWERS BACK, PLANS SUIT

Fired Spokane, Wash., anchor Randy Shaw has issued a statement denying his former station KHQ-TV's allegations of sexual harassment and says he plans to sue the station. In the statement, Shaw—one of the market's most popular media figures—said he was harassed himself because of concern he'd expressed over the performance of a co-worker who later filed harassment charges against him. The co-worker is no longer with the station. Station management said Shaw was fired earlier this month, after being taken off

the air, because of unacceptable behavior that he refused to address.

WEATHERMAN UN-RETIRES


Popular longtime Tucson, Ariz., weatherman Michael Goodrich was brought back to local television in part by a "where-are-they-now" piece done not by his old station but by KGUN(TV) Tucson, now his home.

Goodrich, 61, had retired to Oklahoma in 1998 after more than 20 years at KVOA(TV) Tucson. It was not as idyllic as he'd imagined.

While there, he'd been tracked down by former rival KGUN-TV for an update.

"After a while, it became apparent for personal and financial reasons that I should go back to work. I wanted more FM radio, more TV and more volleyball" than Oklahoma offered. "I felt like I still had a lot of energy left and wanted to meet people and have a good time. When I decided to come back, I called KGUN-TV," he said. "It was either that or stand on a street corner holding up a sign that said 'Will Work for Viagra.'" Actually, Goodrich said, he'd worked for KGUN-TV 30 years ago, before he got to KVOA. "It just fell into place. I still show up well in the research."

All news is local. Contact Dan Trigoboff at (301) 260-0923, e-mail dtrig@erols.com, or fax (202) 463-3742.



Think locally, act globally

KCAL(TV) Los Angeles offered a serious approach to sweeps, sending reporter Pat Harvey to Africa for stories on the spread of AIDS there and on female genital mutilation. Although there are some local ties, News Director Dennis Herzig said, the stories' strength will be in their "global proportion. I think it will be a compelling story." Harvey and her crew were in Africa for 10 days, producing reports carried over six nights.

save the date
save the date
save the date
save the date
save the date
save the date
save the date
save the date
save the date
save the date

11TH ANNUAL



APRIL 3, 2001

The Changing Media Landscape

GRAND HYATT HOTEL, NEW YORK CITY

You won't want to miss this! All the top movers and shakers at one conference sharing their ideas, strategies, and future plans in the media industry—mark your calendar now!

<http://www.thebigpic.com>

SALOMON SMITH BARNEY

A member of citigroup

BROADCASTING CABLE

PART OF  **Cahners**
TELEVISION GROUP

From Caesar's Rome to the heights of the Stratosphere

20,000 decision makers from
85 countries
together during
4 action-packed days
of opportunity

the global media event



**NATPE 2001...
A Sure Bet**

January 22-25, 2001
Las Vegas Convention Center

www.natpe.org ■ 310-453-4440

NATPE

This *Blind Date* was no dud

Relationship strip attracts competition from Paramount, Columbia and Warner Bros.

By Susanne Ault

Universal has struck sparks between singles with its relationship strip *Blind Date* and has fired up flirtation from several competing syndicators.

On deck for possible fall 2001 launches are Paramount's *Rendez-View*, pitched as a cross between *Blind Date* and *Politically Incorrect*; Columbia TriStar's *Shipmates*, described as *Love Boat* meets *Blind Date*; and Warner Bros.' *Elimidate*, which is sort of a beefed-up *Blind Date* (one guy or gal with four potential suitors).

Everyone knows that imitation is the sincerest form of flattery, but can *Blind Date* stand up to the new competition next year?

"Usually, the first in the genre survives," says Katz TV's Bill Carroll. "It's the survival of the imitators that's something to look out for."

It's true that no one has knocked *Judge Judy* or *Oprah* off their No. 1 perch, but relationship shows sometimes follow a different pattern. "*Love Connection* got on the air, but after [Warner Bros.'] *Change*

of *Heart* got on, *Love Connection* didn't return," remembers Carroll.

However, the overriding sense from stations is "they're placing *Blind Date* as the primary show and positioning the others as its complements," he says.

Even if *Blind Date* is still on good terms with stations, Universal is mounting a strike

Universal plans to fight off rivals with companion for *Blind Date*.

against new rivals with its own companion to *Blind Date*, *The Fifth Wheel*.

Hosted by comic Aisha Tyler and produced by *Blind Date* producers David Garfinkle, Jay Renfroe and Thomas Klein, *Fifth Wheel* puts two guys and two gals into a limo, later introducing a fifth person into the group date.

"This could possibly be an ex, who upsets the romantic binds that have started to form," says Matt Cooperstein, Universal Worldwide Television's senior vice president of domes-

tic distribution.

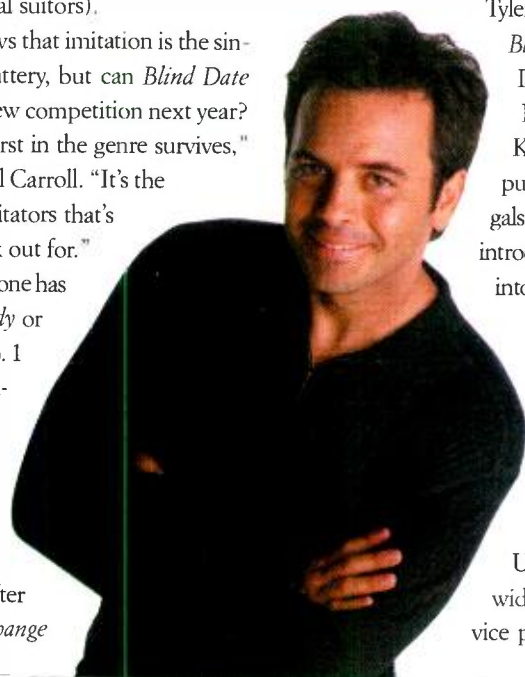
No deals have been announced for the show, currently being shopped to stations, "but the reception for it has been extremely positive," he says.

And all of these Cupid's arrows flying around haven't exactly punctured Cooperstein's spirit. "*Blind Date* was a hit in a new genre, so we knew there was going to be [more spins on the format]. But we were the first mover in the genre, and we'll be the second mover with *The Fifth Wheel*."

Ned Nalle, president of Universal Worldwide Television, believes the rollout of *Fifth Wheel* shortly after *Blind Date* will echo the studio's launch of *Xena: Warrior Princess* as a companion to *Hercules: The Legendary Journeys*. In 1998, Studios USA acquired the action hours, but Universal still sells them overseas.

"As we told [*Hercules*' producers], we told [*Blind Date*'s Garfinkle, Renfroe and Klein] that we need to evolve the form for creative and defensive reasons," says Nalle. "And they have. We are taking *Blind Date* to the next threshold."

Now in its sophomore season, *Blind Date* has secured such recent upgrades as a double run at 5:30 p.m. on KBHK-TV San Francisco and a second airing at 12:30 a.m. on KPRC-TV Houston. ■



The Original. The Best.
and STILL GROWING.



COPS



Source: NIS, Nielsen
9/6-11/12/2000 vs. 9/6-11/11/99
18 DMA, 8y.

1999's saga: Slow and sad

Revenue-growth rates decelerate in broadcast TV, cable and radio, but Internet keeps rising

By Steve McClellan

Slower revenue and profit growth was the story for TV, cable and radio last year, according to a new report that crunched all the 1999 financial numbers for communications companies in the public sector.

The television broadcasting industry posted revenue growth of 7.4% (to \$31.6 billion) in 1999. And while that's not bad, it's the lowest rate of growth the industry has produced in five years. From 1995 through 1999, the compound annual growth rate for the industry was 10.4%.

Revenue for the cable and satellite TV sector in 1999 climbed 14.2% to \$45.5 billion. Double-digit growth is always good but for cable and satellite it was, like broadcasting, also well below the sector's five-year growth rate of 16.6%.

For radio it was the same trend: 1999 revenues were up 20% to \$8.1 billion, but the growth was well below the five-year annual growth rate of 37.6%.

That's according to Veronis Suhler & Associates, the New York media investment banker and consultant, which just issued its annual Communication Industry Report. The report tracks all the 1999 financials for publicly traded communications companies along with a five-year trend analysis.

The results are in line with a forecast that VS&A issued last August that predicted slower growth for the broadcasting and

cable industries from now until 2004 (B&C, Aug. 14).

Meanwhile, Internet revenue growth continued to soar last year. VS&A said the Internet sector continued to grow in 1999 at a pace that exceeded the annual growth rate for the last five years. Revenues for the sector last year totaled \$9.6 billion, up 69%. The five-year average growth rate for the sector is 65%.

BROADCAST TV

The report states that broadcasters benefited from a robust economy in 1999 that fueled a 4.4% gain in total ad spending, despite the fact that the industry was coming off an Olympics and midterm election year in 1998.

TV station revenues tracked

by the report increased 10.2% to \$7.4 billion, outpacing the TV networks, which posted a combined 6.5% revenue gain to \$24.4 billion.

Operating income for the TV sector slowed dramatically last year, to a mere 0.7%, which VS&A attributed to declines at ABC and Fox as well as at numerous local stations around the country. By comparison, operating income for the TV sector was up 4.7% in 1998,

while over the past five years, operating income has grown an average of 14.5%.

Operating-profit margins continued to shrink in 1999 as well, to 18.7% from 19.9% in 1998 and 20.9% in 1997. The

total asset value of the public companies in the broadcasting sector was \$75.7 billion, up 20% from 1998.

VS&A said that the four major networks each generated between \$3.5 billion and \$7.5 billion in revenue in 1999. ABC parent Walt Disney Co. generated the most TV revenue of any company, with \$7.5 billion last year, up 5.2%.

General Electric's NBC ranked second

	1999	Change 1998-99	1995	Annual growth*
Revenue	\$31.6	+7.4%	\$21.3	+10.4%
Profit	\$6.0	+0.7%	\$3.4	+14.5%

*Average, 1995-99

VS&A: The declines in cable were largely due to one-time charges to earnings taken by AT&T; the subtraction of gains of sales of assets by Time Warner; and losses racked up by DBS operators.

with \$5.8 billion (+9.9%), followed by CBS (now owned by Viacom), \$4.4 billion (flat), then Fox, \$3.5 billion. But Fox posted the highest-revenue growth rate at 14.2%.

Among TV station groups not owned by networks, Sinclair Broadcast Group posted the highest revenues last year at \$733.6 million, up 17.5%, followed by Gannett, with \$728.6 million, up 1%, and Hearst-Argyle Television, with \$661.4 million up 62%.

CABLE

In the cable sector, VS&A reported that publicly traded MSOs and satellite service providers like DirecTV posted \$33.9 billion in 1999 revenues, up 16.3%, which equaled the five-year average growth rate for that sub-sector.

Cable and satellite networks posted revenues of \$11.6 billion, up 8.3%. That was well below the group's 17.7% five-year

Cable/Satellite

(in billions)

	1999	Change 1998-99	1995	Annual growth*
Revenue	\$45.5	+14.2%	\$24.6	+16.6%
Profit	\$1.6	-53.00%	\$3.0	NA**

*Average, 1995-99

**NA=Not available

average growth rate.

Total operating income for the cable sector dropped sharply in 1999, down 53% to \$1.6 billion. VS&A said the declines were largely due to one-time charges to earnings taken by AT&T; the subtraction of gains of sales of assets by Time Warner; and losses racked up by DBS operators.

Operating-profit margins dropped to a five-year low for the cable and satellite industry, to 4.6%, down from 12.5% in 1995.

Looking just at service providers (excluding network-programming services), cable-system operators (MSOs) posted \$27.8 billion in revenues last year, up 10.5%, below the sector's 11.8% five-year growth rate. Direct Broadcast Service operators posted \$6 billion in revenue, up 55% but below the DBS five-year growth rate of 70%. DBS operating losses almost doubled to \$907 million.

Cable MSO operating income rebounded somewhat last year, totaling \$2.5 billion, essentially flat versus the previous year. But that's better than a five-year income-growth rate of -1%. In 1998, profits for the MSOs were down a combined a 21%.

On the cable network side, VS&A said that Time Warner and Viacom accounted for the lion's share—\$9.2 billion—of the \$11.2 billion in revenue generated by basic and premium cable channels in 1999. Time Warner's cable networks (CNN, HBO Cinemax, TBS, TNT, Cartoon and Turner Classic Movies) generated revenues totaling \$6.1 billion, up 14%, with a 24% gain in operating income to \$1.2 billion.

Viacom's cable networks (MTV, VH1,

Showtime, The Movie Channel) posted revenues totaling \$3 billion, up 16.8%, with a 25% gain in operating income to \$932.4 million.

RADIO

Operating-income growth continued to slow in the radio sector in 1999. The industry generated just over \$1.4 billion in operating income last year, a gain of 11.4%. But that was about two-thirds below the industry's five-year profit growth rate of 34.3%.

About half of the industry's operating income—\$741 million—was generated by Viacom's Infinity Broadcasting. Clear Channel was second with \$189 million, followed by Cox Radio, with \$118 million.

Radio

(in billions)

	1999	Change 1998-99	1995	Annual growth*
Revenue	\$8.1	+20.0%	\$2.30	+37.6%
Profit	\$1.4	+11.4%	\$0.43	+34.3%

*Average, 1995-99

VS&A attributed the slowing profit growth in radio to higher charges for depreciation and amortization and asset write-ups resulting from acquisition activity. Profit margins for the sector slipped 1.4 percentage points to 17.4%.

But cash-flow growth for the radio industry remained robust, climbing 33% last year to just over \$3 billion. VS&A attributed the strong gains to both revenue growth and operating-cost reductions. Again, Infinity was the leader, accounting for about one-third of the industry's cash flow with just over \$1 billion in cash flow, followed by Clear Channel with \$539 million.

INTERNET

On the Internet front, although companies continue to drive

revenues to record heights, the sector also continued to gush red ink. Operating losses blossomed to \$3.9 billion in 1999, more than double the \$1.5 billion in losses for 1998.

VS&A attributes the losses to several factors, including the growing number of companies trying to make a go of it in that industry.

In addition, VS&A said, Internet companies have been struggling mightily to come up with profit-making business models. "Development of business models is time-consuming as well as expensive," the report states, "due to the costs incurred for research, development and implementation of necessary technological infrastructure."

In 1999, America Online was the leading Internet Service Provider (ISP) with \$4.8 billion in revenue and operating income of \$458 million. The second-ranked ISP last year was the Earthlink Network with \$670 million in revenues and an operating loss of \$195.7 million.

Among content providers, C/Net led with 1999 revenues of \$112 million and an operating loss of \$60 million. Second was ZDNet with revenues of \$104 million and operating income of \$1.2 million.

In its communications forecast issued last summer, VS&A predicted that online advertising will soar six-fold to \$24.4 billion by 2004, surpassing cable advertising and growing at a remarkable 39.5% annually. In 1999, online advertising jumped 140%, to \$4.6 billion, from \$2.0 billion in 1998. VS&A said advertisers began moving from online banner ads to "permission-based" e-mail and other delivery mechanisms "in order to better measure effectiveness." ■

Internet

(in billions)

	1999	Change 1998-99	1995	Annual growth*
Revenue	\$9.6	+69%	\$1.3	+65%
Profit	-\$3.9	-83%	-\$77.9	NA**

*Average, 1995-99

**NA=Not available

Changing Hands

TVs

51% of KPPX(TV) Tolleson/Phoenix, Ariz.

Price: \$6.6 million

Buyer: Paxson Communications Corp., West Palm Beach, Fla. (Lowell W. "Bud" Paxson, chairman/owner; Jon Jay Hoker, president, TV group); owns/is buying 68 other TVs, including KBPX(TV) Phoenix. Note: Paxson already owns 49% of KPPX

Seller: Hector Garcia Salvatierra, Phoenix; no other broadcast interests

Facilities: Ch. 51, 4,875 kW visual, 487 kW aural, ant. 1,749 ft.

Affiliation: Pax TV

Broker: Kalil & Co. Inc. (seller)

COMBOS

WKNY(AM) Kingston, WRRB(FM) (formerly WDSP) Arlington/Middletown, WEOK(AM)-WPDH(FM) Poughkeepsie, WCZX(FM) Hyde Park/Poughkeepsie, WPDA(FM) Jeffersonville/Poughkeepsie, WALL(AM)-WRRV(FM) Middletown/Poughkeepsie and WZAD(FM) Wurtsboro/Poughkeepsie, all N.Y.

Price: \$53 million cash

Buyer: Aurora II LLC, Stamford, Conn. (Frank D. Osborn, president/owner).

Osborn is president/7% owner of Aurora Communications LLC, which owns WICC(AM) Bridgeport, WINE(AM)-WRKI(FM) Brookfield, WEBE(FM) Westport, all Conn., and WFAF(FM) Mount Kisco, WPUT(AM)-WAXB(FM) Pattersona and WFAS-AM-FM White Plains, all N.Y. Osborn also owns 33.3% of KBCB(TV) Bellingham/Seattle, Wash., and 20% of WHTV(TV) Jackson/Lansing, Mich.

Sellers: WPDA: Michael J. Harris (75% owner) Poughkeepsie ALL OTHERS: Robert R. Dyson, Poughkeepsie; no other broadcast interests

Facilities: WKNY: 1490 kHz, 1 kW; WRRB: 96.9 MHz, 3 kW, ant. 1,010 ft.; WEOK: 1390 kHz, 5 kW day; WPDH: 101.5 MHz, 4.5 kW, ant. 1,540 ft.; WCZX: 97.7 MHz, 300 W, ant. 1,030 ft.; WPDA: 106.1 MHz, 1.6 kW, ant. 627 ft.; WALL: 1340 kHz, 1 kW; WRRV: 92.7 MHz, 3 kW, ant. 300 ft.; WZAD: 97.3 MHz, 620 w, ant. 718 ft.

Format: WKNY: AC; WRRB: progressive alternative rock; WEOK: MOR; WPDH: AOR; WCZX: oldies; WPDA: AOR; WALL: news/talk; WRRV: alternative rock; WZAD: oldies

KVFC(AM)-KRTZ(FM) Cortez,

Station Trades	
By dollar volume and number of sales; does not include mergers or acquisitions involving substantial non-station assets	
THIS WEEK	
TV/Radio	\$0 0
TVs	\$6,600,000 1
Combos	\$53,675,000 2
FMs	\$53,340,000 6
AMs	\$78,410,000 4
Total	\$192,025,000 13
SO FAR IN 2000	
TV/Radio	\$2,133,450 1
TVs	\$1,018,026,089 31
Combos	\$3,680,502,127 100
FMs	\$1,429,340,292 165
AMs	\$283,038,885 106
Total	\$6,414,040,843 403

Colo./Farmington, N.M.

Price: \$675,000

Buyer: AGM-Four Corners LLC, Bakersfield, Calif. (brothers Anthony S. and L. Rogers Brandon, each 25% members; Edward B. Hutton, 50% member).

Brandons own/are buying 17 FMs and nine AMs, including KENN(AM)-KRWN(FM) and KNNT(AM) Farmington, KISZ-FM Cortez/Farmington and seller's assets. Each also owns 25% of AGM Nevada LLC, which owns/is buying seven FMs and four AMs

Seller: AGM-Rocky Mountain Broadcasting I LLC, Bakersfield (Brandons each own 50%); owns five Colorado FMs

Facilities: KVFC: 740 kHz, 1 kW day, 250 W night; KRTZ: 98.7 MHz, 27 kW, ant. 2,900 ft.

Formats: KVFC: oldies, sports; KRTZ: country

FMs

69% of WKRR(FM) Asheboro/Greensboro and WKZL(FM) Winston-Salem/Greensboro, N.C.

Value: \$35 million (worth of shares being redeemed by seller)

Buyer: James A. Dick Jr., Greensboro, N.C.; already owns 30.9% of WKRR and WKZL

Seller: Dick Broadcasting Co. Inc., Greensboro (Charles Arthur Dick, 30.8%

owner; Emily D. McAlister, 29.8% owner; Jeanette D. Hundley, 8.4% owner); no other broadcast interests

Facilities: WKRR: 92.3 MHz, 100 kW, ant. 1,275 ft.; WKZL: 107.5 MHz, 100 kW, ant. 994 ft.

Formats: WKRR: classic rock; WKZL: hot AC **WSLT(FM) Clearwater, S.C./Augusta, Ga., and WKXC-FM Aiken, S.C./Augusta**

Price: \$12 million

Buyer: Beasley Broadcast Group Inc., Naples, Fla. (George G. Beasley, chairman; Bruce Beasley, president, Radio Group); owns/is buying 15 AMs and 21 other FMs, including WCHA-FM, WGAC(AM) and WRDW(AM) Augusta, WGOR(FM) Martinez, Ga./Augusta, WAJY(FM) New Ellenton, S.C./Augusta and WRFN(FM) Warrenton, Ga./Augusta

Seller: George H. Buck Jr., Atlanta; owns four other FMs and 13 AMs

Facilities: WSLT: 98.3 MHz, 2.8 kW, ant. 484 ft.; WKXC-FM: 99.5 MHz, 22.5 MHz, ant. 728 ft.

Formats: WSLT: soft AC; WKXC-FM: country

Broker: Bergner & Co.

51% of KATY-FM Idyllwild/San Bernardino, Calif.

Price: \$2.5 million

Buyer: All Pro Broadcasting Inc., Idyllwild (Willie D. Davis, president/60% owner); owns KCXX(FM) Lake Arrowhead/San Bernardino, Calif., and 50% of two Wisconsin FMs and one Wisconsin AM. Note: All Pro already owns 49% of KATY-FM

Seller: KATY-FM LLC, Temecula, Calif. (Cliff L. Gill and Kay Sadlier-Gill, principals); no other broadcast interests

Facilities: 101.3 MHz, 1.15 kW, ant. 731 ft.

Format: AC

KREW-FM Naches/Yakima, Wash.

Price: \$1.3 million

Buyer: Clear Channel Communications Inc., San Antonio (L. Lowry Mays, chairman; Randy Michaels, chairman, Clear Channel Radio); owns/is buying 19 TVs and 1,111 other radio stations, including KIT(AM)-KATS(FM) and KMWX(AM)-KFFM(FM) Yakima and KQSN(FM) Toppenish/Yakima, Wash.

Seller: Butterfield Broadcasting Corp., Bellevue, Wash. (Gregory J. Smith, vice president/31.2% owner); owns KZZM(FM) Dayton/Weston, Ore., and KZTS(AM)-



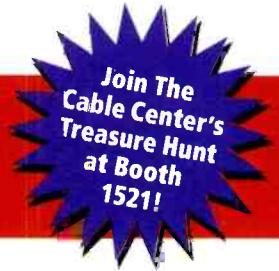
THE CABLE CHANNEL[®]

Video coverage of the broadband business.

**Watch it in your hotel room
@ The 2000 Western Show.**

Leading executives, analysts and journalists examine the key issues and trends driving the business today. With features on the new competition for African-American viewers, cable stock performance, broadband content, cable advertising, 25th anniversary of satellite delivery, reports from the general sessions and from the floor, extensive coverage of CableNET[®], and a one-on-one with ESPN's Chris Berman.

See it in streaming video on demand.
www.cablechannel.com



Produced in association with
Multichannel NEWS Cablevision **BROADCASTING**CABLE



Brought to you by:



The deal: Nine days.

"One thing that made a huge difference is First Union Securities' extensive expertise in the media and entertainment industry. Their strategic insights and strong relationships were invaluable to both the acquisition and sale process. They not only came up with smart, creative ideas, they also backed them with capital. Of course, flawless, fast execution helped too."

Ken Maness, CEO
Bloomington Broadcasting Company



Has acquired
**BLOOMINGTON
BROADCASTING
CORPORATION**

M & A Sellside Advisor



Changing Hands

KZTB(FM) Sunnyside, KZTA(FM) Naches/Yakima and KYXE(AM) Selah/Yakima, Wash. Smith owns KSWW(FM) Elna, Wash. Note: Butterfield bought KREW-FM for \$568,000 (Changing Hands, July 26, 1999)

Facilities: 99.3 MHz, 930 W, ant. 830 ft.

Format: Variety

WINL(FM) Linden/Demopolis (near Meridian, Miss., and Montgomery, Ala.), Ala.

Price: \$1.28 million

Buyer: West Alabama Communications Inc., Demopolis (Amy Ross Douglas, 35% owner; Randall W. Douglas, 30% owner). Principals also own WXAL(AM)-WZNJ(FM) (formerly WZNJ) Demopolis

Seller: Radio Communicators Inc., Meridian (David Majure II, president); no other broadcast interests

Facilities: 98.5 MHz, 100 kW, ant. 817 ft.

Format: Young country

KAZX(FM) Kirtland/Aztec/Farmington, N.M./Durango, Colo.

Price: \$1.26 million cash

Buyer: Clear Channel (see krew-fm Naches/Yakima item, above); owns/is buying kdag(fm) and ktra(fm) Farmington, kcql(am) Aztec/Farmington and kklg(fm) Bloomfield/Farmington, N.M.; is selling KDGO(AM)-KPTE(FM) Durango, KENN(AM)-KRWN(FM) and KNNT(AM) Farmington and KISZ-FM Cortez, Colo./Farmington

Seller: Radio Properties Inc., Farmington, N.M. (Richard Thomas, owner); no other broadcast interests

Facilities: 102.9 MHz, 100 kW, ant. 1,007 ft.

Format: Top 40

AMS

KRLA Pasadena/Los Angeles and KRAK Sacramento, Calif.

Price: \$68.31 million cash (\$65 million for KRLA; \$3.31 million for KRAK)

Buyer: ABC Inc., New York (Robert A. Iger, president; John Hare, vice president/president, Radio Division [Walt Disney Co., parent (Robert Iger, president)]); owns/is buying 10 TVs, 17 FMs and 33 other AMs, including KABC-TV-AM, KDIS(AM) and KLOS(FM) Los Angeles

Seller: Infinity Broadcasting Corp., New York (Mel Karmazin, CEO; Dan Mason, president; Viacom Inc., majority owner [Karmazin, chairman]); owns/is buying 132 FMs and 49 AMs, including KCBS-FM, KFWB(AM), KLSX(FM), KHTK(AM)-KNCI(FM), KFSM(FM), KXOA(FM), KYMX(FM) and KZZO(FM) Sacramento. Viacom owns 39 TVs, including KCBS-TV-DT Los Angeles and KMAX-TV Sacramento; is selling WBGR(AM)

Mergers and acquisition advisory services and syndication agent and arranger services are provided by First Union Securities, Inc. ("FUSI") member NASD/NYSE/SIPC. Loans are provided by First Union National Bank ("FUNB"). Equity investments are provided by First Union Corporation ("FTU").

Changing Hands

and WMBD(AM) Baltimore and KHVN(AM) Fort Worth, Texas (see next two items).
Note: Under this deal, Infinity keeps KRAK and KRLA offices and studios. Also: Radio-station divestitures were required in Sacramento and Los Angeles to gain federal approval of Infinity parent CBS Corp.'s merger into Viacom

Facilities: KRLA: 1110 kHz, 50 kW day, 20 kW night; KRAK: 1470 kHz, 5 kW day, 1 kW night

Formats: KRLA: talk (to be sports, including ESPN Radio); KRAK: country

Broker: Media Venture Partners Inc. (buyer)

WBGR and WMBD Baltimore

Price: \$5.4 million cash

Buyer: Expanse Communications Inc., Columbia, Md. (Jeanell J. Hines, president); no other broadcast interests

Seller: Infinity Broadcasting (see preceding item); owns WJFK(AM)-WLIF(FM), WWMX(FM) and WXYV(FM) Baltimore and WQSR(FM) Catonsville/Baltimore, Md. Viacom owns WJZ-TV Baltimore

Facilities: WBGR: 860 kHz, 2.5 kW day, .066 kW night; WMBD: 750 kHz, .7 kW day

Formats: WBGR: gospel; WMBD: Christian

Broker: Minority Media and Telecommunications Council

KHVN Fort Worth/Dallas and construction permit to build expanded band KOME

Price: \$4.7 million

Buyer: Trumpet Broadcasting System Inc., Heath, Texas (Clara McLaughlin, president/36.6% owner); no other broadcast interests

Seller: Infinity Broadcasting (see preceding two items); owns/is buying KLUV-FM, KRBF(FM), KRLD(AM) and KYNG(FM) Dallas, KOAI(FM) Fort Worth/Dallas and KVIL-FM Highland Park/Dallas; is selling KJOI(AM) (formerly KLUV) Dallas. Viacom owns 39 TVs, including KTVT-TV and KTXA(TV) Dallas/Fort Worth, requiring spinoffs of KHVN and KJOI

Facilities: KHVN: 970 kHz, 1 kW day, .27 kW night; KOME: 1630 kHz, 10 kW day, 1 kW night

Format: KHVN: gospel

Broker: Minority Media and Telecommunications Council

Construction permit for KSDG Julian (near sacramento), Calif.

Price: Cost of obtaining CP

Buyer: Jeffrey N. Eustis, Palo Alto, Calif.; has applied to build four AMs in four states (none California)

Seller: Edward L. Berkowitz, Norman, Okla.; no other broadcast interests

Facilities: 890 kHz, 250 W day, 330 W night

—Compiled by Elizabeth A. Rathbun



The relationship: Three years.

"First Union Securities knows our business. So they knew that BBC would be a terrific fit for us. In fact, they brought us the idea to invest in the first place. They also provided capital and supported us all the way through. We value our relationship with First Union Securities and look forward to more great ideas in the future."

Sieve Gormley, Managing Partner
Great Hill Partners

Management, Great Hill Partners
and First Union Capital Partners

Have acquired

**BLOOMINGTON
BROADCASTING
CORPORATION**

M & A Buyside Advisor

**BLOOMINGTON
BROADCASTING
CORPORATION**

Private Equity Investment

First Union Capital Partners

**BLOOMINGTON
BROADCASTING
CORPORATION**

Senior Credit Facilities

Arranger &
Administrative Agent

**FIRST
UNION[®]**
Securities

First Union Securities is the trade name under which First Union Corporation conducts its investment banking, securities, and capital markets businesses through its nonbank, and bank, subsidiaries including: First Union Securities, Inc. ("FUSI"), member NASD/NYSE/SIPC, and the institutional finance divisions of First Union National Bank ("FUNB"). ©2000 First Union Corp.

Washington



Sesame Street and other digital programming from 132 public broadcasting stations will be carried by the nation's second-largest cable operator.

Digital, courtesy of the letters TWC

PBS, Time Warner do carriage deal; interactive TV isn't part of it

By Paige Albiniak

Public broadcasting stations have completed a carriage deal with Time Warner Cable, with 132 PBS member stations signing on.

Most of the deal's details will remain private, but Time Warner Cable spokesman Mike Luftman says the nation's second-largest cable operator plans to carry all PBS' digital programming as soon as stations offer a digital signal.

"We have long been a believer in HDTV," Luftman says. "It's a technology that is a very powerful viewing experience. We think people will ultimately gravitate to it once prices come down."

Time Warner's 750-MHz systems carry analog signals on the lower 80 channels and digital signals on the upper 120, Luftman

said. PBS stations that offer both analog and digital signals will be carried on both tiers as long as both signals are offered. Luftman says system capacity is not an issue for Time Warner with regard to carrying digital signals during the transition.

"We do have enough capacity for the digital feeds of all the popular local broadcast signals," he says. "We are anxious to be able to carry them."

What Time Warner doesn't want to have to carry are all the "lightly viewed" stations, such as local religious broadcasters and home shopping channels.

Time Warner Cable has proved its interest in broadcasters' digital offerings by leading the industry in signing digital carriage deals. So far, besides PBS, it has agreements in place with ABC, CBS, Fox, NBC and

Belo Corp. Time Warner still must work out arrangements with the other major broadcast groups, such as Tribune, Luftman says.

PBS says the deal will help it move forward with digital transition, which by law must be completed by May 1, 2003.

"This is a groundbreaking collaboration between public television and Time Warner Cable," says Sidney Topol, a member of the PBS board of directors. "The agreement assures that millions of Americans will have access to expanded programming and education services on their local public TV stations' digital signal."

With Time Warner trying to complete its merger with AOL, critics are watching very closely any deals the company closes.

PBS has been in the forefront of developing high-definition programming, multiplexed channel offerings and enhanced television, which can deliver CD-ROM-like data to television sets through special set-top boxes. But PBS' agreement with Time Warner does not include enhanced or interactive television, says Ed Caleca, PBS' senior vice president of technology and operations.

Sources believe that the deal structure demonstrates how the new AOL Time Warner would try to force programmers to agree to allow content to be kept within a so-called "walled garden" that would be accessible only over Time Warner Cable systems and would not link with the rest of the Internet.

But Caleca is more sanguine. "We're working with them separately on interactive TV. There's no specific reference to interactive TV per se. But whatever we put on the 6 MHz of spectrum, they will take." He says PBS will soon finish deals with two other cable companies.

PBS is negotiating with Time Warner to have its interactive- and enhanced-TV products included in trials and later on cable systems. "We continue to work with Time Warner and others on understanding what it is that we need to get accomplished in interactive TV in current and future generations of set-top boxes," Caleca says. ■

Cable's set-top set-to

Retailers accuse operators of dragging their feet over deadline for separating security protection and interactive-TV functions

By Bill McConnell

The cable industry is squaring off again with retailers and consumer-equipment makers over digital set-top boxes.

In the latest round of acrimony, cable companies are trying to fight off a push to move up the government's 2005 deadline for banning MSOs' sale or lease of set-top boxes that integrate security protections with channel-surfing and interactive-TV functions. Retailers such as Circuit City and consumer-equipment makers, on the other hand, say the FCC should move the date to 2002, arguing that the cable industry is delaying development of open standards needed for manufacture of competing set-top boxes.

By slowing competitors, say retailers and their allies, cable companies can give themselves a crucial lead in introducing new TV services that competitors will have a hard time surmounting.

"The commission must require the cable industry to remove major barriers to the development of a commercial market for navigation devices as soon as possible," Consumer Electronics Association officials told the FCC in comments filed Nov. 15.

The cable industry, CEA said, is determined to control "virtually every aspect" of

the delivery of cable services, violating the intent of the 1996 law that forced cable companies to make security-protection devices that are compatible with retail set-top boxes available by July 1 of this year.

Although the FCC has no official numbers on the availability of retail boxes, a coalition of retailers asserts that none of the devices are yet on the market. That's particularly galling, equipment makers say, because cable broadband modems are increasingly available in stores. "Cable MSOs already 'own' the market for navigation devices"

but have turned to retailers to help establish a cable market for broadband data modems, wrote officials for the Consumer Electronics Retailers Coalition, a group comprising Circuit City, Best Buy, RadioShack, and Sears.

The retailers also argue that CableLabs, the cable industry's development arm, has been slow to develop standards that will be used by all cable systems for channel surfing and interactive services such as electronic program guides and are asking the

FCC to set specific interoperability rules.

But cable industry officials say the complaints are unfounded and urge the FCC to eliminate the ban on integrated boxes altogether. With separate security devices on the market now, traditional cable industry suppliers such as Scientific-Atlanta are ready to build retail set-top boxes based on CableLabs' specifications, said officials from the National Cable Television Association. "To NCTA's knowledge, no retailer has placed an order or made even a conditional commitment to purchase the manufacturers' host devices," the trade group wrote.

Furthermore, cable companies are rushing to get retail products on the market so they can compete with the retail offerings of direct broadcast satellite providers. "AT&T must establish a retail presence in order to remain competitive in this hotly contested marketplace," wrote its attorneys.






By accelerating the ban, the FCC would actually slow the development of interactive services, cable companies and their allies wrote, because they will be forced to shift their attention from developing new services just to get separate but very basic channel surfing boxes out the door. Such a decision "would impede technical innovation and slow the growth of the interactive and enhanced TV market," wrote Worldgate, a developer of interactive services. ■

'Cable MSOs already "own" the market for navigation devices.'

—Consumer Electronics Retailers Coalition



Simple, Secure Streaming

- TV  You've got the content. We've got the network. Together we can reach the world. Our secure broadcast network lets you stream high-quality, full-screen media content, embedded with advertising and merchandising to audiences around the world.
- Radio  It's simple. It's safe. It delivers superior results. You provide the entertainment - we'll supply the global arena.
- Sport  To sample the competitive benefits of streaming rich content, or to get your free "Commercial Guide to Rich Content", visit:
- Events 
- Pure Play 

www.madgeweb.com/bcw

The leading light in rich content delivery.

rich content, rich rewards 

Interactive Media

Election 101: Lessons learned

TV-news Web sites discover on the fly how to handle an election that doesn't want to go away



MSNBC.com Editor-in-Chief Merrill Brown (standing) and staffers at MSNBC.com looked to keep the site up to date on the news from Florida.

By Ken Kerschbaumer

In many respects, the 2000 presidential election was a coming-out party for TV-news-related Web sites. After all, in 1996, their online plans were based on much smaller staffs and much smaller anticipated audiences.

Needless to say, after days, of chad,

dimples and debates over exit polling, it'll be interesting to see in 2004 how the 2000 election affects online coverage and traffic control. Obviously, one thing going through everyone's mind will be to expect the unexpected.

"We couldn't dust off the last presidential-election plan because there was none

and the user universe has exploded in four years," says Steve Jones, executive producer, ABCNews.com. "We honestly had no idea what sort of traffic to expect, but, technically, we did well."

Scott Woelfel, president and editor in chief of CNN Interactive, says that, if there was one overriding lesson that came out of the election coverage it was that planning must be the priority, including planning for all types of scenarios. "Even when unpredictable news breaks out, you need to have a plan about how to deal with it.

"Second," he continues, "simplify the content. In addition to making it technically leaner, you need to make it easier to understand so that your audience can skim and digest it."

Woelfel's last lesson concerns the issue of "stickiness" and the need to demonstrate why your site is better than the competition and why the user should come back when the big story is over. "If the first steps are followed, however, this should be the result," he points out.

"We never expected the rush of visitors to maintain this pace, or the election process to take this long," says MSNBC.com General Manager John Nicol. "We've implemented a number of

YOU SHAMELESSLY SOLD TO FOUR DIFFERENT

Interactive Media

longer-term enhancements instead of the short-term election-night modifications in order to handle the on-going traffic."

One specific enhancement he cites is the integration of additional data-center servers into a second data center. But he gives much credit to the network's publishing system, Windows 2000 server OS, and partner relationships.

MSNBC.com sent more cached content than usual out to partners like Akamai. "That reduced our server load and our load on our connection to the Internet," Nicol says. "We can take ASP story pages, which are pages produced on the fly by pulling many sub-components into the story like Live Votes or stock quotes, and convert those pages to HTML files, flat pages that take little processor time."

One of the solutions ABCNews.com implemented tapped into ESPN.com's servers to help alleviate the load. Also, more headends were dedicated to election traffic. According to Jones, ABCNews.com dedicated 54 servers to election traffic, where they usually would use 15. The other Walt Disney Internet Group properties, and their servers, came in handy in a pinch: "We split that access across five networks to provide additional redundancy."

This election also saw a jump in demand

for streaming video for MSNBC.com. "On Election Day, more than 2 million people accessed our live video page," says MSNBC.com Editor-in-Chief Merrill Brown. "To us, that demonstrates that, when big events occur, consumers are coming to their PC for a converged experience in significant numbers."

Nicol points out that there is somewhat less flexibility in dealing with adjusting bandwidth requirements for streaming content vs. Web pages. "But, actually, handling streaming video isn't any more challenging than flat content, because the same concepts apply when it comes to adding servers on the backend and distributing the load to partner providers around the Internet, like iBeam."

Since the launch of MSNBC Cable and MSNBC.com in July 1996, Brown says, there has been an enormous amount of energy focused on the development of video products. "Media streaming is a critical part of the convergence mission of MSNBC, critical in our ongoing invention of Internet news, critical for our efforts to build savvy promotion strategies, critical to building audience, and fundamentally at the heart of our mission. The PC is a huge market for video news that never existed before."

ABCNews.com's e-mail feature also saw a jump in popularity, typically sending

'On Election Day, more than 2 million people accessed our live video page. To us, that demonstrates that consumers are coming to their PC for a converged experience in significant numbers.'

—Merrill Brown, MSNBC.com

TV NEWS SITES

October 2000
Ranked by traffic

SITE	Unique visitors (000)
1 MSNBC.com	9,454 up
2 CNN.com	8,023 up
3 ABC News*	4,091 up
4 FoxNews.com	2,007 up
5 CCNFn.com*	1,407 down
6 CNBC.com	1,204 down
7 Bloomberg.com	978 down
8 WebFN.com	...
9 CBSNews.com	...
Total WWW	78,534 up

Source: Media Metrix
... = Statistically insignificant traffic

TOP CABLE AND NETWORK SITES

October 2000
Ranked by traffic

SITE	Unique visitors (000)
1 NBCi*	14,657 up
2 MSNBC.com	9,454 up
3 CNN.com	8,023 up
4 Weather.com	7,646 down
5 ESPN*	7,140 down
6 EOnline.com	3,900 up
7 Discovery.com	3,722 up
8 ABC*	3,308 up
9 MTV.com	2,931 down
10 CBS.com sites*	2,855 down
11 PBS.org	2,618 up
12 CartoonNetwork.com	2,119 down
13 FoxNews.com	2,007 down
14 Fox.com sites*	1,269 up
15 FoodTV.com	1,230 up
Total WWW	78,534 up
Cable and Network Universe	38,805 up

Source: Media Metrix

* Represents an aggregation of commonly owned/branded domain names.

Up/down compared to last month.

Media Metrix definitions:

Unique visitors: The number of total users who visited the reported Web site or online property at least once in the given month. All unique visitors are only counted once.

Cable and network universe: The total number of unique pages viewed on the sites belonging in the cable and network TV category of Web sites.

Sample size: Approximately 60,000 individuals throughout the U.S. participate in the Media Metrix sample.

THE SAME SPOT ADVERTISERS.

Call 877-9-SpotOn
or visit www.spoton.tv.



IN BRIEF

EXCITED ABOUT CABLE DOWNLOADS

Excite@Home is launching a new broadband application that will allow users to download various software programs via a subscription (about \$10 per month) or pay-per-usage option (around \$3 for 48 hours).

Into Networks will offer its PlayNow services, and Media Station will make SelectPlay services available. Education and entertainment titles will account for the majority of the service offerings.

TV GUIDE, ICTV SIGN INTEGRATION PACT

TV Guide International and ICTV have signed an integration agreement that will allow for the switching between TV Guide Interactive and various ICTV applications.

The integrated system will work with any GI set-top, and ICTV CEO Robert Clasen says it will allow cable MSOs to add an Interactive Program Guide, an e-mail client, television commerce and broadband content into their systems.

CANAL+ U.S. TO OPEN VIEWING LOUNGE

Canal+ U.S. Technologies will introduce at this week's Western Show in Los Angeles the first Universal Music Group (UMG) product to be ported to interactive television set-top boxes.

The Viewing Lounge (TVL), a program from UMG's debut network of broadband music programs, allows viewers to create personalized, custom blocks of music-video programming.

With the service, viewers can watch and navigate, via remote control, full-screen TV-quality music videos.

out two e-mails a day. "E-mails are a terrific way to enhance our relationship with our audience," Jones says. "They serve to keep our users updated on major stories, and I emphasize the word 'major.' We don't barrage our users with irrelevant developments."

The breaking-news e-mail has been offered for a couple years, but it was only recently that ABCNews.com upgraded the service and emphasized its value to users.

One great thing about the nature of the Internet is that it allows the network to get a much stronger handle on how the viewer demands the content. Where the television side of things can't tell if someone is watching the program intently or watching while ironing, the same can't be said of the Internet. "When any significant announcement was made by NBC News or MSNBC Cable, we would see a sudden influx of visitors to our

site," says Nicol. "It was apparent that people were both watching TV and checking the Internet, very much in parallel."

He adds that MSNBC also realized that visitors tended to hit "refresh" over and over, greatly increasing page views and site load.

"There are ways that we could create an even better experience for our users under those conditions. Success on the Internet is all about learning and evolving. We will continue to do both."

Learning and evolving aside, if the election and the days that followed demonstrated anything, it was that the Internet is already estab-

lished as a leading information medium.

"The election offered an opportunity to demonstrate just how well it can convey certain types of information," says Woelfel, "despite the ready availability of similar information in other media, including television." ■

If the election and the days that followed demonstrated anything, it was that the Internet is already established as a leading information medium.

Zap2it zips to set-tops

AT&T Broadband will distribute movie service to digital customers

By Richard Tedesco

Tribune Media Services is set to start sending its Zap2it localized movie service through digital set-top boxes, with AT&T Broadband as its first customer.

AT&T will start distributing Zap2it Movies to all its digital cable customers early next year, according to an AT&T spokeswoman, who declined to put a date on the rollout.

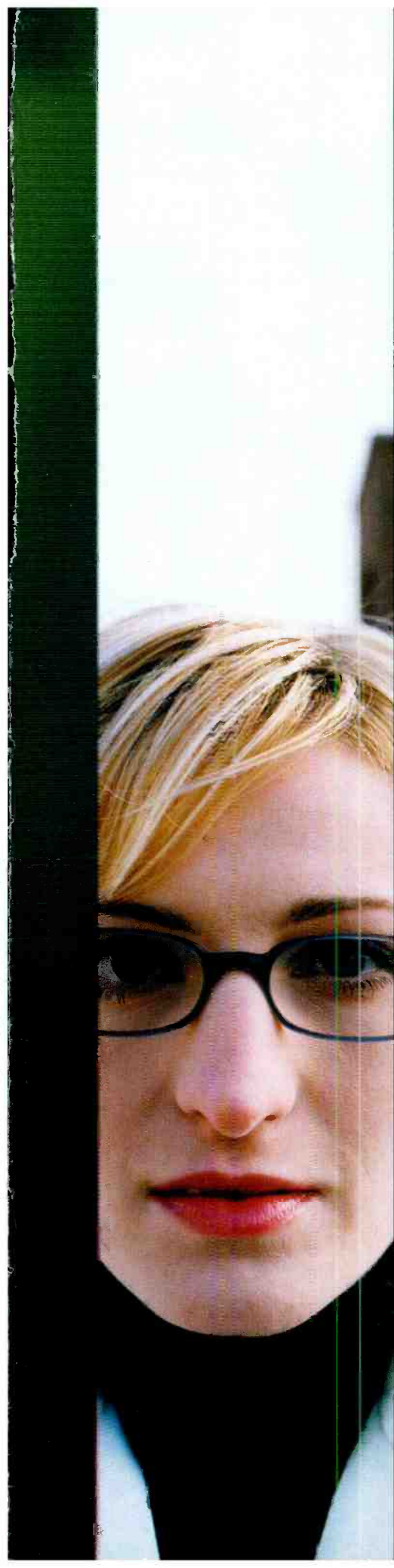
What they'll be seeing is an enhanced form of what Tribune now produces on the Web: Zap2it movie listings, organized according to release dates, with thumbnail descriptions of the films and local-theater screen times. Customers will be able to view the information on their TV screens and order tickets.

Tribune splits the revenues from ticket sales



Zap2it will give digital cable customers movie listings, descriptions of films and screen times.

and e-commerce, such as T-shirts and other merchandise, with affiliated cable operators, who will be able to sell their own local ads around the content. "It's a very good arrangement between us and the operator for a prod-



If I had my own
channel I would only
put on shows that
depict strong,
independent women so
I could see how they
do their hair.

You won't believe what you can do with ReplayTV. It's not a VCR — it's a digital video recorder, so you can actually pause live television and do your own live instant replays. It also has a search engine, so you can punch in a keyword, say, "Golf," and it will find and record any golf program that comes on — all without videotape. If you're away from home, no problem — just go to MyReplayTV™ on **YAHOO!** (tv.yahoo.com) where you can find and record shows on your ReplayTV from anywhere. All this and a free lifetime subscription are why ReplayTV is the critics' choice.* Call us at 877-replaytv or visit www.replaytv.com.

 **replaytv™** some televisions have all the fun.

Available at Best Buy, Sears and 800.com

*Based on head-to-head reviews in *Satellite Business News*, 7/19/00, *Philadelphia Daily News*, 6/16/00, and the *LA Times*, 5/4/00. Yahoo! and the Yahoo! logo are registered trademarks of Yahoo!, Inc. ©2000 ReplayTV, Inc.

IN BRIEF

BMG TAPS VIRAGE

BMG Entertainment is using the Virage Internet video-application platform to syndicate music videos on the Internet. Virage's SmartEncoder services and Syndication Manager software will be used by BMG to make music videos available in streaming form to both internal and third-party syndication partners.

MUSIC CHOICE ONLINE

Music Choice, known for its digital cable music service, has signed syndication deals with three online sites: Medium4, Whiskey-A-Go-Go and Ocean Pacific (OP).

Under the agreements, Music Choice will provide commercial-free digital-music programming targeted to each site's audience.

RESPOND TO PBS

The Public Broadcasting Service has tapped RespondTV to be its preferred enhanced-TV provider.

RespondTV will support and develop walled gardens and program-synchronous-enhanced broadcasts for participating PBS member stations, program sponsors and educational products.

The company will also become a member of PBS Technology Alliance Partner Program.

STREAMSEARCH SHIFTS WITH LAYOFFS

Multimedia search engine StreamSearch.com is laying off 25% of its 200-person staff as it focuses on business-to-business functions and de-emphasizes the consumer side, according to a company spokesman.

The St. Louis-based firm will demonstrate a version of its search engine for interactive TV with ICTV at the Western Cable Show, and will recast its site for that purpose.

uct where we share in the revenue and both benefit from advertising sales," said Barbara Needleman, vice president of entertainment products for Tribune Media Services.

The service is designed to be delivered through any digital set-top. But its most compelling feature—movie trailers in MPEG format—will be available only through the General Instrument DCT 5000 and the Scientific-Atlanta Pegasus advanced digital set-tops.

As a major newspaper publisher, Tribune already collects information for 32,000 movie screens in the U.S. and Canada, according to Needleman, who says the new digitized Zap2it is a further expansion of what the company is doing online.

"We've been in the business of collecting

this information, so we have good relationships with the studios and the theater owners. This is going to be a beneficial way for them to promote their movies, because they'll be able to deliver video clips."

This is going to be a beneficial way for [movie screens] to promote their movies, because they'll be able to deliver video clips."

—Barbara Needleman, Tribune Media Services

At the Western Show this week, Tribune is demonstrating the movie service along with a Zap2it community channel for local events and classifieds that can also accommodate accompanying video clips. Tribune also has developed on-screen electronic TV guides.

Tribune will also introduce Zap2it Express, an on-air program guide that delivers customized basic, digital, premium and pay-per-view listings on a grid with up to six channels, three half-hour listings per channel, time and optional local-temperature feature. ■


Bubble bursts for Burst.com

Another video streamer showed signs of buckling last week. Burst.com laid off 80% of its workers. Citing the downturn in marketplace conditions for the cost-cutting move, Burst.com President and CEO Doug Glen said the company had raised new equity financing from SBC Communications.

In a prepared statement, he also reported that Burst.com had reduced its projected "burn" rate to \$500,000 per month, from \$1.5 million per month.

Cutting 77 of 95 positions—mostly in marketing and sales—was Burst's remedy for a high burn rate. "Our prudent action will impact the ability of Burst to author and fully develop on its own the future generations of its current suites of products," Glen said, adding that he is confident the company will still be able to work with SBC and other "large strategic partners" with which it is in ongoing talks.

Burst reported a \$4.7 million loss for its third quarter on revenues of nearly \$95,000, compared with a loss of \$4.9 million for the same period a year ago, when it had no rev-



Burst.com has cut its burn rate as well as most of its staff.

enes to report. It lost \$14.7 million on revenues of \$450,000 for the first nine months of the year. As of Sept. 30, it had about \$3.2 million in cash on hand.

The company game plan remains the same: Deploy its patented Burstware software on its own network to enable efficient delivery of "TV-quality" video and audio on the Web. To date, Burst has been a host for video streams from rock star Neil Young and a few small, independent content providers. —R.T.

A canoe on the Pacific?

To become an ocean liner on the Web ocean, aggregate and affiliate

Longer ago than I care to admit, a bunch of my cerebral college buddies and I used to get together once a week and discuss the problems of the world. Before the beer buzz set in, we'd manage to fix a few.

I've been pleased to engage in some philosophical but practical discussions with some of you as well. I've had a few similar phone and e-mail conversations with such folks as Uli Haller, manager of the local affiliate program for MSNBC.com.

Not only is MSNBC.com the Web presence for MSNBC, but it provides content for, and acquires content from, local NBC affiliates. Given this two-way door, I asked Haller what he felt the relationship should be between a national news-aggregator site and affiliates.

Haller favors an aggregator-partner approach to the national site-affiliate relationship. "Local stations can do it on their own, as many have proven, even with cutting-edge technologies like streaming.

"Nevertheless," he told me recently, "the Web is a medium of part-

nerships, where even the strongest individual sites ultimately benefit from having a variety of relationships. It is why they call it a 'Web,' after all."

Haller doesn't believe that, just because you have a great local site, with great technology, on-air promotion and your Web address plastered on the side of city buses, that you will get the eyeballs you seek.

"Just as 'hot' technology is often the most desired element in building a station's Web site, distribution is often overlooked in most stations' plans," he said. "Putting up a basic Web site is a bit like having a rowboat in the Pacific.

"Add great technology," Haller continued, "and now you've got an ocean liner—

you're now a big boat, but you're also still a relatively small dot in a vast ocean.

"The paradox of the Web is that it is a universal medium—you can reach every Internet household from a single site—but the universe of the medium is so large, there are so many Web sites, that you have to find ways to bring your product to the attention of potential users."

Don't misunderstand him, though. He believes that yes, on-air promotion of your Web site, within your market, indeed has its place. Yet he takes pains to point out some technical and marketing limitations inherent in staking all of your hopes on these avenues.

"The obvious answers to the distribution problem—local

on-air promotion and search engines—are fine, as far as they go. Local on-air promotion does not take you outside of your DMA," he said. But "even inside your DMA, you're marketing mainly just to your own news audience through on-air mentions."

You might think that search engines can help you broaden your Web site's audience. But, in my exchanges with Haller, I was reminded of a fact that not everyone knows.

These utilities work by crawling the entire estimated 4 terabytes of the Web, building some or most of the text content of every Web page into a database. When users go to a search engine and perform a query, they are not searching the Web per se but searching the database the search engine has made.

Typically, it can take several weeks for your Web content to appear in a search engine database. This means that the online preview you posted last week of a five-part news investigation you are set to air this week won't appear in a search engine for several more weeks.

"In fact," Haller noted, "many search engines won't index news content because it is too dynamic. By the time the search result is posted, the news story has been taken down."

That's where content-distribution partnerships can be helpful. A national news site or content syndicator can work with you to facilitate posting of your content in a timely manner. So you avoid the local-reach limitations of your own sites, as well as the long lead-

time that search engines require to index your content to a more geographically diverse audience.

"The local/national relationship is a reversal of the traditional broadcast part-

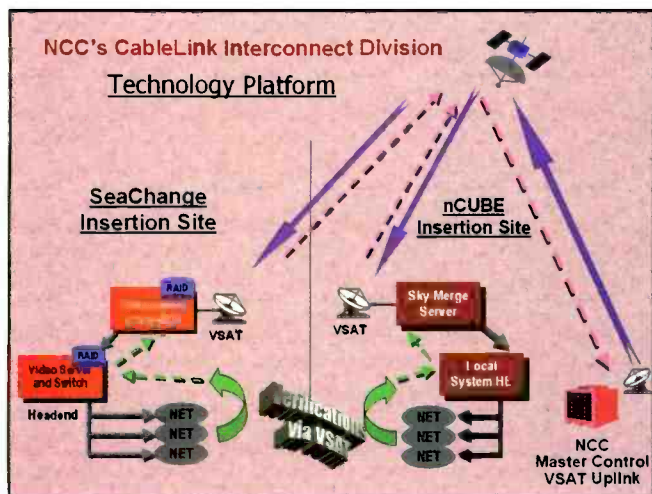
nership, where the local station is the distributor of the national signal. On the Web, the national site is often the distributor of the local content to audiences beyond those reached by the local site itself," said Haller. "Hooking up with successful content aggregations ... is the next step in building a powerful distribution network, both within your traditional market and beyond." ■

Russell Shaw's column about Internet and interactive issues appears regularly. He can be reached at russellshaw@delphi.com.

Even the strongest individual sites ultimately benefit from having a variety of relationships. It is why they call it a "Web," after all.

NCC connects Northeast

Rep firm launches CableLink for local-ad insertion in three markets



CableLink leverages two-way VSAT technology to deliver spots and verify their playback.

By Glen Dickson

Extending big-market convenience to midsize markets, cable-rep firm National Cable Communications has successfully launched advertising interconnects in Providence, R.I.; New Bedford, Mass.; and Hartford-New Haven, Conn. New York-based NCC, which manages digital interconnects in Chicago, Detroit and Washington, is due to launch a third "CableLink" interconnect in Buffalo, N.Y., next Monday.

CableLink Interconnects, formerly

NCC's Consolidated Interconnect Division, uses dedicated file servers to connect to operators' existing local-ad-insertion gear, creating a fully functional interconnect that allows national advertisers to easily place a spot across an entire DMA.

NCC, which is owned by AT&T, Time Warner Cable, Comcast Cable, Cox

Communications and Katz Media and also works with Charter Communications and Adelphia Cable, has been developing CableLink since March 1999.

"At that time, each of the MSOs sent their chief ad sales engineers to form a technical committee, and we worked with them to identify the best possible platform to achieve maximum consolidation," says Ken Little, NCC executive vice president of technology. "We landed on the current technology platform early in 2000, and now we've begun to deploy it."

In addition to the MSOs' agreeing to pursue regional interconnects, a technical breakthrough in early 1999 helped make CableLink possible: the ability of local-ad-insertion equipment to handle two sets of files, both national and local spots. Server vendors SeaChange and nCube came up with software modifications to make that possible, says Little (SeaChange provides most of the digital file-server technology for CableLink, but some customers' nCube servers are also used with the help of middleware from Video Networks Inc.).

At the core of CableLink is two-way VSAT satellite technology from Hughes Network Systems, which allows NCC not only to deliver spots and schedules but also to receive confirmation of their receipt and playback.

"You have to have universal verification running at each headend," says Little. "That's where the VSAT platform comes into play. We send the video out with the schedule, and the VSAT backhaul gives us verification that the data got there and verification that the spot played at the right time."

CableLink's architecture is based in Bloomfield, N.J., where NCC receives spots at its Operations Center. Spots are

on screen | on air | online

creative moves come from within...

compressed in the MPEG-2 format and stored in SeaChange's Spot Master Video Library, which interfaces with CCMS' Novar traffic and billing software. Spots and schedules are then sent as IP files to cable headends, where they are received and managed by SeaChange servers and database software. Although NCC tracks spot playback on a headend-by-headend basis in a market, CCMS has modified its software to generate a single marketwide affidavit for customers.



NCC's Little: "There's tremendous cost savings passed on to the ad agency."

The Providence-New Bedford interconnect currently reaches about 470,000 cable subscribers, connecting Cox Cable Rep's Providence systems with AT&T Media Services' systems in New Bedford and Taunton, Mass. Hartford-New Haven's system, which connects AT&T, Cablevision, Charter, Comcast, Cox and Tele-Media operations, reaches 810,000 subscribers. Buffalo's CableLink, which will combine Adelphia and Time Warner systems, will reach some 470,000 subscribers.

"There's tremendous cost savings passed on to the ad agency," says Little. "When an agency wants a spot, they just send media to Bloomfield, and we can multicast that across every single network and every system." ■

ACTV targets spot market

Aims to change the way cable subscribers watch commercials

By Glen Dickson

Casual followers of the interactive-television scene may remember ACTV as the company that teamed with Fox Sports Southwest to produce enhanced sports broadcasts with reams of stats and a Star Cam focusing on marquee players. Convergence enthusiasts might be familiar with HyperTV, ACTV's technology for linking Internet content to television programming.

But few industry watchers may be aware of ACTV's ambitious effort to transform the way cable subscribers watch commercials. Through a subsidiary named Digital ADCO, which counts Motorola and OpenTV as investors, ACTV wants to deliver individualized commercials, so that a family gets a minivan ad while a bachelor gets one for a sports car.

The software-based system, branded SpotOn, is designed to work with existing digital set-tops such as the Motorola DCT-1000 and DCT-2000 models. It will begin testing in January at AT&T Broadband's



Consumers can get a choice of ads through ACTV's SpotOn system.

system in Aurora, Colo. ACTV has also picked up advertising firms Grey Global Group and CYLO as SpotOn partners.

"For the first time, we're going to be able to give the consumer more-relevant ad

copy to the household," says Marc Favaro, vice president of national advertising sales for AT&T Broadband. Using ACTV's One-to-One TV software, AT&T will experiment with both presenting viewers a choice of advertising and using the intelligent memory in the set-top

box to allow viewers to select relevant commercials.

"If we've got the ability to overlay some content to the customer, you're going to see a commercial message from Ford Motor Co., where you could pick 'a' for Windstar or 'b' for Excursion," says Favaro. "But we want to make it as relevant as we can for the consumer. Over time, if they click on 'a' for

'For the first time, we're going to be able to give the consumer more-relevant ad copy to the household.'

—Marc Favaro, AT&T Broadband

Powerful, production proven, forward thinking.

Lead your local market today and tomorrow with Discreet's advanced broadcast solutions. Discreet™ delivers powerful effects, 3D, real-time graphics, virtual studio, and workgroup editing tools to help build your station's brand and gain a wider audience. And with improved workflow and productivity, artists and editors can create compelling content once, and use it in virtually any medium, from film to HDTV to the web. Make your move to Discreet. It could be the start of a beautiful relationship.

Visit www.discreet.com or call 1.800.869.3504

but a great partner never hurts

discreet™

Ford Windstar, we may offer up [additional] commercial copy that's more relevant to that choice of ad, such as commercials for diapers or baby food."

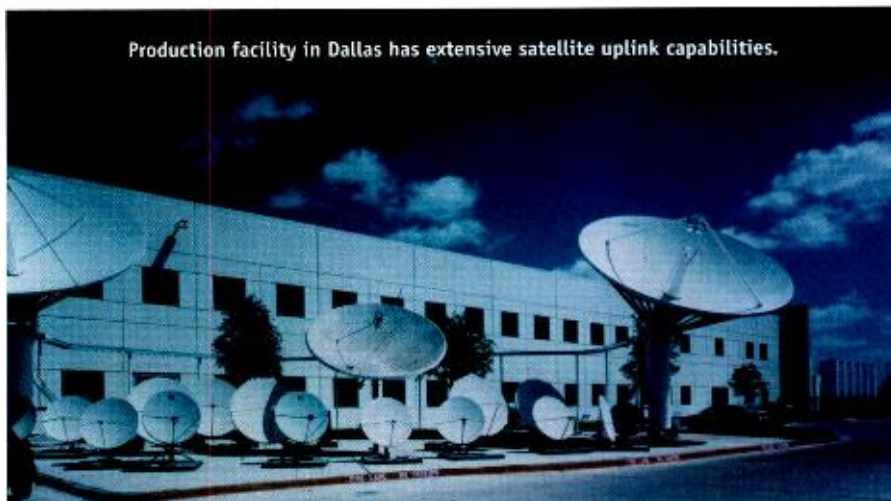
The basic premise of SpotOn is that the process is transparent to the TV viewer. And that's where ACTV's "seamless-switching" technology comes into play. According to ACTV President David Reese, the software can switch from one MPEG-2 stream to another, at the set-top, without any channel latency (otherwise known as "acquisition time," the momentary delay while a digital set-top box tunes in a new MPEG-2 stream).

"I would argue that you significantly reduce the effectiveness of a targeted ad if you get any video effect [to indicate] that anything happened," says Reese. "This application ensures that the appropriate segments are delivered to the set-top box."

ACTV's "pin-switching" technology, he says, can be used to target commercials within an operator's analog or digital tier. "The channels don't have to originate in the digital channels. We can take an analog channel and virtual-channel-map a commercial to a digital channel."

ACTV is also bringing its One-to-One TV technology to pay-per-view sports through an agreement with iN Demand and Liberty Media, which is ACTV's biggest investor (subsidiary Liberty Digital owns more than 25% of ACTV). The concept is that a pay-per-view customer could watch different views of a sporting event or receive enhanced content, such as highlight packages, stats or instant replays.

ACTV isn't backing away from convergence applications such as HyperTV, which is used to distribute enhanced programming daily for The Box Music Network and has also been used by New Line Television, TBS and Starz Encore. The company has also acquired Silicon Alley firm Bottle Rocket to target Internet gaming and has partnered with Sportvision to develop "two-box" applications that marry television and Internet sports coverage. Eventually, those applications are expected to meld in TV via next-generation set-tops. ■



Primedia launches production arm

Publishing giant redirects assets to enhance digital video

By Glen Dickson

After announcing last summer that it would use its considerable magazine assets to springboard into digital video, publishing giant Primedia has advanced those plans by forming a full-service production company.

Primedia Productions, a division of Primedia Digital Video, isn't necessarily a new entity as much as a strategic reorganization of existing Primedia assets, according to Primedia Digital Video President Bruce Gamache. It comprises existing production facilities in Dallas, the home of business-television effort Primedia Workplace Learning, and in Los Angeles, where teenage-news network Channel One Network has space in Raleigh Studios.

But taken in sum, Primedia Productions' holdings include an area of more than 200,000 square feet, more than 100 production employees, nine studios,

satellite uplink capability, nonlinear editing, graphics, and digital media services such as encoding, Webcasting, hosting, streaming and digital-content management.

Primedia Productions will both support Primedia's digital video initiatives and will also handle outside business, particularly in its full-blown digital production facility in Dallas.

Primedia Production's initial focus, he says, will be on companies that are entering the "broadband area" and looking for production and digital media services. Primedia already handles production, encoding and streaming

for outside clients.

"We can do a production from scratch and get it up on a Web site in a couple days," says Gamache.

But, while Primedia Productions will handle a lot of Internet-related business, Primedia Digital Video's target is the television set-top box, not the PC. ■

'We can do a production from scratch and get it up on a Web site in a couple days.'

—Primedia's Bruce Gamache

CuttingEdge

BY GLEN DICKSON

HAUPPAUGE SHIPS PVR FOR PCS

TV tuner-board manufacturer Hauppauge Digital is shipping its "WinTV-PVR-pci," a hard-disk recording device designed to bring personal video recording technology to the PC. The \$249 device features a built-in MPEG hardware compressor that facilitates the recording of television shows to a computer's disk drive.

WinTV-PVR-pci allows PC users to watch TV in a window or in full-screen mode on their PC monitor, pause live TV and record shows in Video CD format onto a CD-ROM disk for playback in a DVD player. It also includes an infrared remote control and a built-in FM radio receiver for radio listening through the PC.



NBC's real-time election graphics were driven by SGI servers and Discreet software. Tim Russert was driven by something else.

SGI POWERS NET'S ELECTION GRAPHICS

All the major news networks relied on SGI's computing power to drive real-time graphics during Election 2000 coverage on Nov. 7. The most prolific user was NBC, along with its cable networks MSNBC and CNBC, which

relied on nine SGI Onyx2 servers with Discreet's Frost graphics software and on 40 SGI 230 visual workstations, which were used to take in poll data and send it to the Onyx2 servers.

CBS used five Onyx2 systems and O2 visual workstations, both with Vi[z]rt's Viz software, to play back and preview graphics and an Origin 2000 server to run the database that pulled information from Voter News Service and sent it to the Onyx2 servers. And ABC, CNN and Fox News Channel all used multiple Onyx2 systems with Discreet's Frost software for their real-time graphics.

VNI GETTING NEW-FUNDING, NAME

Video-distribution firm Video Networks Inc. (VNI), which delivers news segments for NBC Newschannel and cable spots for Charter Communications and AT&T, closed a \$66 million equity round last week and announced that it is changing its name to

Pathfire.

The new funding was led by a \$20 million investment by media and communications specialists Quadrangle Group. Other new investors include Enron Broadband Services, Halpern Denny & Co., PanAmSat, Reuters, Riggs Capital Partners and Sand Hill

Capital. Previous investors who participated in this funding round include Alliance Technology Ventures, AT&T Ventures, Bank of America Capital Investors, Institutional Venture Partners, Kinetic Ventures, Monarch Capital Partners, Noro-Mosely Partners, UPS Strategic Enterprise Fund and U.S. Venture Partners.

Robertson Stephens served as the agent for the financing, which will help VNI place more of its receive servers at broadcast stations for the delivery of ads and syndicated content, says VNI president and CEO Michael Eckert. VNI is also targeting the video-on-demand and streaming markets.

Eckert says Pathfire typifies what VNI does well: "We fill the bandwidth with content and fire it up."

OMNIBUS, QUANTEL IN CANADIAN DEAL

Automation firm OmniBus Systems and graphics-and-server supplier Quantel have teamed on a \$1.3 million deal to install the Inspiration integrated news-production system at Canadian television network Radio Canada. Inspiration will support the news operations of both Radio Canada, Canada's largest French television network, and the RDI 24-hour news network as part of a new Montreal studio called the News Complex.

Inspiration, a solution jointly developed and marketed by

OmniBus and Quantel, couples Quantel's Clipbox and Cachebox video servers with OmniBus browse software and automation technology to support embedded editing, journalist browsing and editing, transmission automation and story preparation.

AT&T TO TEST REPLAYTV

AT&T Broadband and ReplayTV will start a joint marketing trial of ReplayTV's personal video recorder (PVR) system to AT&T digital cable subscribers in Boston and Denver later this month.

The ReplayTV devices, which will be standard ReplayTV units with AT&T branding, will be marketed directly to AT&T customers at a "special offer" price, according to ReplayTV Vice President of Business Development M3 Sweatt. The units will be sold to up to 5,000 customers in each market for use with their existing Motorola DCT-2000 digital set-tops.

"We hope to mutually gain insight as to how the ReplayTV system adds value to digital subscriptions and impacts the retention and satisfaction of individual customers," says Sweatt. ReplayTV is also involved in PVR trials with Time Warner Cable and Comcast and has formed a joint venture with Charter Communications, Motorola and Vulcan Ventures to integrate PVR functionality into cable set-tops.

We cover NATPE

What's on the menu for NATPE? The best way to find out is to have unlimited consumption of *Broadcasting & Cable*.

As the most delectable source for NATPE news, no other publication serves detailed analysis of every show event. From the latest programming news to in-depth feature stories, we'll serve you the most complete and balanced coverage that best suits your taste



ISSUE	ISSUE DATE
PRE- PRE- NATPE <i>NATPE Buyers Guide</i>	Mon., Jan. 8, 2001
PRE-NATPE <i>Guide to New Media Players</i>	Mon., Jan. 15, 2001
NATPE <i>Syndication Strategies for the Top 25 Station Groups</i>	Mon., Jan. 22, 2001
NATPE DAILY #1	Tues., Jan. 23, 2001
NATPE DAILY #2	Wed., Jan. 24, 2001
NATPE DAILY #3	Thurs., Jan. 25, 2001

from soup to nuts

With our NATPE Shopping Guide, 4-color tabloid sized Pre-NATPE, show and daily issues, you get countless opportunities to reach top industry leaders and decision makers. Call your *Broadcasting & Cable* representative today to reserve space and become the main course at this year's convention.



SPACE CLOSING DATE**MATERIALS DUE**

Fri., Dec. 29, 2000 Tues., Jan. 2, 2001

Fri., Jan. 5, 2001 Tues., Jan. 9, 2001

Fri., Jan. 12, 2001 Tues., Jan. 16, 2001

Fri., Jan. 12, 2001 Tues., Jan. 16, 2001

Fri., Jan. 12, 2001 Tues., Jan. 16, 2001

Fri., Jan. 12, 2001 Tues., Jan. 16, 2001

BROADCASTING **CABLE**

Chuck Bolcom: 775-852-1290 • Marcia Orcutt: 323-549-4114 • Yvonne Pettus: 212-337-6945
Rob Payne: 212-337-7022 • Michael Farina: 212-337-6941 • Classified Advertising & Marketplace Advertising: 866-258-1075

VISIT OUR WEB SITE: www.broadcastingcable.com

Datebook

This Week

Nov. 28 CTAM Pre-Western Show luncheon. Los Angeles Convention Center, Los Angeles. Contact: Seth Morrison (703) 549-4200.

Nov. 28-Dec. 1 California Cable Television Association Western Show. Los Angeles Convention Center, Los Angeles. Contact: Paul Fadelli (510) 428-2225.

Nov. 29-Dec. 1 SCTE 2000 Western Show (The technical sector of the show above.). Los Angeles Convention Center, Los Angeles. Contact: Caroline Croley (610) 363-6888.

Nov. 30 CAB Local Sales Workshop. Los Angeles Convention Center, Los Angeles. Contact: Jill Schneider (212) 508-1237.

December

Dec. 2 Associated Press Television-Radio Association Seminar. KBWB-TV San Francisco. Contact: Rachel Ambrose (213) 626-1200.

Dec. 2-3 Television News Center Reporter Training. 1510 H Street NW, Washington. Contact: Herb Brubaker (301) 340-6160.

Dec. 4-6 PaineWebber 28th Annual Media Conference: New Beginnings. Grand Hyatt Hotel, New York City. Va. Contact: Amy Rosenberg (212) 713-8510.

Dec. 12 New York Association of Black Journalists 14th Annual NYBJ Scholarship & Awards Dinner. Roone Arledge Auditorium, Alfred Lerner Hall, Columbia University, New York City. Contact: April Prince or Renée E. Warren (212) 370-5483.

Dec. 12-15 Content Management Network Web Content Management for News and Media. Hilton Alexandria Old Town, Alexandria, Va. Contact: Laura Murray (617) 482-3258, ext. 208.

Dec. 13 IRTS Annual Christmas Benefit Luncheon. Waldorf-Astoria Hotel, New York City. Contact: Marilyn Ellis (212) 867-6650, ext. 303.

Dec. 15 HRTS Premiere of HRTS Mentoring Foundation Benefit (formerly the HRTS Holiday Party). Beverly Hilton Hotel, Beverly Hills, Calif. Contact: Gene Herd (818) 789-1182

January 2001

Jan. 8-10 SCTE Conference on Emerging Technologies. New Orleans Hilton Riverside Hotel, New Orleans. Contact: Alex Springer (800) 524-5040, ext. 232.

Major Meetings

Nov. 28-Dec. 1 California Cable Television Association Western Show. Los Angeles Convention Center, Los Angeles. Contact: Paul Fadelli (510) 428-2225.

Jan. 22-25, 2001 National Association of TV Program Executives 37th annual Conference and Exhibition. Las Vegas. Contact: Lana Westermeier (310) 453-4440.

April 21-26, 2001 National Association of Broadcasters Annual Convention. Las Vegas. Contact: Kathleen L. Muller (202) 775-3527. **TVB** Annual Marketing conference, **April 23-24, 2001.**

Contact: Janice Garjian (212) 486-1111. **June 10-13, 2001 National Cable Television Association** Annual Convention. Chicago. Contact: Bobbie Boyd (202) 775-3669.

Sept. 5-8, 2001 National Association of Broadcasters Radio Show. New Orleans. Contact: Gene Sanders (202) 429-4194.

Sept. 12-15, 2001 Radio-Television News Directors Association International Conference and Exhibition. Nashville. Contact: Rick Osmani (202) 467-5200.

Nov. 5, 2001 BROADCASTING & CABLE 11th Annual BROADCASTING & CABLE Hall of Fame. New York Marriott Marquis, New York. Contact: Steve Labunski (212) 337-7158.

Jan. 11-14 National Educational Telecommunications Association The NETA Conference. Hyatt Regency, Savannah, Ga. Contact: Beth Helberg (803) 799-5517.

Jan. 18-19 E.J. Krause International Sport Summit/Sport Summit Interactive 2001. Marriott Marquis Hotel, New York. Contact: Chyrl Dorcas (212) 714-1280, ext. 337.

Jan. 22 Association of Local Television Stations ALTV Convention. Las Vegas Hilton, Las Vegas. Contact: Angela Giroux (202) 887-1970.

Jan. 22-24 National Cable Television Cooperative Winter Educational Conference. Dallas. Contact: Caprice Caster (913) 599-5900, ext. 305.

Jan. 22-25 NATPE 37th annual

Conference and Exhibition. Las Vegas. Contact: Lana Westermeier (310) 453-4440.

Jan. 23 IRTS Foundation Q&A Seminar: Integrated Marketing. NBC, Conference rooms A & B, New York City. Contact: Michelle Marsala (212) 867-6650, ext. 303..

Jan. 28-31 CTAM Research Conference: Enabling Broadband's Future. The Sheraton Bal Harbour Hotel, Bal Harbour, Fla. Contact: Barbara Gural (703) 837-6540.

Jan. 30-31 The Carmel Group DBS 2001: The Five Burning Questions. The Sheraton Hotel at LAX, Los Angeles. Contact: Natalie McChesney (831) 643-2222.

February 2001

Feb. 1-3 Eckstein, Summers & Co. The Television Industry's Annual Conference on New Business Development. The Naples Beach Hotel & Golf Club, Naples, Fla. Contact: Roland J. Eckstein (732) 530-1996.

Feb. 1-4 Radio Advertising Bureau RAB2001. The Adams Mark Hotel, Dallas. Contact: Renee Cassis (212) 681-7222.

Feb. 6 CAB Cable Advertising Conference. New York Marriott Marquis, New York. Contact: Joleen Martin (212) 508-1214.

Feb. 8-10 CAB Cable Sales Management School. Orlando Airport Marriott, Orlando, Fla. Contact: Nancy Lagos (212) 508-1229.

Feb. 10-13 National Religious Broadcasters 58th Annual Convention & Exposition. Wyndham Anatole Hotel, Dallas. Contact: Karl Stoll (703) 330-7000, ext. 517.

Feb. 21-23 BCCA Credit Conference. Omni Houston, Houston. Contact: Mary Teister (847) 296-0200.

Feb. 21-25 IRTS Foundation Faculty/Industry Seminar. Marriott East Side, New York City. Contact: Michelle Marsala (212) 867-6650, ext. 303.

Feb. 23 IRTS Foundation Newsmaker Luncheon. Waldorf-Astoria, New York City. Contact: Michelle Marsala (212) 867-6650, ext. 303.

Feb. 25-27 North American Broadcasters Association Creative Capital: Harnessing Your Digital Future (Jack Valenti to speak). Hollywood, Calif. Contact: Joan Gladwell (416) 598-9877, ext.14.

Feb. 25-28 Video Services Forum (VSF) VidTrans 2001. Los Angeles. Contact: Matt Peterson (608) 273-4803.

—Compiled by Beatrice Williams-Rude
(bwilliams@cabnrs.com)



Burning Stern

The shock jock who gets his jollies taunting dwarves and women is facing his own public skewering. **Howard Stern**, his ratings falling by double digits in New York, Los Angeles and other cities where his radio show airs, is feeling his own pain, according to the December issue of *Details* magazine.

What happened? Stern's recent breakup with Allison, his wife of 20 years, has made him considerably less intriguing—just a dirty old man, according to the magazine—and his audience is either moving beyond his brand of humor (that is, growing up) or going for young upstarts like *Opie and Anthony*. Stern's contract with Infinity Broadcasting is up at the end of December, and, suddenly, he's seemingly not as hot as he used to be.



Tell it to a judge

Peter Brennan, executive producer for *Judge Judy*, is suing the show's distributor Paramount, its producer Big Ticket and their umbrella company Viacom, the lawsuit claiming that, "acting in a common conspiracy, ... these entertainment companies are scheming ... to cheat Brennan." According to his contract, he pockets 12.5% of the defined revenues from *Judge Judy*. He alleges that the defendants are "refusing to disclose information necessary to determine his rightful compensation," thereby low-balling the sum *Judge Judy* generates. Representatives of Paramount and *Judge Judy* declined to comment.

THE REAL GOLDEN GIRLS

Mama said "marry rich", and they did just that. Babe Mortimer Paley, Betsey Roosevelt Whitney and Minnie Astor Fosburgh were the Cushing Sisters, daughters of a prominent Boston surgeon, and they're focus of a film now in development at Lifetime Television.

Rita Wilson, who worked with Lifetime on last year's *The Invisible Child*, was a catalyst for the project's launch. "Rita became fascinated with the Cushing sisters and did extensive research before pitching it to us," said Lifetime VP of Original Movies **Laurette Hayden**. "It is a sweeping piece. Their story covers the '40s, '50s and '60s in New York."

Wilson has her heart set on playing Babe Paley, who wed CBS czar William S. Paley in 1947 after her divorce from a wealthy socialite. Following her marriage to the high-profile Paley, she was in the media spotlight, and her personal taste was applauded and imitated by influential fashionistas, socialites and wannabes.

Wilson is executive-producing, along with **Michael Besman** (*Bounce*). *The Cushing Sisters* debuts on Lifetime in 2001.

BACKSTORY

We cover the Italian Market

A MARKET THAT SURPASSES EVERY LARGE CITY IN AMERICA BUT TWO: NEW YORK & CHICAGO

WBIL

WOV

WPEN

The current growth of Hispanic television and radio stations, and the continued growth of black-oriented radio, recalls that, in the mid-'30s, the migration of Europeans to the United States was causing a similar demographic upheaval in the nation's biggest cities.

In the Dec. 1, 1937, edition of *BROADCASTING*, an ad by a group of Chicago radio stations noted that, in planning an ad strategy for a big car show in the

Windy City, executives checked data on who had bought cars recently, and "we were struck with the amazing fact that the PREPONDERANCE HAD NAMES DIFFICULT TO PRONOUNCE! We had the idea instantly—the facts were clear that a great percentage of motor car sales in Chicagoland were made to foreign-born persons or persons of foreign parentage!"

The ad noted that two of three Chicagoans were either foreign-born or first-generation Americans.

F A T E S & F O R T U N E S

Broadcasting

Raymond W. Mirabella, general sales manager, KPDX-TV Portland, Ore., joins WHNS-TV Asheville, N.C., as VP/GM.

Lynne Edwards, marketing manager, KCNC-TV Denver, named director of sales.

Jess Sessoms, local sales manager, WXIA-TV Atlanta, joins WTLV(TV) Jacksonville, Fla., and WJXX(TV) Orange Park, Fla., as general sales manager.

Appointments at WPHL-TV Philadelphia: **Patrick Loftus**, local sales manager, KSAZ-TV Phoenix, Ariz., joins as general sales manager; **Gunnar Rieger**, engineering/IT manager, WLVI-TV Cambridge (Boston area), Mass., joins as director of engineering.

Cable

David L. Wargo, director of operations, Bridgeport division, Conn., Cablevision Systems Corp., named managing director, Connecticut division.

Programming

Joe Abrams, executive VP,

Pearson Television International, London, named president.

Joe Lupariello, VP, development and production, Leeza Gibbons Enterprises, Burbank, Calif., named president.

Steve Veisel, manager, current programming, UPN, Los Angeles, named director, comedy development.

Jay Switzer, VP, programming, CHUM Television, Toronto, Canada, named president of the company.

Appointments at Universal International Television, Universal City, Calif.: **Steven Jarmus**, VP and co-head, named co-president; **Philip Schuman**, executive VP, named co-president.

John Honeycutt, VP, post production operations, Fox Cable Networks Group, Los Angeles, named senior VP, broadcast operations.

Andrew Hunter, account director, MTV, New York, named VP, network development, MTV2.

Rick Alessandri, GM, SportsTicker, Jersey City, N.J.,

named VP, assistant to the president, ESPN, New York.

Ian M. Parmiter, VP, marketing, 7 UP Brands, Cadbury Schweppes, Dallas, joins Discovery Networks U.S., New York, as VP, advertising sales marketing and partnerships.

Sarah H. Beatty, VP, trade marketing and global branding, MTV, New York, joins USA Network, New York, as senior VP, marketing.

Appointments at National Geographic Channel, Washington D.C.: **Deborah L. Acklin**, executive producer, WQED(TV) Pittsburgh, joins as senior news producer; **John S. Bowman**, director of post production, named executive producer, production; **Jason K. Eustace**, senior financial analyst, international division, named finance director; **Ben Kretchmar**, assistant chief engineer, WUSA(TV) Washington, joins as director of technical operations; **Amy Outman**, senior manager in programming and scheduling/manager of program evaluation and scheduling, named

director of scheduling and evaluation; **Margaila Kretchmar**, director of international network operations, Discovery Communications, Bethesda, Md., joins as VP, operations for the National Geographic Channel, Los Angeles.

Journalism

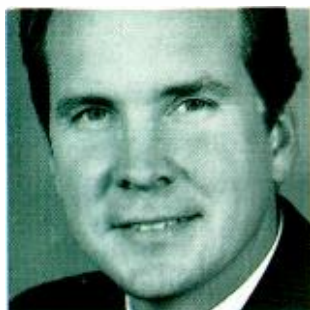
Darryl Tardy, senior reporter and anchor, Time Warner Communications, Rochester, N.Y., joins WTLV(TV) Jacksonville, Fla., and WJXX(TV) Orange Park, Fla., as co-anchor, *Good Morning Jacksonville/Saturday*.

Virg Jacques, reporter, WBAL-TV Baltimore, joins WUSA(TV) Washington, as reporter/anchor.

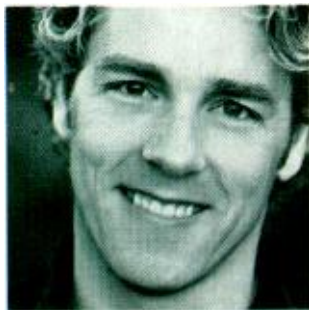
Jana Shortal, morning anchor and reporter, KRCG-TV Jefferson City, Mo., joins WDAF-TV Kansas City, Mo., as reporter.

Tammie Souza, chief meteorologist, WDJT-TV Milwaukee, joins WMAQ-TV Chicago as weekend weather anchor.

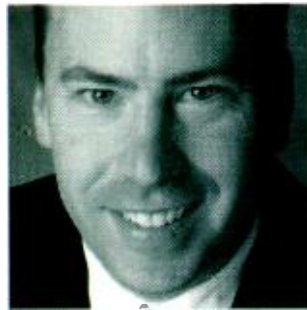
Keith Yaskin, reporter, WXLV-TV Winston-Salem,



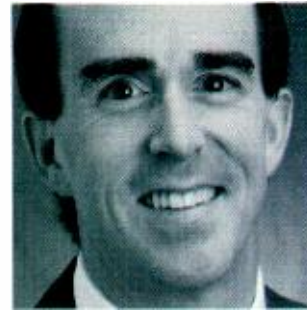
David L. Wargo



Joe Lupariello



John Honeycutt



Ian Parmiter

F A T E S & F O R T U N E S

N.C., joins KSAZ(TV) Phoenix, as general-assignment reporter.

Arnell DiMaandal, reporter, KMPH(TV) Visalia (Fresno area), Calif., joins KUSI(TV) San Diego, as general assignment reporter.

Chris Pollone, reporter, WJTV(TV) Jackson, Miss., joins WVTM(TV) Birmingham, Ala., as reporter.

Advertising/Marketing/PR

David Vipond, senior account manager, Pittard Sullivan, Culver City, Calif., named VP, account supervisor.

Appointments at Blair Television: **Peter Senseney**, VP/director of sales, Blue Division, New York, named senior VP/director of sales, there; **Mike Mougey**, VP/sales manager, Atlanta office, named senior VP, regional sales, there; **Dave Bisceglia**, division VP, USA Red Division, New York, named senior VP/director of sales, there; **Nancy Dodson**, VP, regional sales, Los Angeles, named senior VP, regional sales, there.

Appointments at Harmelin Media, Bala Cynwyd, Pa.:

Russell Sullivan, media assistant, named junior planner/buyer; **Gail Doyle**, media assistant, named junior planner/buyer; **Erik Brooks**, media assistant, named junior planner/buyer; **Jamie McCairns**, media assistant, named junior planner/buyer.

Internet

John Conway, director of new media, WRAL OnLine, Raleigh-Durham, N.C., joins Internet Broadcasting Systems Inc., as director of TV and Web integration, there.

Radio

George Laughlin, acting GM, KHKS(FM) Denton (Dallas area) Texas, joins KBFB(FM) and KJOI-AM Dallas as GM.

Appointments at Premiere Radio Networks: **Tim Kelly**, executive VP/director of programming, Los Angeles, named executive VP/GM; **Roby Wiener**, senior VP, marketing, New York, named executive VP, marketing.

Steve Shaw, president,

Christal Radio, New York, joins Katz Radio Group, New York, as president.

John Rozz, program director, WRXK-FM Bonita Springs (Fort Myers area), Fla., also joins WJBX-FM Fort Myers, Fla., as program director.

Jerry Smokin' B., program director, WHXT-FM Orangeburg (Columbia area), S.C., joins WHTA-FM Atlanta, as program director.

—Compiled by Beth Shapouri

212-337-7147

bshapouri@cahners.com

Obituaries

Sharon Chalfin, the country's first female general sales manager of a network affiliate, died Nov. 7 in her home in Carmel, Ind. She was 59. She joined WRTV(TV) Indianapolis in 1966 and spent 30 years in various posts, including general sales manager and director of station projects.

In 1991, she was awarded the American Women in Radio and Television's TV Sales Management Professional Achievement Award and, in 1995, received the American Advertising Federation's Silver Medal Award.

She is survived by her husband, James; children, James Jr., John, Jerilyn and Jennifer; and seven grandchildren.

Eugenia Rawls, a theater and soap-opera actress, died on Nov. 8 at 87. Although perhaps best-known for her friendship with and stage portrayal of Tallulah Bankhead, she starred in *As the World Turns* and *Guiding Light* later in her life.

She also read the signature work of Lillian Smith for *Memory of a Large Christmas* for PBS in 1996.

She is survived by her husband, Donald Seawell; children, Brook and Brockman; a granddaughter; two brothers and a sister; and two great-grandchildren.



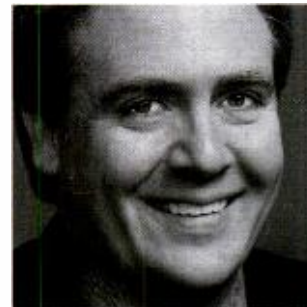
Sarah H. Beatty



Margaila Kretchmar



David Vipond



Steve Shaw

T H E F I F T H E S T A T E R

Making a pest of himself

Phone-company gadfly turns his attention to the cable business

Consumer advocate Mark Cooper has long been a major pest to the Bell telephone companies. Now, he's buzzing around the cable-television business. Since AT&T's breakup in 1983, the Consumer Federation of America's research director has cajoled regulators tirelessly in local rate cases and in the Bells' attempts to get into the long-distance-telephone business. The regulators held the line against the Bells, in no small part because they agreed with Cooper's argument that the phone companies have failed to open local markets to competition.

During the past two years, he has brought similar aggravation to cable companies by preparing much of the economic analysis that consumer groups use in their fight to make MSOs open their broadband platforms to rival Internet providers. And he has played the same role in efforts to apply open-access rules to interactive TV in the America Online-Time Warner merger.

"Mark Cooper is the consumer community's one-person research

department," says Center for Media Education President Jeff Chester. "He is one of the most dedicated advocates to ensuring that we have both competition and democracy in our media system."

As Cooper sees it, the transition to digital will alter the TV industry radically. The new interactive services, he says, will generate new revenue for cable systems and broadcasters through enhanced home shopping and new businesses, such as marketing of viewer data.

AOL and Time Warner, along with the rest of the cable industry, have vociferously fought restrictions that they say could hinder development of new digital services.

Cooper, however, says now

is the time for regulators to establish an open architecture and to set clear privacy protections for consumer data. Otherwise, he believes, operators will try to trap customers in proprietary programming and selling environments that block, or at least hinder, viewers' access to interactive content from unaffiliated networks or the Internet.

Broadcasters generally have been supportive of greater controls on cable interactive capabilities—in large part because they fear that MSOs will restrict stations' own interactive services once digital broadcasts go mainstream.

But over-the-air services will face restrictions, too, if Cooper gets his way: "Broadcasters are



Mark Neal Cooper
Research Director, Consumer Federation of America

B. Feb. 24, 1947, New York City; B.A., English, City College of New York, 1968; U.S. Army, 1969-71; M.A., sociology, University of Maryland, 1972; Ph.D., sociology, Yale, 1979; sociology professor, Northeastern University, Boston, 1979-80; research director, Consumer Energy Council, 1980-82; current position since 1983; m. Carol, April 19, 1969; two children: Steve, 21; Alissa, 18.

going to discover that consumers want different kinds of rights because stations are selling stuff and gathering information."

Two mentors were especially influential in Cooper's forsaking a university career for consumer advocacy: Juan Linz, a political scientist who helped write the constitutions of Spain and Portugal when those countries

shed military dictatorships, and Malcolm Kerr, who was assassinated after leaving a UCLA post to become president of the American University in Beirut.

"They were academic political scientists who ended up actually practicing politics," he notes.

Despite often opposing corporate interests, Cooper insists that he's a die-hard capitalist—and that means fighting monopolies. "Reconciling the progressive and the democratic with capitalism creates a really nice place to live. But you have to fight for that stuff, because it is not the natural state of affairs."

Critics, however, dismiss Cooper's claim to being a democratic freedom fighter. They note that some analyses penned in fighting the Bell companies were paid for by their rivals, AT&T and MCI.

"That taints his consumer-advocacy positions," says BellSouth spokesman Bill McCloskey. "The Consumer Federation of America has a bad track record of predicting the sky is falling. He said people would be dumped from the local phone network in droves and prices would go up. But no areas have lost phone service, and prices are flat."

Cooper insists that only two of his past projects received corporate support and now he refuses all corporate money. "This is not simply an academic exercise. It's the democratic process we fight for." —*Bill McConnell*

Classifieds

Television

VIDEOCONSULTING

BROADCASTERS

Want objective, comprehensive criticism of your air check or demo tape?
Morton Media and Marketing
A Broadcast Consulting Agency
www.MortonMandM.com
740-568-9304

CAPTIONSERVICES



Digital Captioning
and Subtitling
800-822-3566
CAPTIONMAX

CREATIVESERVICES

CREATIVE SERVICES DIRECTOR

KVUE-TV, a subsidiary of Belo, has an opening for a Creative Services/Promotions Director to develop and direct the overall promotion and marketing efforts of the station. This person will assign, supervise and approve all projects administered by the Creative Services department. They will develop and execute all promotion and advertising for KVUE-TV including news & programming promotions, station image, special event and sales promotions. Metered marketing experience preferred. Minimum of 3-5 years experience in broadcast promotion required. Must have management experience and be able to work with people in and out of the station. Send cover letter and resume to: Human Resource Manager, KVUE Television, 3201 Steck Ave. Austin TX 78757. Drug Screen required. EOE



CREATIVE SERVICES DIRECTOR

We are the market's news leader and a station that "gets it". The best candidate will be able to coach and lead a team of six. You will be responsible for the execution of our brand strategy as well as our entire graphic look. You must be a team player with the ability to work closely with news and sales. As the CSD, you are responsible for station community relations/events and key sales/station promotions. This individual is also responsible for managing our robust Internet site. Non-linear editing skills are a plus. College degree preferred. Strong writing/communications skills are essential.

Please send a cover letter, resume and a five-minute VHS tape of your best stuff to Robin Gover/Business Office, WNEM-5, 107 N. Franklin St., Saginaw, MI 48607. EOE



MANAGEMENTCAREERS

TWO GENERAL MANAGERS WANTED

Belo and Time Warner Cable, two leaders in local television news coverage, have partnered to develop and launch 24-hour local cable news channels in the Houston and San Antonio, Texas markets. These local news channels are based on the success that both companies have enjoyed in the creation of new local news outlets across the country.

We are seeking two leaders who will have the unique opportunity to help create and then manage the operations of innovative local newsrooms in two of the nation's best television markets. Candidates should have an extensive knowledge of television news and a working knowledge of all facets of television station operations. At least seven years of senior television management experience is required, with a proven ability to lead a young staff and grow a new business. The ability to work with the two partner companies in this joint venture, via a board of directors is a key requirement.

For immediate, confidential consideration, please send your resume to:

General Manager Search
Attention: Kirk Varner
Time Warner Cable
290 Harbor Drive
Stamford, CT 06902

or via email to resumes@twcnews.com

The Houston and San Antonio News Channel limited partnerships are equal opportunity employers who seek diversity in our workforce.

NATIONAL SALES MANAGER

Gannett's NBC affiliate station, WBIR-TV, Knoxville, TN, is looking for a NSM who will be responsible for achieving National budget and maximizing National and station revenue opportunities through interfacing with AE's and Managers employed by Petry in the capacity of providing up-to-date station information, setting rates and gathering data as it relates to revenue production s; working with GSM and LSM in determining pricing strategies, controlling inventory and budget preparation; meeting regularly with Petry reps, agencies and clients; setting up local client contacts to compliment the Petry/buyer relationship; working with GSM, LSM and local AE's to determine most effective salesperson assignment; working with and providing guidance for national sales assistant; being responsible for National expense issues. Job requires 2-3 years experience as local or national account executive, good written and verbal skills, proven negotiation skills, computer skills, firm knowledge of Nielsen Ratings and ability to travel frequently. Send resume to: General Sales Manager, WBIR-TV, 1513 Hutchinson Ave., Knoxville, TN 37917. EOE

LOCAL SALES MANAGER

WBIR-TV, Knoxville, TN's #1 station in the 64th Market, is looking for a LSM to direct all operations of the Local Sales Department, including managing all account executives and local sales assistants. Will work in conjunction with GSM and NSM in determining pricing strategies, controlling inventory and budget preparation. Candidate must have ability to lead and motivate sales team to achieve revenue goals, special selling goals and professional development. Must demonstrate proven ability to prepare, present and close local sales, have extensive knowledge of inventory and traffic functions, and have experience using Leigh Stowell or related research data. Must have working knowledge of vendor support and retail marketing plans and have personal computer skills with Microsoft Office experience. College degree preferred and 2-3 years experience and management experience required. Submit resume to: General Sales Manager, WBIR-TV, 1513 Hutchinson Ave., Knoxville, TN 37917. EOE

DIRECTORCAREERS

TELEVISION DIRECTOR/ TECHNICAL DIRECTOR

WATE-TV6 has an immediate opening for a full-time Director/Technical Director. This person will be responsible for directing news, special programming events, commercials and promotional spots. Minimum of two (2) years experience required. Prior experience on ADO 500 and AVC Century 335 Switcher is a plus. Candidate should work well under pressure, possess good communication skills, good interdepartmental skills, leadership skills and be a team player with a positive attitude. Send resume to:

WATE-TV6
ATTN: PERSONNEL
P.O. BOX 2349
KNOXVILLE, TN 37901

No phone calls or beginners, please.
EEO Employer.

PROMOTIONCAREERS

PROMOTION WRITER/PRODUCER

WBDC-TV, Tribune Broadcasting's rapidly growing WB affiliate in Washington, DC is searching for a dynamic individual with distinctive and creative promotional ideas to write and produce original spots, including station image, off-net sitcoms, movies, local spots and much more. Maintain station website. Position requires strong writing and organizational skills, and the ability to work and think independently. D-Vision or similar non-linear editing experience required! Familiarity with MS FrontPage, PhotoShop, Adobe After Effects and Enterprise Traffic System a plus. Send non-returnable tape, cover letter and resume to:

Human Resources Dept.
WBDC-TV
2121 Wisconsin Avenue, NW., Suite 350
Washington, DC 20007
Fax #202-965-7403.

Classifieds

Television

PROMOTION CAREERS

GRAPHIC DESIGNER

WBDC-TV, Washington DC. This newly-created position will manage the design direction of WB50. Responsibilities include the creation and execution of all station design elements for promotional and commercial production. Experience in video, animation, print and web design required. 2D / 3D animation skills required as well as working knowledge of Photoshop, Illustrator, After Effects and Final Effects. 2-3 years prior design experience in a television, corporate or agency setting desired.

Human Resources,
WBDC TV
2121 Wisconsin Avenue
Suite 350
Washington, DC 20007
Fax # 202-965-7304

PUBLICNOTICES

PUBLIC NOTICE

A meeting of the Public Broadcasting Service Programming Policy Committee will take place at PBS's offices, 1320 Braddock Place, Alexandria, Virginia on December 14-15, 2000 beginning at 10 a.m. The Committee will conduct its annual evaluation of programming services in executive session.

Broadcasting & Cable Classifieds

E-mail your ad to:

kbparker@cahners.com
or nandrews@cahners.com

MISCELLANEOUS CAREERS

THE MASLOW MEDIA GROUP, a leading recruiter in the Broadcast Industry seeks the following candidates:

1. **VP PROGRAMMING/WASH D.C.:** Seeking visionary to lead the media division of a corporation into the new century with new technologies, diversified programming, strategic planning and implementation. Background in public broadcasting desirable.

2. **ENGINEERS:** Several positions: (1) New England, Paris, France, Atlanta: High level Systems Engineer with broadcast background and full understanding of streaming video, storage, digital technology, and systems maintenance. (2) Florida: Systems Maintenance Engineer to troubleshoot full digital facility including master control & post production. (3) Wash DC: Test engineer for Lab environment, RF Testing, BSEE degree & RF Tech experience required.

Contact: Stephen Mostow, Sr. Recruiter
MASLOW MEDIA GROUP INC.
2134 Wisconsin Avenue NW
Washington, DC 20007

(ph): 202 965 1100
(fax): 202 965 6171

fulltime@maslowmedia.com

MORE JOBS LISTED ON
www.maslowmedia.com

MISCELLANEOUS CAREERS



AZTECA AMERICA, a nationwide Spanish-language television network to be launched in 2001, starts its Network Operations Center in Dallas, Texas. **Azteca America** is an alliance between TV Azteca of Mexico, the second largest producer of Spanish programming in the world, and Pappas Telecasting Companies, the largest privately held owner of TV stations in the US. We currently have the following **bilingual openings** at our Network Operations Center.

Immediate opening

⇒ Operations Manager

Openings - Jan - Feb

⇒ Production Manager ⇒ Local Sales Manager (Various Markets)
⇒ Senior Editors ⇒ VTR Maintenance Engineer
⇒ Satellite Uplink Engineer ⇒ Video Engineer

Openings - Feb - March

⇒ Master Control Operators ⇒ Editors

AZTECA AMERICA, una nueva red nacional de televisión en español cuyo lanzamiento se proyecta el próximo año, abre su Centro de Operaciones en Dallas, Texas. **Azteca América** es el resultado de una asociación entre TV Azteca de México, la segunda productora de programación en español más grande del mundo, y Pappas Telecasting Companies, la empresa privada de estaciones de televisión más grande de los Estados Unidos. Actualmente, tenemos vacantes los siguientes puestos bilingües en nuestro Centro de Operaciones:

Vacante inmediata

⇒ Gerente de Operaciones

Vacantes - enero - febrero

⇒ Gerente de Producción ⇒ Gerente de Ventas Local (Varios Mercados)
⇒ Editores de Rango Superior ⇒ Ingeniero de Mantenimiento en equipo de grabación VTR
⇒ Ingeniero de Satélite ⇒ Ingeniero de Video

Vacantes - febrero - marzo

⇒ Operadores de Control Maestro (*Master Control*) ⇒ Editores

Send your resume to: resume@aantv.com or fax to: (214) 523-5916 Attn.: Guadalupe Díaz

Equal Opportunity Employer

WJW FOX 8 CLEVELAND is searching for qualified applicants for the following positions:

• GENERAL ASSIGNMENT REPORTER

3-5 years news reporting experience including live shots

• WEEKEND SPORTS ANCHOR/REPORTER

2 years anchoring and 3 years sports reporting experience including live shots

• NEWS PRODUCER

at least 2 years experience as a line producer

• SPORTS PRODUCER

at least 2 years producing experience, strong knowledge of sports and show production

• ASSOCIATE PRODUCER

at least 1 year experience writing television news, small market producer experience preferred

All positions require a college degree in journalism or a related field. Send letter, resume & a non-returnable tape, if available, to WJW TV Human Resources, Attn: (Desired Job), 5800 S. Marginal Road, Cleveland OH 44103. EOE.

Contact

Kristin Parker
or Neil Andrews
to place an ad in the
Broadcasting & Cable's
Classified Section.

Call 617-558-4532
or 617-558-4481

Classifieds

Television

MISCELLANEOUS CAREERS



WSYX/WTTE is offering an outstanding opportunity for a proven, aggressive and dedicated General Manager. Individual is needed to oversee joint operations of two major network affiliates. Extensive knowledge of Sales, Promotion, and News are required as is a strong working knowledge of all station operations. This position is for a people-oriented sales professional with a vision for the future. Five years General Manager experience is required. Qualified applicants send resume and cover letter to WSYX/WTTE, P.O. Box 718, Columbus, OH 43216, Attn: Human Resources.

Sinclair Broadcast Group, Inc. owns or programs 62 TV stations in 40 markets and has affiliations with all 6 networks. We reach nearly 25% of the U.S. and aggressively lead the evolution of broadcasting in technology, programming, promotions, and sales. Sinclair is proud to be an Equal Opportunity Employer and a Drug-Free Workplace. Women and Minorities are encouraged to apply.

Watch
for these
Upcoming Special
Features
in Broadcasting & Cable:

Issue Date & Special Features

12/4 Post-Western Show
12/11 Streaming Media Insert
Bonus Distribution at
Streaming Media West Show

12/18 Pre-Holiday Issue

For more information
on advertising, contact:

Kristin Parker at 617-558-4532
Neil Andrews at 617-558-4481

E-mail your ad to:
kbparker@cahners.com
or nandrews@cahners.com

NEWSCAREERS

TV SALES

WISH-TV, a CBS affiliate in the 25th market, has an immediate opening for a Sales Account Executive. Applicants need 2-3 years of media sales experience with the proven ability to develop new business. Candidates must also demonstrate the ability to sell promotions, vendor programs and use qualitative research effectively. If you are interested in advancing your career, send a letter and resume to Denise Daniels, Sales Manager, P.O. Box 7088 Indianapolis, IN 46207. NO PHONE CALLS. WISH-TV is an Equal Opportunity Employer, M/F.

PHOTOGRAPHER/EDITOR

Full time news photographer/editor wanted in the growing, competitive market. Must have experience shooting/editing on either DVC-PRO, Beta or 3/4in format. Avid Newscutter and Microwave Live Truck experience a plus. Must be able to work under multiple deadline pressure. Please send tape (DVC-PRO, Beta or VHS) and resume to Broadcasting & Cable, Box 1123, 275 Washington Street, Boston, MA 02458 by December 1, 2000. EOE

WEATHER TEAM LEADER

Do you live, work, and play weather? Do you shine when the storm clouds are rolling in? KTTC, the top-ranked NBC affiliate in Rochester, MN is looking for the right person to lead our 3-person weather team. If you have at least 3 years experience, a college degree and AMS seal, we'll provide the weather action, along with a competitive benefit package. All this in the number one small city in America. Send tape and resume to: News Director, KTTC-TV, 601 1st Ave. SW, Rochester, MN 55902. EOE.

NEWSCAREERS

MARKETING & RESEARCH DIRECTOR

Major market CBS affiliate looking for sharp, analytical mind with creative marketing approach. 3 years experience in broadcasting, advertising, marketing or research. Nielsen ratings, Excel and PowerPoint knowledge is vital. Knowledge of CMR, Scarborough and TV Scan preferred. Responsible for creation of sales packages, computer-based presentations & ratings analysis. Must have excellent written and verbal communications skills. Fax cover letter and resume to Sales Manager at 713 284-8808.

DIRECTOR OF NON-TRADITIONAL REVENUE AND SALES PROMOTIONS

This person will oversee the development of our non-traditional revenue creating total marketing packages while maintaining our on-going projects. We need a strong leader who is creative and demonstrates drive, determination and a sense of urgency in helping the community and clients meet their needs. The ability to build strong relationships with current and new clients is also essential. Applicants for this position must have a solid background (minimum of 3 years) in media and/or event marketing sales. Send resumes to: Jeff White, General Sales Manager WISH-TV 1950 N. Meridian Street Indianapolis, IN 46202. WISH-TV is an Equal Opportunity Employer, M/F.

ASSIGNMENTS EDITOR

KHWB-TV, a Tribune Broadcasting station in Houston, has an immediate opening for an Assignments Editor. The successful applicant will develop stories, track ongoing coverage, dispatch crews, make beat checks, monitor scanners and respond to breaking news. This position involves working closely with producers, reporters and photographers. Candidates should be motivated, detail-oriented and able to handle numerous responsibilities at the same time. An even temper, patience and sound news judgment are essential. Two years desk experience is preferred. We are seeking a person who can make solid news decisions and has outstanding people skills. KHWB is an EOE and Drug Free Workplace. You may fax to 713-781-3609, e-mail to sliu@tribune.com or mail resumes to KHWB, HR, 7700 Westpark Dr., Houston, TX, 77063.

SALESCAREERS

SALES ASSISTANT

ABC7 Los Angeles is seeking an individual with strong administrative skills to assist in the Sales Department. Ideal candidate should have previous sales assistant experience with excellent written and verbal communication skills. Excel and Word proficiency is a must. Familiarity with Donovan Systems and AVN is a plus. Please send resume to: ABC7 Los Angeles, Attn: Kimberly Castillo, Dept. SA2/BC, 4151 Prospect Ave., Los Angeles, CA 90027. Or email us at: KABC-TV.Resumes@ABC.com Equal Opportunity Employer.

Classifieds

Television

SALESCAREERS

Univision Television Group, Inc.

**KWEX-TV 41
San Antonio, Tx**

The leader in Spanish Language Television Is looking for:

Sales: Account Executive

Job Duties: Develop new business, increase shares of business with established client base. Utilize available research tools to develop strong written and verbal presentation. Plan, track and achieve aggressive quarterly sales goals.

Qualifications: Strong written and verbal skills must be demonstrated, knowledge of MS Word, Excel and Power Point required. Proven track record of sales growth and new business development a must. Complete knowledge of NSI Television ratings essential. Experience with Scarborough, Simmons, and Claritas mapping and research tools a plus. Computer friendly and must be willing to learn new software packages. Bilingual (Spanish/English) preferred.

Education: College Graduate Degree.

Experience: 4 years Media Sales experience.

Excellent company benefits including Health; Dental; 401K with company match. Don't miss this chance to work for a growing and dynamic company. Compensation based on experience and skills.

Apply in person with Resume:

KWEX-TV 41
411 East Durango Blvd
San Antonio, Tx. 78204
(210) 227-4141

Univision is an Equal Opportunity Employer
Women and Minorities are encouraged to apply

ACCOUNT EXECUTIVE

We're Nielsen Media Research, the famous TV ratings company. As the leading provider of television information services in the US and Canada, we look for bright, motivated individuals who can uphold our longstanding tradition of quality and service. We currently have an opportunity for an Account Executive (sales and servicing) in our San Francisco office.

This position involves negotiating long-term station contracts with top-level station and agency executives, aggressively selling numerous proprietary software systems to stations and agencies, and consulting with clients to determine their specialized data needs. It also entails researching, analyzing, and presenting responses to client data inquiries. The person in this position will also be providing impeccable service to our clients by training their personnel on various Nielsen products and services. A minimum of 5 years media experience, sales presentation skills, and relevant experience analyzing Nielsen data is required. Other requirements include excellent written and verbal skills and the ability to handle multiple priorities. Some travel is required.

We offer competitive salaries and an excellent benefit package. Send resume, including salary requirements to: Attn: HR/CH, Nielsen Media Research, 299 Park Avenue, 22nd Floor, New York, NY 10171. Or fax to (212) 708-7533. Or email to MarketSFN@tvratings.com Equal Opportunity Employer

PRODUCERCAREERS

CREATIVE PRODUCER

Established television program is looking for a Creative Producer to be part of a new and exciting effort to redesign its promotional strategy and obtain new corporate sponsorship. The perfect candidate will need to demonstrate ingenuity coupled with a solid record in the television industry. Send your cover letter, resume and salary requirement to POB 90709 Wash., DC 20090.

EXECUTIVE PRODUCER

KFSN-TV, THE Disney/ABC Owned and Operated station in Fresno, California has an immediate opening for an Executive Producer. We're a dominant, #1 station looking for someone to take charge of our day to day news operation. Duties include overseeing daily news coverage, the assignment desk, reporters and producers. Our Executive Producer also clears all news copy and is a system operator for our newsroom computer system. Qualified candidates should have a 4-year college degree and a minimum of 5-years experience line producing. Previous management experience is a plus, but we will consider someone with a strong producing background looking for their first management job. Please send a tape of your newscast along with a resume and news philosophy to: KFSN-TV, Dept BC JOB 01-01, 1777 G Street, Fresno, CA 93706. ABC, Inc. is an Equal Opportunity Employer. Women and minorities are encouraged to apply.

ASSOCIATE PRODUCER (JOB #200HS)

WBNS-TV is seeking a Part-Time Associate Producer to produce segments for different shows, interview subjects for stories, and produce packages for the anchors. Will also be a "producer-in-training", helping WBNS grow our next newscast producer internally. Must have a college degree or previous newsroom producing/writing experience. WBNS-TV is an Equal Opportunity Employer and provides a Smoke-and Drug-Free Workplace.

NEWS PRODUCER

One of the country's most dominant stations needs an experienced News Producer. Two Satellite trucks, five ENG vans, new chopper with gyro zoom, DC bureau...we have whatever you need to blow away the competition. No excuses! If you're ready to own the 34th market, send a cover letter and resume to: WBNS-TV, Human Resources Job # 200JU, 770 Twin Rivers Drive, Columbus, OH 43215. WBNS-10TV IS AN EQUAL OPPORTUNITY EMPLOYER. WE ARE A SMOKE-FREE AND DRUG-FREE WORKPLACE.

EXECUTIVE PRODUCER

FOX 13 (FOX O & O) in Memphis seeks an EXECUTIVE PRODUCER to coordinate and oversee 2.5 hours of live morning newscasts. Must have a vision for our morning newscasts, be able to help others see that vision, and make it a reality. Need 3 yrs television newsroom exp as line producer. Send resume and cover letter describing your morning newscast philosophy. WHBQ-TV, Human Resources, 485 S Highland, Memphis, TN 38111. EOE

ASSOCIATE PRODUCER

A chance to join a terrific news staff in one of West Michigan's leading broadcast journalism organizations. We're looking for a person who writes sparkling news copy, making connections with words and video to help our viewers understand what's happening in the world. This is an entry-level position that leads to the producer ranks. Television or radio newsroom experience is a big plus. This position can include some research, editing and assignment desk work depending on the needs of the newsroom. Please send resume and cover letter to: Margie Candela, Human Resources, WWMT-TV, 590 West Maple Street, Kalamazoo, MI, 49008. WWMT-TV is a Freedom Communications station, honored by the MAB as "Television Station of the Year."

Classifieds

Television

PRODUCER CAREERS



STARZ ENCORE GROUP

MANAGING PRODUCER

Starz Encore Group LLC the nation's largest provider of cable- and satellite-delivered premium movie networks, now seeks a creative individual with the ability to manage our entertainment-based movie channels. You'll successfully oversee a creative team in the production of entertainment and promotional interstitials. Duties include conceiving ideas, developing strategies, budgeting, staffing, and coordinating administrative functions. We require superior producing and writing skills, experience producing on-location shoots, and proven ability to manage a creative team. We also prefer a Bachelor's degree and 3-5 years' experience in promotion department of a broadcast station or programming supplier. Please send cover letter, resume and salary history to: G902, Starz Encore Group LLC, P.O. Box 6542, Englewood, CO 80155; Fax: 303-267-5891; E-mail: jobs@encoremedia.com. Successful candidate will be subject to a drug test. www.starzencore.com. EOE



techtv

PRODUCERS

TechTV, the first cable television network devoted to computing, the Internet and technology has 3 openings for Producers in the fun, fast paced On-Air Promotions and Virtual Media department. This is a unique opportunity to work with an award winning team, using state of the art technology.

Responsibilities:

- Create and develop on air promotions for a variety of programming including news for TechTV
- Write, produce, and direct network campaigns and marketing tapes
- Supervise editing
- Manage and work within budget

Qualifications:

- 2 years prior experience in on-air promotions
- Excellent creative writing skills, able to compose quickly
- Solid TV directing and producing skills
- Good knowledge and appreciation of the computer industry preferred

** News experience is required only for one of these openings

Please submit a reel, resume, and cover letter with salary requirements to:

TechTV

Attention: HR Department Code:SH
650 Townsend Street
San Francisco, CA 94103

See www.techtv.com
for the inside scoop!

TECHNICAL CAREERS

ENGINEER

DIRECTOR OF ENGINEERING

Bring your strong supervisory skills to USA NETWORKS, a leading broadcast entertainment organization, featuring the highly acclaimed USA Network and the Sci-Fi Channel. Currently, we are seeking an accomplished professional to assume an important managerial role at our Operations Center in Jersey City, NJ.

Reporting to the VP of Engineering and Maintenance, the successful candidate will manage the day-to-day operation of the Engineering Dept. Diversified responsibilities include the implementation and design of new technologies; administering accounts payable for the dept and performing front-end office duties; and interfacing with contractors and vendors to insure seamless Network Operations.

The experienced professional we seek should possess a strong background in broadcast engineering and a BSEE Degree or equivalent experience. Prior supervisory experience and strong management and interpersonal skills are also important. Advanced computer skills a plus (UNIX/IRIX, MacOS, Win NT, etc.)

USA Networks offers a competitive salary and benefits package. Please send/fax your resume with salary requirements (only resumes with salary requirements will be considered) to: **B. Giuriceo, USA Networks, 525 Washington Blvd., Jersey City, NJ 07310, Fax: (201) 653-2970.**



NO PHONE CALLS, PLEASE.
AN EOE M/F/D/V

Engineering Opportunities

As a premiere provider of home entertainment services, Intertainer, Inc., is defining the convergence of entertainment and interactive technology. Intertainer is the Broadband Entertainment Network, (TM) giving you movies, music, TV shows, concerts and shopping on demand-delivered through the new high-speed broadband networks. Due to our tremendous success, we're currently offering the following exceptional opportunity:

Senior Engineer, Cable- You will be responsible for working with our partners to deploy the Intertainer entertainment on-demand services into the Cable headends and hubs. The engineer will be responsible for the physical installation of the hardware, integration into the MSO's architecture, and any troubleshooting required insuring a successful and complete installation. The engineer will serve as the lead technical contact for the MSO throughout the deployment process. The engineer will also participate in the architecture design, testing, and R & D efforts surrounding the Intertainer service, which includes maintaining internal Motorola (GI) and SA headends, running and maintaining vendor video servers, and testing cable related activities such as satellite content distribution. Some travel is required.

Must have complete understanding of CATV operations and HFC infrastructure. Previous installation and design experience digital video systems. Strong understanding and experience with Motorola (GI) and SA headend installation and design. Excellent LAN/WAN knowledge as well as experience with Windows operating systems (NT and W98). Proven track record in troubleshooting hardware, software, cabling, and network related problems in a cable environment. Strong interpersonal and communication skills required as well.

Response code BC-CE

We offer a highly attractive compensation package including medical benefits. For immediate consideration please send resume, indicating Response Code of position desired and salary history to jjax@intertainer.com or Fax (310) 202-2929.

Please visit our website www.intertainer.com. Intertainer is an Equal Opportunity Employer.



intertainer

Classifieds

Television

TECHNICAL CAREERS

STUDIO DIRECTOR

With more than 800 editors and reporters in 78 bureaus worldwide, Bloomberg News is the premier source for financial and business information. We are the definitive business-information source for investors, financial advisers, and entrepreneurs who rely on us as an invaluable aid to critical business and financial decision-making. Experience the future of business with the fastest growing financial TV news company.

You will be the link between the editorial and technical aspects of the program. Working with the Executive Producer, the creative team and our technical staff, you will oversee the coordination of graphics, promos and set designs, make sure that the technical aspects of the program are all in place, and consult with the editorial staff to ensure that the content is correct.

At least two (2) years of experience as a television studio director is essential for your success in this position. Bring your familiarity with the editorial aspects of programming television, as well as the technical considerations to ensure the programming is up to Bloomberg's standards. Travel is required, as there are over 20 Bloomberg TV bureaus. Bachelor's degree or equivalent work experience is necessary.

It is Bloomberg's policy not to interview employees of our customers without the customers' knowledge and permission. For immediate consideration, please send your resume to:

Bloomberg L.P.
Attn: J. Firstenberg, SD-NY
499 Park Avenue
New York, NY 10022
Fax:
917-369-6163
E-mail:
broadcast@bloomberg.com
No phone calls, please.

Bloomberg
www.bloomberg.com

Bloomberg is proud to be an Equal Opportunity Employer M/F/D/V committed to workforce diversity.

DIRECTOR OF ENGINEERING

A.F. Associates, one of the world's leading systems integration and engineering firms, is seeking a motivated professional to join our team and help us manage considerable growth opportunities.

This new position will be responsible for the ongoing development and day-to-day management of AFA's design engineering team, including recruiting new staff, allocation of engineering resources, and design supervision and review.

As an integral member of the company's leadership team, you will be a key player in strategic decision-making, and work closely with high-level contacts of some of the industry's leading organizations, including broadcast and cable networks, new media companies, broadcast stations, and technology innovators.

A minimum of ten years of engineering experience is required, including significant involvement with advanced digital technologies; you will have a proven track record of management and personnel development skills; be an energetic "self starter" who thrives in a fast-paced environment; and have exceptional communication and intra-personal skills. BS/EE preferred.

This position is located in AFA's headquarters, in Bergen County, New Jersey. Comprehensive benefits include 401(k) plan, medical/dental PPO plan; life and disability insurance.

We are an Equal Opportunity Employer.

Send resume to:

HR Manager, A.F. Associates, Inc.
100 Stonehurst Court, Northvale, New Jersey 07647
Email: HR@afassoc.com Fax: 201-750-3046
No phone calls please.

AFA
A. F. Associates, Inc.
"Engineering the Future of Television"

NEWSFEED COORDINATOR

The Carolina News Link (CNL), an organization of eight affiliated stations based at ABC owned WTVD-TV Raleigh-Durham, North Carolina seeks a Newsfeed Coordinator to manage daily feeds. The CNL Coordinator's daily tasks include conducting assignment desk conference calls; switching video feeds; managing spot news and events coverage; interfacing with national network news operations; and supervising technical operations. Experience in SNG and ENG required. Experience in producing or assigning in local television news is preferred. Send non-returnable tapes and resumes to Rob Elmore, News Director, WTVD-TV, 411 Liberty Street, Durham, NC 27701BC. EOE.

TELEVISION ENGINEERING

We are a leader in the design and construction of many of the most prestigious broadcast television facilities in the nation. The explosion in electronic media and the digital revolution has dramatically impacted our growth opportunities. As a result, we are seeking a number of highly-motivated people to help us grow. Opportunities exist for Senior Project Managers, Engineers, Applications/Proposal Engineer, Support Specialists, Computer System/Network Engineers with video experience, Installation Personnel and Supervisors for permanent or freelance positions. If you have experience in television engineering or a related discipline and would like to join a dynamic company, we would like to hear from you. Please send your resume and a letter describing your career interests to: Employment Manager, A. F. Associates, Inc. 100 Stonehurst Court, Northvale, NJ 07647. Fax: 201-784-8637 or e-mail: hr@afassoc.com (No attachments please). No phone calls please. We are an Equal Opportunity Employer

TECH CREW NEEDED FOR NEW CABLE MUSIC CHANNEL

Looking for technical/production crew for full time positions, Mon - Fri with vacation/benefits package for start up of a new cable network located in New York City. Must have at least 3-5 years experience. E.I.C.-Engineer In Charge, Video Engineer, Technical Director, Audio Mixer, Audio Asst. Camera Operators, Chyron Maxine/Still Store Operator, Tape Operators, Lighting Director, Utility/Gaffer, Prompter Operator, Online Editors, Online Playbacks and Non-Linear AVID Symphony Editors & Digitizer/Loaders. Experience in After Effects, Photoshop, Illustrator a plus. Please send resume to: MK, P.O. Box 125, 847A Second Avenue, New York, N.Y. 10017.

STUDIO MAINTENANCE ENGINEER

Must be able to perform the following duties: install and maintain studio transmission equipment including video switchers, audio consoles, DVE, CG, SS, cameras, and robotics. Familiarity with automation systems and master control environment. Should possess a general computer/networking background. Must be able to work on a rotating shift schedule. Candidate should have an engineering degree or equivalent technical training. SBE/FCC certification a plus. If you want to be a part of the exciting transition to HDTV in the most exciting city in the world, please send your resume and cover letter to: Kurt Hanson, Chief Engineer, WABC-TV, 7 Lincoln Square, New York, NY 10023. No telephone calls or faxes please. We are an equal opportunity employer.

Classifieds

Television

TECHNICAL CAREERS

DIRECTV – AN ENTERTAINING PLACE TO WORK!

DIRECTV is the first entertainment service to deliver multi-channel TV programming to an 18-inch satellite dish. In our first two years, DIRECTV became the fastest selling consumer electronics product introduction in US history, surpassing product launch sales of the VCR and CD player. Now with 9 million customers, we're planning our next stop on the digital frontier and with your skill and ideas, there's no limit to how far we can go.

Our Broadcast Interconnection & Field Operations Department is currently establishing a team to operate and maintain a communications network that will bring audio, video and data sources from geographically diverse points throughout the continental US to DIRECTV broadcast facilities. This venture requires the skills of the following professionals.

DIRECTOR, BROADCAST INTERCONNECTION

We'll rely on you to oversee the scheduling and fulfillment of preventive and emergency maintenance actions that support the network. Your department will also work closely with DIRECTV broadcast centers to determine and fulfill requests for occasional backhaul services, full time local loops and interfacility links as well as providing a liaison with DIRECTV broadcast centers and other internal organizations. Successful candidates will have a BS in Communications, Television or Broadcasting (MBA desirable) and 15 years in the broadcast industry in the area of broadcast/technical operations. The ability to lead, motivate, train and develop a team of highly skilled broadcast professionals and excellent communication and organizational skills are essential. Experience with the transmission of video/audio and with scheduling/traffic operations is highly desirable. Moderate domestic travel will be required. Ref#202719A/TM/SO

DIRECTOR, FIELD OPERATIONS

We seek a proven leader to oversee the day-to-day operation and maintenance of the network. Your Department will also act as the technical and operational liaison with over 400 local TV stations while working directly with vendors providing backhaul and maintenance services. We'll rely on you to also work closely with peer departments to establish preventive maintenance procedures that ensure rapid failure restoration and adhere to timely emergency maintenance policies. Successful candidates will have a BS in Engineering, Computer Science or Physics (MS or MBA desirable) and 15 years in the broadcast and/or telecommunication industry in the area of technical/field operations and maintenance. The ability to lead, motivate, train and develop a team of highly skilled internal and external maintenance professionals and excellent communication and organizational skills are essential. In-depth knowledge of video/audio compression systems and techniques as well as experience with the transmission of audio, video and data via fiber, coax and RF are highly desirable. Moderate domestic travel will be required. Ref#202719B/TM/SO

DIRECTV offers you the opportunity to work for a high-growth company, which is delivering the future of entertainment today! For consideration, email your resume, (text format only, no attachments), to resume@directv.com, Job Code (Ref#), or mail to **DIRECTV, Inc., Job Code (Ref#), PO Box 915, El Segundo, CA 90245**. EOE M/F/D/V

Check out our website at

www.directv.com.



ART DIRECTOR

Tribune Broadcasting's KHQB-TV, Houston, is looking for a leader for the Art Department. Applicants should be fluent in both Mac & PC formats, Quantel Paintbox and After Effects. Applicants should also have a minimum of five years working in television graphics including news production & print experience. Flexible start date. Resume & demo reel to: HR, KHQB-TV 7700 Westpark Dr., Houston, TX 77063.

MAINTENANCE TECHS

FOX 13 (FOX O & O) in Memphis needs two MAINTENANCE TECHS to repair/maintain b'cast equip. Must have exceptional knowledge of television theory, latest solid-state technology, and possess excellent computer skills. Need 3 yrs exp in maintaining all categories of b'cast equip. Send resumes to: WHBQ-TV, Human Resources, 485 S Highland, Memphis, TN 38111. EOE

STUDIO TECHNICIAN

CABLEVISION

Our leading telecommunications and entertainment company has an excellent position for a hands-on technician with the ability to repair and maintain broadcasting equipment and facilities.

A minimum of 2 years broadcast experience or electronic maintenance required. Proven background in repairing/aligning production equipment including computers, editing field production trucks, and test/alignment equipment required. Knowledge of video-audio signals and analog/digital circuitry highly desired.

Cablevision offers excellent benefits including medical, dental, pension, matching 401k, tuition assistance, cable TV and Internet service (where available). Please mail or fax your resume, which must include Ref#1127B&C1339RPW to: **Staffing Department, CABLEVISION, 28 Cross Street, Norwalk, CT 06851, Fax: 203-354-0926.**

Job Hotline: (800)233-5054

Visit our website at: www.cablevision.com

Equal Opportunity Employer M/F/D/V

Broadcasting & Cable Classifieds GETS RESULTS!

EXECUTIVE CAREERS

PRESIDENT

IOWA PUBLIC TELEVISION FOUNDATION

The Iowa Public Television Foundation is currently seeking a President to be responsible for leading the organization in the fund-raising, awareness building, volunteer support, and other functions that may be needed by Iowa Public Television.

Responsibilities: lead the organization in the creation, development, and implementation of the organization's vision and constantly review its initiatives and assure that they are consistent with the established purpose, principles, and vision of the organization. Hire, supervise, evaluate, and direct the day-to-day operations of professional staff. Maintain financial responsibility for the organization and adequate funding levels for IPTV activities.

Qualifications: Bachelor's degree is required; a Master's degree is desirable and five years of successful senior level leadership experience, including both the supervision and motivation of people, as well as program development and implementation. Experience and/or familiarity with public broadcasting is desirable.

Position offers competitive salary and benefits. Review of applications will continue until the position is filled. Please send letter of application and resume to Molly Phillips, President of IPTV Foundation Search, Iowa Public Television, P. O. Box 6450, Johnston, IA 50131. Each applicant will also need to submit a paper answering specific fund-raising questions. Please see our Web site at www.iptv.org to receive those instructions. EOE/AEE.

Classifieds

Radio

FOR SALE STATIONS

STATIONS FOR SALE!

Class B FM in ND, profitable, \$800K
FM in mid-western Arbitron rated market,
upgrade potential.

Call (913) 498-0041 for more information.

Small market FM in NC, cash flow, \$4.0M
Small market AM/FM in MS, \$326K Rev., \$1.0M
South FL FM CP, \$5.5M
AM/FM combo in MI, cash flow, \$1.25M
Call (904) 285-3239 for more information.

Southeast AZ AM-FM
Southeast GA AM-FM

Rated MI 2FM 1AM
Southeast KY mini-cluster

Florida Keys 2FM 1 AM

Call (912) 634-6575 for more information.

4 stations in Northern MI/WI, \$1.3M
9 AMs in central and southern New England,
several operating as a network.
Call (401) 454-3130 for more information.

NM/TX Border, 5 station cluster,
positive cash flow

North central OR, 5 station cluster,
strong market position

Call (415) 289-3790 for more information.

Salt Lake metro AM, \$1.0M
Call (435) 753-8090 for more information.

LPTV in FL rated market.
Call (804) 282-5561 for more information.

Top 20 Southwest market AM, \$5.0M
Southwest NM FM, \$550K
Los Angeles Big Power AM,
favorable dial position, all new facility
San Francisco, AM,

Regional Bay Area coverage
Suburban Philadelphia/Wilmington AM
w/ property & tower rental income
Call (415) 924-2515

MEDIA SERVICES GROUP, INC.

SALESCAREERS

REGIONAL SALES AGENT

Broadcasting's oldest promotion company,
Community Club Awards, seeks aggressive
regional sales agent for presentations to radio,
television and cable executives. Six figure potential.
Independent Contractor. No relocation
required. Send resume and picture to: Office
Manager, CCA, PO Box 151, Westport, CT 06881.

BIDS WANTED

NTSC TRANSMITTER PROJECT

WITF, Inc. seeks bidders for NTIA funded
"turnkey" project replacing 60 KW transmitter
plant with redundant air-cooled IOT hardware.
Specifications and timetable available at
www.witf.org/bid or call John Bosak, Director of
Engineering (717) 221-2826.

Be sure you're reaching the best & most qualified professionals in the industry.

Place your ad in Broadcasting & Cable ...

The preferred choice for decision makers. Call 617-558-4532 or 617-558-4481

NORTHEAST

Small town 1 kw AM w. T. site300K
Small town 5 kw AM w. T. site600K
6 kw FM stick good signal900K
5 station cluster good CF.....6M
6 station cluster good CF12.5M
NYC metro/area translators1.5M-500K

SalesGroup
781-848-4201

NEW JERSEY FM RADIO STATION

Covers 500,000 population.

Excellent Opportunity.

Email RadioTvBroker@aol.com

NEW LISTINGS

OH 2 FM's and AM w/ real estate\$2 m.
NY upstate AM\$1.1 m.
Philadelphia suburban AM\$2.7 m.
Birmingham, AL AM\$1.8 m.
Richmond, VA AM\$400,000

Blackburn & Company

Call Bruce Houston
703/519-3703

SITUATIONS WANTED

SALES MANAGER-STATION MANAGER

20 years sales experience. 39 yr, single energetic person available. Highly skilled in Radio Sales, Management, Promotions. Start up, or need help. Pounding the streets, creating aggressive sales force, new image! Will relocate. 954-294-9711 email bkorgold@aol.com

Miscellaneous

MARKETING CAREERS

MARKETING

If you are creative, energetic and have a proven and solid record in marketing, we have a position for you. Washington-based publishing firm is looking for a marketing professional to join its new team and develop winning marketing strategies to include direct mail packages, online promotion, etc. Send your cover letter, resume and salary history to POB 90709 Wash., DC 20090.

Academic

FACULTY CAREERS

FULL-TIME BROADCAST LECTURER

California Polytechnic State University - The Journalism Department seeks a full-time broadcast lecturer for academic year 2001-2003. Teach broadcast news and production, beginner's news writing and reporting. Familiarity with new media and ability to teach related courses is highly desirable.

Broadcasting is one of three specializations offered for journalism majors. The department runs the two campus broadcast media: a year-round FM station and TV facilities with a weekly newscast.

Applicants must have a minimum of an M.A. in journalism or related field. Bachelor's acceptable with substantial recent experience in a metro broadcast market. Ph.D. is preferred. Professional experience as a reporter or anchor is required. Position starts September 2001. Salary is commensurate with qualifications and experience.

Refer to Recruitment Code #13042 and send letter of application, resume, three current letters of reference, and official transcripts to: Dr. Nishan Havandjian - Head, Journalism Department - Cal Poly State University - San Luis Obispo, CA 93407. Applications must be postmarked by January 15, 2001.

Cal Poly is strongly committed to achieving excellence through cultural diversity. The university actively encourages applications and nominations of women, persons of color, applicants with disabilities, and members of other under-represented groups. AA/EEO

Allied Fields

FOR SALE EQUIPMENT

BEAT THE BUDGET.

For dubs, demos, auditions and work tapes our recycled tapes are perfect. And half the cost of new. All formats, fully guaranteed—to order

(800)238-4300



We now transfer video to true DVD
www.carpelvideo.com

Watch for these
Upcoming Special Features
in Broadcasting & Cable:

Issue Date & Special Features

12/4 Post-Western Show

12/11 Streaming Media Insert

Bonus Distribution at

Streaming Media West Show

12/18 Pre-Holiday Issue

For more information
on advertising, contact:

Kristin Parker at 617-558-4532
Neil Andrews at 617-558-4481

Classifieds

Professional Cards & Services

du Treil, Consulting
Lundin & Engineers
Rackley, Inc.

Sarasota, Florida
941.329.6000 WWW.DLR.COM
Member AFCCCE

CARI T. JONES
CORPORATION

CONSULTING ENGINEERS

7901 Yarnwood Court
Springfield, Virginia 22153
(703) 569-7704 fax (703) 569-6417
MEMBER AFCCCE www.ctjc.com

LOHNES AND CULVER
CONSULTING ENGINEERS

8309 Cherry Lane
Laurel, MD 20707 4830
(301) 776-4488
locul@locul.com

 Since 1944 Member AFCCCE

COHEN, DIPPELL AND EVERIST, P.C.
CONSULTING ENGINEERS

Domestic and International Communications
Since 1937
1300 "L" STREET, N.W., Suite 1100
WASHINGTON, DC 20006
PHONE: (202) 898-0111 FAX: (202) 898-0895
E-MAIL cdepc@worldnet.att.net
Member AFCCCE

John F.X. Browne
& Associates

A Professional Corporation
Member AFCCCE
BROADCAST/TELECOMMUNICATIONS
Bloomfield Hills, MI Washington, DC
248.642.6226 (TEL) 202.293.2020
248.642.6027 (FAX) 202.293.2021
www.jfxb.com

HAMMETT & EDISON, INC.
CONSULTING ENGINEERS

Box 280068
San Francisco, California 94128
 707/996-5200
202/396-5200
www.h-e.com

Advertise in the **Professional Cards and Services Section**
and get the results you need!
Call **617-558-4532** or **617-558-4481** for more information.

TOWER/ANTENNA CONSULTANTS

CARL E. SMITH
CONSULTING ENGINEERS

AM FM TV Engineering Consultants
Complete Tower and Rigging Services
"Serving the broadcast industry
for over 60 years"
Box 807 Bath, Ohio 44210
(330) 659-4440

 **Denny & Associates, PC**
Consulting Engineers

PH 202-452-5630
FX 202-452-5620
Member AFCCCE eminfo@denny.com

NATIONWIDE TOWER COMPANY

ERECTOR • DISMANTLES • ANTENNA • RELAMP
ULTRASOUND • STRUCTURAL ANALYSIS • PAINT
INSPECTIONS • REGUY • ENGINEERING

P.O. BOX 1829 HENDERSON, KY 42419-1829
PHONE (270) 869-8000 FAX (270) 869-8600
E-MAIL: hjohnston@nationwidetower.com
24 HOUR EMERGENCY SERVICE AVAILABLE

• Turnkey Systems • Towers • Antennas
• Transmitters: Analog/Digital

LeBLANC Broadcast Inc.
Ray Carnovale President

Tel: (303) 665-5016 Fax: 665-8805

Munn-Reese, Inc.

Broadcast Engineering Consultants

P.O. Box 220
Coldwater, Michigan 49036
Phone: 517-278-7339

Mullaney Engineering, Inc.
Consulting Telecommunications Engineers

9049 Shady Grove Court
Gaithersburg, MD 20877
301-921-0115
Member AFCCCE

Shoolbred Engineers, Inc.
Structural Consultants

Towers and Antenna Structures
Robert A. Shoolbred, P.E.

1040 Morrison Drive
Charleston, S.C. 29403 • (843) 577-4681

 **UNIVERSAL TOWER, Inc**

Manufacturer of
Self-Supporting Towers,
Guyed Towers and Accessories

P.O. Box 276 • Henderson, Kentucky 42419-0276
Tel: 270-533-5151 • 270-533-1479
www.universaltower.com

HATFIELD & DAWSON

Consulting Engineers
9500 Greenwood Ave., N.
Seattle, Washington 98103
(206) 783-9151
Facsimile (206) 789-9834
MEMBER AFCCCE

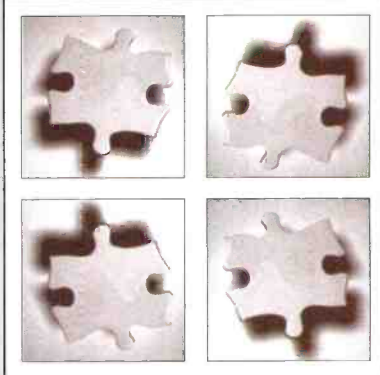
Cavell, Mertz & Davis, Inc.
*Engineering, Technology
& Management Solutions*

10300 Eaton Place, Suite 200
Fairfax, VA 22030
(703) 591-0110 (202) 332-0110
Fax (703) 591-0115
www.cmdconsulting.com
www.DTVinfo.com 

**Solve Your
Advertising
Puzzle**

with
Broadcasting & Cable's
Classified Ads and
Professional Cards & Services

Call Classified Sales
617-558-4532 or
617-558-4481



WALLACE
& ASSOCIATES
Dennis Wallace

101 West Ohio St.
20th Floor
Indianapolis, IN 46204
(317) 684-6754
wallacedtv@aol.com

**SPECIALIZING
IN DIGITAL TELEVISION**

Contact Kristin Parker
or Neil Andrews
to place an ad in the
**Professional Cards and
Services Section.**
Call **1-866-258-1075**

**ADVERTISE THE EASY WAY WITH
YOUR BUSINESS CARD!**

CALL 617-558-4532 OR 617-558-4481

Voices T W O C E N T S



"The network set up a new subscription number—1-800-COMING-OUT—and distributed premiere party kits to gay and lesbian college groups. (Though one hopes any self-respecting homosexual would take a pass on party tips from a TV company.) But Showtime had a hard time recruiting actors from big agencies, fearful of their clients being type-cast as gay. ... Several fashion designers (of all industries!) even refused to have their products placed in the series."

—*Time* magazine reporting on Showtime's new graphically frank fictional series about gays, *As Queer as Folk*, debuting this Sunday at 9 p.m. ET. The pay service hopes QAF will do for it what *Sex and the City* did for rival HBO.

"As a TV critic, I can poke holes in Barney's show—its approach, its quality, its execution. As a dad, I don't have a leg to

stand on."

—Arizona Republic's *Bill Goodykoontz* on America's most famous purple dinosaur.

"He's clearly using the prestige and the name of his office to enrich himself financially. ... And even if that's not illegal, I find it very troubling."

—Minnesota Democratic State Sen. John Marty on Jesse Ventura as XFL's new color commentator, as reported by the AP.

"I realize the value of entertaining a person as well as informing them—which is something I'll probably get clobbered for saying, but is true."

—Melinda Chait, a new news producer at WBAL-TV Baltimore, trying for a full-time position, made difficult because, in the past, she was a producer for *Jerry Springer*. Reported by David Folkenflik in *The Baltimore Sun*.

"I will always remember the First Father of the First Family, who is responsible for setting a national example, brought shame and public humiliation on his wife, his daughter and his country by marital infidelity and

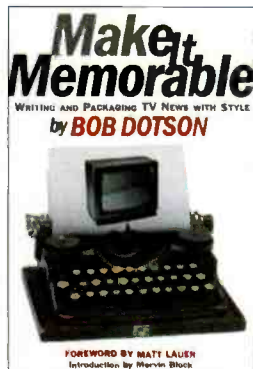
lying under oath—right into the camera, looking straight into my face! I take it personally."

—TV and radio talk-show host Dr. Laura Schlessinger, in *Time* magazine, about what she'll remember about the Clinton White House.

"Early in the story, news crews staked their claim on the sidewalks across from the courthouse. Crews used duct tape to box off 3- to 6-foot sections. They then branded the sidewalk with their station's call letters. 'Most crews abide by it,' said freelance cameraman Tony Long. The tape is usually good for the entire story, so turf doesn't need to be reclaimed every day. 'But if things really start shaking and you leave your square, people will pull up your tape and move in.'"

—How television crews methodically set up shop in West Palm Beach to cover the election recount fracas, from Jim Romanesko's MediaNews at Poynter.org.

EXCERPT



After 30 years on the air, Bob Dotson knows a thing or two about writing. In his new book, *Make It Memorable: Writing and Packaging TV News With Style*, the Emmy Award-winning NBC correspondent shares some of the tips:

"I've done thousands of interviews in the past three decades and have noticed a pattern to people's responses. They nearly always answer a question three times. First, they tell you the answer they want you to hear. Second, they explain their answer. Third, they blurt out a soundbite—if you wait a beat before jumping in with the follow-up question.

"Let the silence grow. Silence makes people uncomfortable. They suspect you still don't get their answer. That's when they put their thoughts into sharp focus.

"Uncomfortable silence helps you get a more memorable, shorter soundbite. And yet, what's the one thing we don't do in this age of live shots? We never stop talking. That's why we end up relying on professional speakers—lawyers and pundits—people who can give us the soundbites we expect, even if we interrupt them. The problem with that is, everybody gets the same soundbites. Often predictable. Sometimes boring."

A I R T I M E

Hooray for the girls!

TV has finally realized the attraction of good female characters

By Tom Lynch

As the creator of several “girl-approved” leading and supporting female characters, people often ask me, “How can a fortysomething Irish-Catholic man with four sons be so in touch with his feminine side?” Nowadays, my standard response is: “I don’t even try anymore.”

You see, I like to tell stories about the magic of the human experience, with all its highs and lows, and challenges and triumphs. Stories, that regardless of gender, we can all relate to because we’ve all been in similar situations at some time in our lives.

For example, most of us have felt “less-than” or unlovable. On the other side of the coin, we’ve all felt on top of the world. There’s no gender bias in any of those experiences.

Next, I try to develop characters with distinct traits, attributes and motivations. Bold, funny, sensitive, silly, carefree, irresponsible—I’ve known both men and women who fit that description. I don’t think either sex has ownership over a particular emotion or feature.

Finally, after I’ve got a pretty good mental picture of the character, I then audition actors *and* actresses to see who best interprets my vision for the part. And that’s the moment of truth.

I didn’t always do it that way, of course. My friends Geraldine Laybourne, who is the founder of Oxygen, and Herb Scannell, the current president of Nickelodeon, both deserve a lot of the credit for my enlightenment.

Back in 1993, Gerry was running Nickel-

odeon, and Herb was the network’s head of development. I presented Herb with a pilot script about a tween-age boy who is accidentally doused with a mysterious chemical that gives him superpowers—like being able to morph into an oozing blob of goo. (By the way, most of my material is autobiographical to some degree. My father was a chemist. He was always conducting these weird experiments with all these exotic-looking chemicals, and as a kid, I wondered what would happen if I messed with his materials in some way.)

Herb loved the concept, but, at the time, Gerry was on a mission to find shows with high appeal to tween-age *girls*—an audience that was highly underserved in the early 1990s. It’s hard to believe, I know, but 10 years ago, there wasn’t *one* children’s program airing that starred a female lead on *any* of the networks.

Knowing Gerry’s plans, Herb gave me the best advice possible: Change the lead character from a boy to a girl.

At first, I was concerned. I wasn’t sure I could write a convincing female lead, especially since the series was based on my own rough-and-tumble boyhood adventures. However, this was my first big break at Nickelodeon, so after about a minute or so of hesitation, I, of course, agreed to the change.

But when I initially began to rewrite the pilot, I found myself overdoing the girl-friend thing a bit—overcompensating, I guess, for my lack of estrogen. I tried all kinds of research, like reading *Seventeen* magazine and hanging out at The Limited in the mall. (Just kidding!)

Actually, I realized early on that nothing



Lynch: “Most of my material is autobiographical. My father was a chemist. I wondered what would happen if I messed with his materials.”

was going to make me write more feminine. It just wasn’t possible with my particular DNA. So instead, I focused on writing a really good, strong leading part. I made Alex smart, independent, energetic, brave and loyal to her friends and family, among other traits. I also made her feel like an outsider because she had this strange power within her.

Next, I cast a really great, young actress, Larisa Oleynik, who made the part come alive; she even put a little of young Tommy into it without even realizing it. And the rest, as they say, is history. *The Secret World of Alex Mack* had four enormously successful seasons on Nickelodeon and continues to do well in reruns.

Now, I’m proud to say that I’ve got a whole bunch of great female characters, and actresses to portray them, on the air this year, in NBC’s *Just Deal*, Disney Channel’s *The Jersey*, Nick’s *100 Deeds for Eddie McDowd* and Nick’s *Caitlin’s Way*. Each one is unique—not necessarily because she’s a girl—but because she’s an individual. And *that* goes double for racial stereotypes. But that’s another column. ...

Tom Lynch, the creative force behind the Tom Lynch Co., was honored last week by Girls Inc. for all the positive and inspiring role models that he has created for young girls.

O P E N M I K E

ADS 'R' NOT US

Editor: Harry Jessell's column ("Commercial Overload," Nov. 6) cited the work of an assistant professor at Salem State College, Judi Cook, who made claims about the frequency of children's underwriting on PBS member station WGBH-TV Boston. The column also quoted the researcher's disparaging conclusions about public television.

Unfortunately Ms. Cook's research is based on faulty methodology and her conclusions are not supported by either the data she gathered, or by the laws and regulations governing underwriting on public television. Her observations were based upon only one "composite" day of programming, which was not representative of WGBH-TV's schedule. It did not include the *NewsHour With Jim Lehrer*, *NOVA*, *Masterpiece Theatre* and other pillars of the PBS schedule.

Ms. Cook does acknowledge that "the total amount of time attributed to underwriting appears small (2%)" and "roughly half ... of the underwriting spots included statements of support of PBS or learning in general." Such findings would seem to contradict her dire conclusions relating to public television's approach to children.

Underwriting on PBS member stations is fundamentally different from advertising on commercial television. Federal law and regulations prohibit underwriting messages on public television that contain a specific call to action, superlative descriptions, qualitative claims, price information or inducements to buy, all of which are staples of commercial advertising. PBS' guidelines for children's underwriting are even more strict, limiting messages to those which support public television or promote learning and education. In addition, national underwriting credits on PBS may not exceed 15 seconds and do not interrupt programs.

We are proud of our service to children, with a distinctive lineup of award-winning educational programs that kids love and parents trust. We would like nothing more than for noncommercial

sources of funding to grow so that corporate support became less essential in paying for this unique and important service to children. Until that day arrives, however, we must and will continue to seek support for our children's programs from public-spirited corporations, and we will acknowledge their contributions in an appropriate manner as required by law. —*Tom Epstein, VP, communications, PBS, and Jeanne Hopkins, VP, communications, WGBH-TV*

Cook responds: PBS may be following the rules governing public television, but that does not negate the fact that these underwriting spots look and feel very much like real commercials. Gone are the days of static images of underwriters' logos. I challenge your readers to watch a few hours of children's television on PBS and draw their own conclusions as to whether or not children are being targeted as consumers.

Editor: I just finished reading ["Commercial Overload"]. I must take exception to your comparison of the underwriting spots on PBS children's programs to the type of advertising spots found around commercial children's fare. I would be astonished if you could find any public station in this country that aired 12 minutes of spots per hour as commercial stations are allowed to.

Judi Cook's assertion that "this appears to be the wave of the future," is, unfortunately, partially correct. Programming is expensive to produce. In an ideal world, we would find funding mechanisms to provide the dollars to produce quality children's entertainment that could run without annoying commercials ... or disturbing underwriting spots.

Commercial broadcasters pay for their children's programming by selling commercials. At least public broadcasters have specific guidelines that limit the amount of time that may be devoted to underwriting spots in a program (usually 60 seconds for an one hour period), and some local stations sell additional underwriting around programs to defray their costs of acquir-

ing that show. To compare that attempt to cover costs as the equivalent of the endless stream of commercials for ridiculously priced toys that children are encouraged to "need, want and demand" is ludicrous. —*Guy Serumgard, production manager, wvvp(tv) Peoria, Ill.*

Editor: Harry Jessell's column raised some provocative questions about the state of U.S. children's media including, "Isn't there something creepy about grown-ups who go to work each day to study children so that they can better sell them stuff?" With all due respect, the answer is a qualified yes.

What really is creepy is that despite years of research examining young children's inability to distinguish programmatic from commercial content, we still have no significant national funding in place to provide our most vulnerable audiences with regularly scheduled educational programming. Public broadcasting stations, via their TV and online services, do yeoman's work on limited budgets—work that both crosses the screens and extends beyond them into the daily lives of children, parents, caregivers and teachers. To blithely damn public media's commitment to not only noncommercial distribution, but also noncommercial development, without acknowledging the economic realities of production and distribution is counterproductive.

At the end of his column, Jessell tells children's marketers to "get a real job." Here's a thought: With all the influence BROADCASTING & CABLE and Cahn's publications have in the industry, why not dedicate a regular feature to the research and information that could both drive noncommercial, creative development and attract the financing to produce and distribute it? Now, that's what I would call a real job. —*Alice Cahn, managing director, Interactive Media for Children, The Markle Foundation*

AMEN!

Editor: I'm a high school mass-media teacher ("Commercial Overload"). I always use a similar

anecdote about my son when discussing commercial advertising. Unfortunately, commercialized television hit him a little earlier—around age 4 or so. My students are always amazed that my son's holiday wish list was very short during his first four years.

Thanks for sharing your own insights on this topic. —Kara Clayton, Redford, Mich.

TAUZIN, GET REAL

Editor: I find Rep. Tauzin's concern regarding the election night calls intriguing (Cableday Fax, Nov. 10). Despite protestations to the contrary, Mr. Tauzin has repeatedly shown disregard for the First Amendment by latching on to easy issues to impress his constituents.

What he really needs to do is work toward dumping the electoral college and moving the nation toward determining its president by popular vote. This would insure the real equality of each citizen's vote, rather than devalue those of voters in less populous states. Of course, that's a real issue a congressman could sink his teeth into rather than sop the local folks. I don't think we can expect Mr. Tauzin to address such a real need. —J. Robert Craig, Central Michigan University, Department of Broadcasting and Cinematic Arts

LITTLE GUY ADVOCATE

Editor: I read with keen interest your report in TV Fax (Nov. 16) on NCTA President Robert Sachs' comments regarding the abolition of must-carry. Mr. Sachs would have us believe that, without exception, broadcasters care only for the money and not for their public-interest obligations; that, if left to themselves, the last thing they would consider is public service. While I agree there are plenty of folks who fit this category, there are also many of us who take seriously our role to educate, inform and entertain the public. Without must-carry regulations, small stations across this country would have little hope of securing necessary cable channel clearances that guarantee sur-

vival in a highly competitive industry.

I, for one, am grateful to those in authority who continue to look out for the little guy, though these individuals are fast becoming an endangered species themselves. We need big business in this industry, it is true; but we also must make room for the up-and-comers. Preserving must-carry helps level the playing field, and keeps the door open for men and women of passion to come in. It is often from humble beginnings (and small stations) that true passion springs forth.

For the small broadcaster (and for many of the rank-and-file working in television), there's more at stake in must-carry than just a job. There's a portion of the American dream itself. —Ralph Tobias, manager, programming and promotions, WJAL-TV Chambersburg, Pa.

Editor's note: TV Fax's and BROADCASTING & CABLE's reports on Sachs' speech were slightly in error. Sachs never mentioned must-carry per se. He did, however, question why broadcasters deserve "preferential regulatory treatment" like retransmission consent and challenged broadcasters' record of public service.

WE HAVE YOUR NUMBERS!

Editor: I am writing in response to your article "Take A Number" (BROADCASTING & CABLE, Nov. 13). Your article suggests that nobody is tracking the number of commercial broadcast stations in the United States. Although the FCC no longer provides the industry with monthly reports of total numbers of commercial broadcast stations, BIA Financial Network (BIAfn) tracks commercial broadcast station information through a database software application titled, *Media Access Pro*. Currently, there are 4,792 commercial AM and 6,072 FM radio stations and 1,289 commercial television stations. In addition, there are 371 public/education stations. The software is updated daily to provide accurate, timely and comprehensive information on both U.S. television and radio sta-

tion owners. The program's user-friendly interface allows individuals to analyze revenues, ratings, ownership, transactions, demographics, technical statistics and much more. —Francis S. Moore, communications and media relations manager, BIA Financial Network, Chantilly, Va.

REALITY CHECK

Editor: I probably risk being accused of philistine thinking by the multitude of PDA users, but my Daytimer has, for 25 years, maintained most of the information I need to get along in the world. (P.J. Bednarski's column, "Forswearing Geekiness," Oct. 30).

It's not that I disdain technological advancement. Scratched vinyl and tape hiss, for example, are two things I'm pleased to have left behind in the transition to compact discs. The 3-inch LED's of my bedside alarm are a vast improvement over semi-luminescent hands of a traditional clock. Certainly, I appreciate the many benefits of this computer (like being able to send you this note via e-mail in lieu of my illegible scrawl). I'm as grateful as anyone for the continual improvement in broadcast technology.

At the end of the day, however, the penalty for failing to maintain a sense of reality with respect to life's essentials will be finding ourselves slaved to technology that exists more for its own sake than anything else. I love the Internet and use it most every day, but I could easily live without it if I had to. —Bill Powers, Lawrenceville, Ga.

WE LIKE LETTERS

BROADCASTING & CABLE welcomes your letters about our coverage, or media issues in general. You may mail them to BROADCASTING & CABLE, Open Mike, 245 W. 17th Street, New York, N.Y., 10011; e-mail to pbednarski@cahners.com or fax to 212-337-7028.

Please include a daytime phone number. We won't publish anonymous letters, and we have the right to edit them for space and clarity.

Broadcasting & Cable (ISSN 0007-2028) (USPS 0066-0000) (GST #123397457) is published weekly, except at year's end when two issues are combined, by Cahners Business Information, 245 W. 17th St., New York, NY 10011. Broadcasting & Cable copyright 2000 by Reed Elsevier Inc., 275 Washington St., Newton, MA 02158-1630. All rights reserved. Periodicals postage paid at New York, NY, and additional mailing offices. Canada Post IPM Product (Canada Distribution) Sales Agreement No. 0607533. Postmaster, please send address changes to: Broadcasting & Cable, P.O. Box 15157, North Hollywood, CA 91615-5157. Rates for non-qualified subscriptions, including all issues: USA \$149, Canada \$219 (includes GST), Foreign Air \$350, Foreign Surface \$199. A reasonable fee shall be assessed to cover handling costs in cancellation of a subscription. Back issues: except for special issues where price changes are indicated, single copies are \$7.95 U.S., \$10 foreign. Please address all subscription mail to: Broadcasting & Cable, P.O. Box 15157, North Hollywood, CA 91615-5157. Microfilm of Broadcasting & Cable is available from University Microfilms, 300 North Zeeb Rd., Ann Arbor, MI 48106 (800-521-0600). Cahners Business Information does not assume and hereby disclaims any liability to any person for any loss or damage caused by errors or omissions in the material contained herein, regardless of whether such errors result from negligence, accident or any other cause whatsoever.

Broadcasting & Cable was founded in 1931 as Broadcasting. The News Magazine of the Fifth Estate. It now incorporates Broadcasting-Teletext, introduced in 1945; Television, acquired in 1961; Cablecasting, introduced in 1972; Broadcasting/Cable, introduced in 1989; and Telemedia Week®. It was named Broadcasting & Cable in 1993. Broadcasting & Cable® is a registered trademark of Reed Publishing (Nederland) B.V., used under license. Telemedia Week® is a registered trademark of Reed Elsevier Inc. Reg. U.S. Patent Office.

The Fifth Estate TELEVISION Broadcasting

Editorials

COMMITTED TO THE FIRST AMENDMENT

Here comes the sun

Our long national nightmare of an election will be one for the history books. And while we all would have preferred a clear winner to the political equivalent of *Survivor*, democracy can be a messy process as practiced by fallible and often partisan humans (the phrases "warts and all" and "making sausage" leap to mind). It can also make for some high TV drama as witnessed the oral arguments in Florida's Supreme Court last week.

The much-alluded-to sunshine in which Florida conducts its business, including cameras in the courts, has allowed us all to be witnesses to political history in a way impossible just a few years ago. Not impossible because the technology wasn't available, but because the technology was excluded. The pictures of agonizing canvass-board members and Democrat-appointed judges sharply questioning Bush and Gore advocates told a story more about process than partisanship. We think those pictures were a bright spot in what has become an increasingly ugly battle for the presidency. In a story that has been so much spin and counter-spin, to see some of the legal machinery at work has been reassuring, even inspiring. Millions of viewers were able to render their own verdicts as they waited for the official one. We are certain that the televised proceedings did much to erase the bad aftertaste of the televised O.J. Simpson trial.

We need to spread some of that Florida sunshine around. It is past time that the federal appellate courts, including the Supreme Court, allow cameras. It's already the 21st Century (or almost, if you ask Arthur C. Clark), and the federal courts are still stuck in the 19th. If this election battle moves into federal courts, the shadow of that proceeding will be in stark contrast to the openness of Florida. Along with improved voting procedures and clearer Florida election laws, we'd like to see this legal fight fuel a push for cameras in federal courts. This clouded political picture needs all the silver linings we can find.

P. S. While we're at it, you'll notice the Big Three broadcast networks didn't have to be told to drop their regular fare to carry the oral arguments before the Florida high court. They did so because it was a critical moment in an unprecedented presidential election that had gone deep into overtime without clear rules. Put simply, it was news. Let's hope that public-interest advocates who continue to demand free time from TV stations for their own idea of political discourse were watching.

Two-way or the highway

Like the videophone, interactive television has been one of those endlessly-vaunted technologies that just never seemed to pan out. Until now. From the issue of open access to the fight over separating security and surfing functions in set-tops to the growing cottage industry in turning TV sets into PC emulators, two-way cable TV appears to be reaching something approaching critical mass. The battle over two-way access to viewers could well frame the debates in Washington for months if not years to come.

We were struck by the companies lining up at this year's Western Show in Los Angeles to turn the TV into an e-mail monitor or family photo album, not to mention the interactive games and shopping (OK, we did mention them). Given this multitasking TV scenario, is it any wonder broadcasters are looking at digital business models that incorporate ancillary services. In the world unfolding at the Western Show, the broadcaster model of a single ad-supported channel looks like a Model T.

BROADCASTING CABLE

www.broadcastingcable.com

William McGorry/Group Vice President/212-463-6543
Lawrence Oliver/Group Publisher/212-463-6544
Donald V. West/Group Editor in Chief/202-463-3701
Harry A. Jessell/Editor/212-337-6964
Denise O'Connor/Associate Publisher/212-337-6961

EDITORIAL/NEW YORK

Harry A. Jessell/Editor/212-337-6964
P.J. Bednarski/Executive Editor/212-337-6965
Stephen McClellan/Deputy Editor/212-337-7023
John M. Higgins/Deputy Editor/212-337-7024
Susan Qualtrough/Managing Editor/212-463-6432
Evette Porter/Assistant Managing Editor/212-337-7148
Glen Dickson/Associate Editor/212-337-6952
Richard Tedesco/Associate Editor/212-337-7025
Ken Kerschbaumer/Associate Editor/212-337-7011
Deborah McAdams/Staff Writer/212-337-7027
Patricia A. Carter/Senior Copy Editor/212-337-7143
Beatrice Williams-Rude/Copy Editor/212-337-7140
P. Llanor Alleyne/Editorial Assistant/212-337-7141
Liza Rodriguez/Editorial Assistant/212-337-7147
Beth Shapouri/Editorial Intern/212-337-7147

DESIGN/NEW YORK

Todd J. Gast/Art Director/212-337-7017
Miguel Romero/Assistant Art Director/212-337-7144

EDITORIAL/WASHINGTON

Donald V. West/Group Editor in Chief/202-463-3701
John S. Eggerton/Deputy Editor/202-463-3702
Dan Trigoboff/Senior Editor/301-260-0923
Elizabeth A. Rathbun/Associate Editor/202-463-3709
Paige Albinak/Assistant Editor/202-463-3708
Bill McConnell/Assistant Editor/202-463-3706
Kim McAvoy/Contributing Editor/540-341-4234
Kira Greene/Contributing Editor/703-524-7793
Rick Higgs/Systems Manager/202-463-3718
Alisa Holmes/Web Production Manager/202-463-3703
Doris Kelly/Office Manager/202-463-3711

EDITORIAL/LOS ANGELES

Joe Schlosser/Bureau Chief/323-549-4111
Susanne M. Ault/Staff Writer/323-965-5361

ADVERTISING/NEW YORK

Denise O'Connor/Associate Publisher/212-337-6961
Yvonne Pettus/Senior Account Executive/212-337-6945
Michael Farina/Account Executive/212-337-6941
Rob Payne/Account Executive/212-337-7022
Tamika Brown/Sales Coordinator/212-337-6940
Dana Levitt/Marketing Services Director/212-463-6546
Georgina Sculco/Art Dir., Creative Services/212-337-7154

ADVERTISING/LOS ANGELES

Marcia Orcutt/Advertising Director, Syndication/323-549-4114
Eric Low/Sales Coordinator/323-549-4113
Chuck Bolkom/Director of Technology Advertising
775-852-1290; Fax 775-852-1291; email: chuckbolk@aol.com

ADVERTISING/ASIA

Yukari Media Inc./Masayuki Harihara
81-66956-1125; Fax 81-66956-5015

CLASSIFIED ADVERTISING/NEWTON, MASS

Kristin Parker/Account Executive/866-258-1075
Neil Andrews/Account Executive/866-258-1075
275 Washington St., Newton, Mass. 02458; Fax 617-630-3955

EVENTS

Steve Labunski/Director, Special Events/212-337-7158
Sandy Friedman/Special Events Coordinator/212-463-6740

PRODUCTION/NEW YORK

Luis Mendes/Production Manager/212-463-6524
Farrah Apponte/Production Assistant/212-463-6571

CIRCULATION/NEW YORK

John LaMarca/Circulation Manager/212-337-7080

SUBSCRIPTIONS/DELIVERY

BROADCASTING & CABLE: 800-554-5729
Online Customer Service: www.pubservice.com
BROADCASTING & CABLE YEARBOOK: 800-521-8110
CABLEDAY: 800-563-9056, TV FAX: 800-554-5729

OFFICES

New York: 245 W. 17th St., 10011 / 212-645-0067;
Edit Fax: 212-337-7028 or 212-463-6610; Ad Fax: 212-337-6948
Washington: 1627 K Street NW, 20006
202-463-3711; Edit Fax: 202-463-3742
Los Angeles: 5700 Wilshire Blvd., Suite 120, 90036
323-549-4100; Edit Fax: 323-937-4240; Ad Fax: 323-937-5272



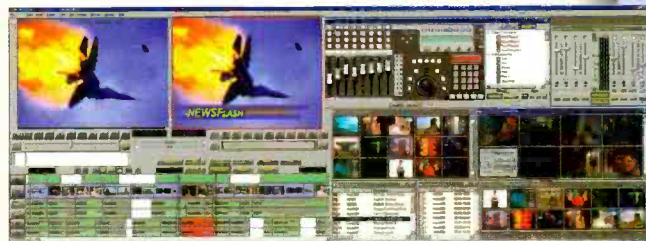
CAHNER'S BUSINESS INFORMATION

Marc Teren/Chief Executive Officer
Brian Nairn/Chief Operating Officer
Dan Hart/Vice President, Finance
Sol Taishoff/Founder and Editor (1904-1982)

News doesn't just break —
it explodes

Hit the air instantly while your rivals crash and burn. Thanks to Leitch, now you can record multiple feeds, browse and edit as you record, and play back instantly with BrowseCutter™, Instant Online™ and NEWSFlash™ — our digital newsroom.

The instant news makes impact, you have to be ready to launch your crew into the action. The first one on air is reporting the news; everyone else is just reporting history. As every second passes, you're in danger of missing your target. Leitch's news server ensures that you never crash and burn by supplying direct, unrestricted access to our V-SAN — the Video Storage Area Network. Your crew can simultaneously record multiple feeds, edit complete packages and instantly play to air. In no time you'll be shaping stories that once remained up in the air. Your crew will be on the air before the competition loads its tapes. It's all possible with NEWSFlash™, the only 'in-the-server' Non-Linear Editor designed specifically for quick, hard news. And you can simultaneously attack with a fully armed squadron using BrowseCutter™ and Instant Online™, a complete set of ammunition allowing for browse, edit and instant story to rundown conformance of digital video and audio content right from the journalist's computer desktop. The sky's the limit with Leitch's integrated news system. Call 800-231-9673 for more information or visit our website at www.leitch.com.



Using NEWSFlash™ and Instant Online™ newsroom generals can coordinate with outside forces using the following compatible newsroom interfaces: ANN, AvStar, Compromper, DCM, ENPS, Generation Technologies and Newstar

Canada +1 (416) 445 9640 Europe +44 (0) 1483 591000 USA. East +1 (800) 231 9673.
USA. West +1 (888) 843 7004 Latin America +1 (305) 591 0611 Brazil +55 (11) 3151 5093
Hong Kong +(852) 2776 0628 Japan +81 (3) 5423 3631 Australia +61 (2) 9939 3355

think video @
LEITCH

www.leitch.com

Connect the Dots

#1 PRIMETIME
Cable News Program

"The O'Reilly Factor" • 8PM^{ET/PT}

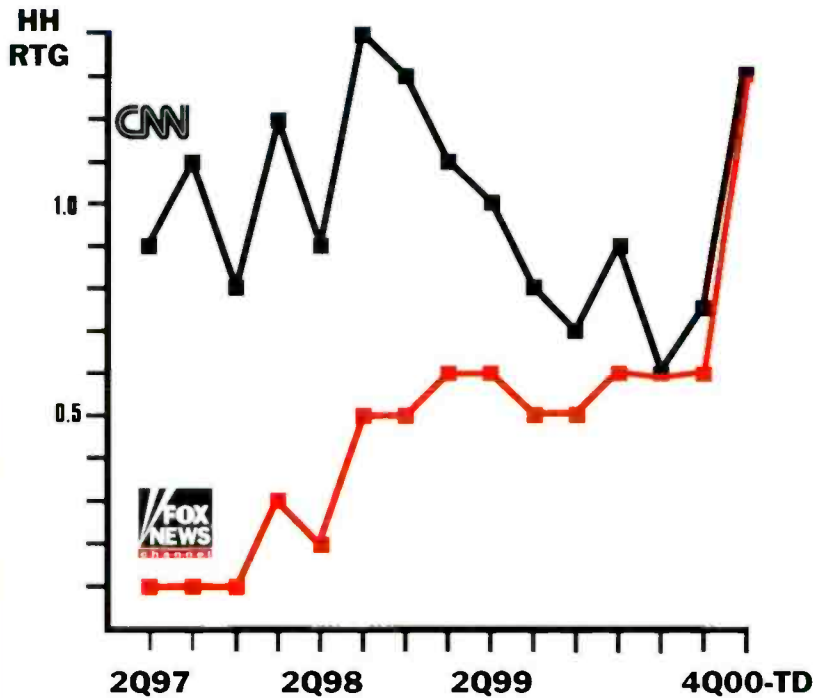
#1 NEWSCAST
On Cable

"The FOX Report w/ Shepard Smith" • 7PM^{ET}

#1 POLITICAL
Program

"Special Report w/ Brit Hume" • 8PM^{ET}

#1 NETWORK
For Political Coverage



#1 DEBATE
Program

"HANNITY & COLMIS" • 9PM^{ET}

#1 NEWS
Program @ 10PM ET

"The Edge w/ Paula Zahn" • 10PM^{ET}



We report. You decide.

See us at
BOOTH #351
and pick up your free
Polaroid I-Zone
Instant Pocket
Camera

Source: Nielsen Media Research, October 2000 (10/2/00-10/29/00), HH Rating, M-F 4pm-11pm program name averages, ranks exclude breaking news and specials. #1 Political = Special Report w/ Brit Hume vs. Inside Politics-CNN/Marshall w/ Chris Matthews-CNBC & MSNBC, The Mitchell Report-MSNBC; #1 Newscast = The FOX Report w/ Shepard Smith vs. The World Today-CNN; The News w/ Brian Williams-CNBC & MSNBC; #1 Primetime = The O'Reilly Factor vs. all M-F 8pm-11pm FNC, CNN, MSNBC, HLN program name averages; #1 Debate = Hannity & Colmes vs. Crossfire-CNN, Equal Time-MSNBC; #1 News Program @ 10pm = (.00 rating) The Edge w/ Paula Zahn vs. all M-F 10pm-11pm FNC, CNN, MSNBC, HLN program name averages. HH Coverage rating. M-F 8pm-11pm 3/21/97-11/12/00.