Studies in Media Management

Case Studies IN Broadcast Management

by

Howard W. Coleman

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CASE STUDIES IN BROADCAST MANAGEMENT

Studies in Media Management
A. William Bluem, General Editor

Broadcast Management
Radio & Television
by Ward L. Quaal and Leo A. Martin

Classroom Television
New Frontiers in ITV
by George N. Gordon

Case Studies in Broadcast Management
by Howard W. Coleman

CONTENTS

INTRODUCTION

There is no teacher like experience, and, in the long run, even the most advanced computer simulation of a managerial problem can not always provide the one "right" human answer. Thus it is that the venerable "case-study" method of examining managerial decision-making still has unique value, particularly in the field of media management, where the human dynamics of situations seldom repeat themselves. The greater variation in detail—and the more descriptions of what Adlai Stevenson once called "encounters with human beings" which the "case-study" approach allows—has established this method as an invaluable teaching aid in the education of managers.

In this volume, Howard Coleman presents a series of authentic situations which have challenged broadcast managers in recent years. His work will hold great value for those who aspire to apply efficient and creative managerial principles in an ever-changing industry.

A. WM. BLUEM, Ph.D.
Newhouse Communications Center
Syracuse University

PREFACE

Quaal and Martin, by way of introducing the profile of the broadcast station manager in their text, *Broadcast Management: Radio + Television,* quote Charles Brower of Batten, Barton, Durstine and Osborne: "There is no business that so thoroughly punishes the amateur. In a business such as ours, where boys and girls become men and women rapidly, you have to have a lot more than heart. You have to have that—plus responsibility, sensitivity, judgment and understanding."

The authors surveyed, checked, virtually dissected many of their managerial colleagues in radio and television, and settled on seven common characteristics of the successful ones of the breed: "Leadership, intelligence and knowledge, judgment, personal integrity, sense of responsibility, showmanship, and attitude toward work."

In a similar vein, this writer once assembled a profile of the station manager in response to the assigned topic of a speech before a businessmen's club, titled "How were you so lucky to get into this kind of work?"

Among other things, I said that the management of a radio and/or TV station demanded that you be:

- a *legal expert,* with a Solomon-type approach toward "equal time" and "fairness doctrine" questions and the demands of union shop stewards;
- a *father figure,* in dealing with the problems and actions of salesmen—and sometimes sales managers;

- a *child psychologist,* in treatment of the woes of talent—working under the theme of "Talent is/are children";
- a kindly-but-firm *policeman,* making sure that all the kiddies in your employ are doing what they are supposed to do, with no truants hiding in the alley;
- a *minor prophet,* shepherding the flock toward greener pastures—even though it may mean walking behind them and kicking their rumps;
- a *citizen of the community,* eager to join and to work with everything from the Better Business Bureau to the save-the-purple-grackle campaign;
- a Januslike *Santa Claus-Scrooge figure,* giving forth the aura of dispensing largesse with a free hand while at the same time keeping a close eye on the profit-and-loss statements;
- a *Boy Scout*—and here Quaal and Martin have said it well: "One might as well cite the Scout law for its pertinence and value judgments";
- And where all else fails, a *chaplain,* equipped in the military sense of the word with a heart-shaped punch for indenting the cards of the hapless of the world who parade before your desk!

The problems and situations posed in the following pages do indeed touch on thrift and honesty and similar values, although it must be admitted that there is precious little about helping old ladies in crossing the intersection—they might be your competitor's mother!

Be they Brower's five points, Quaal's and Martin's seven, or my own loosely-strung nine representations, the challenging aspects of electronic media management are common. The Case Study Problems and Case Study Profiles submitted are designed to shed light, delineate, and above all to encourage thinking and discussion about a number of problems common to the operation of *commercial* radio and television stations.

Text Organization

The text is in two parts: Part I—*Case Study Problems*—offers detailed exploration of broadcast areas in which the problems are serious, the resolutions far-reaching and properly described as long-range in planning and in resolution.

Part II—*Case Study Profiles*—outlines in briefer forms the kinds of problems that are for the most part short-ranged and capable of a solution that does *not* commit long-range involvement or capital investment, either in people or in equipment.

Part I—Case Study Problems

Use of the Materials

These are fully-detailed major problem situations in radio-TV management: all major parties involved in the resolution are quoted, and the problem is stated at the end of each chapter; suggested outside readings are offered, and the suggestion of "role-playing" class participation is made.

The "role-playing" application is detailed at the end of the first study, *The Radio Audience: Where is It? How do we acquire More?* In this concept, the class members are assigned to the various roles of station manager, national sales manager, local sales manager, program manager, etc. Through outside reading they are then expected to offer argument for the posture in which they have been placed by the words and attitude of their position.

Part II—Case Study Profiles

These short problem statements are offered with the suggested value of individual assignments for reports, or for informal discussion. Most of them, although not all, are designed as subjects capable of resolution and firm decision: in any event, *all* are based on actual situations where the need of a fast solution was evident.

A Further Word or Two

In one sense, there is in the experience of broadcast management a certain aura of *dejá vù*; that the problems of television are merely repetitions of happenings during the pre-TV era of radio. This is not without proof: Pay-radio was a onetime proposal that never got anywhere; assignment of radio frequencies was fought as hard as was the acquisition of TV channels 25 years later; the concept of counter-programming has existed ever since there were two stations on the air in any market.

But on the other hand there are no set patterns as a result of all that experience. At least in some part the industry forgot, or never learned; the constant practice of turning over executive personnel, of the flushing out of the old guard, has perpetuated the concept that "He who cannot learn from history is doomed to repeat it."

This lack of ability to go back to the prior lessons of the test tube and the centrifuge may be for the good: with all due apologies for broadcasting's ever-weakening hubris that "we're still an infant industry," it must at the same time be recognized that the lessons are new, ever-freshening, and that the next pattern of success or of governmental regulation is just around the corner.

If nothing else, it is a pattern that gives the broadcasting world a certain touching naiveté that is lacking in the worlds of the rival newspaper and magazine print empires, where giant names—Hearst and McCormick and White and Patterson and Luce and Medill and Wallace and Ross and scores more—are as dominant as they were in their prime.

Such tradition broadcasting does not have. Possibly this *is* for the good: public sentiment flowed beyond Mencken, who stood firm in his conservative, icon-smashing era; Colonel McCormick and his *Chicago Tribune* were bypassed by the international tides of World War II; Hearst and the anything-goes practices of "yellow journalism" lost out to a reasonably candid if not outright honest reportage. Yet each of those pioneers left an imprint: Mencken with the bright white light cast upon the Scopes Monkey trial; McCormick a standard of newspaper makeup and international news bureau organization still copied and envied; Hearst a pattern of chain newspaper ownership and influence unrivaled.

In all of this we are contemplating people—dominant mass communications people—and their influence on the mass audience of their era. The comparable example is hard to find—maybe nonexistent—in the electronic media. We know *names,* to be sure—Cronkite and Carson and Sullivan and the long-reigning Huntley-Brinkley twins; in an earlier era, Kaltenborn and Heatter and Major Bowes and the local Housewives' Protective League voice.

But there are few of us who don't know at the same time that these are or were *products—not* dominant, thinking personalities in themselves; *prime movers,* if you will.

We can most certainly learn from their examples; but only in terms of patterns of success, not as industry leaders or Mencken-type smashers of icons, let alone twitters of the means of their own success.

And so it is incumbent upon us to study as we can: to observe, to talk, to compare thoughts, to look to the future. Hopefully these studies suggest research in past, present and future—within the confines of that which is commercial broadcasting today, they have been put together.

ACKNOWLEDGEMENTS

To those 100-or-so broadcast executives who have, knowingly or not, contributed to this text, many thanks.

Specifically to Ole Moreby of Time-Life Broadcast Inc., and to James Lyons of A.C. Nielsen Company, my very sincere gratitude for reading and offering critical comment on various parts of this work while in progress.

And to Leo Martin of Michigan State University, a low bow for the inspiration and guidance that started this project and moved it from casual conversation to completion.

Finally, to a patient family and to a proofreading and critical wife and daughter, much love and appreciation.

New York, Spring 1970

HOWARD W. COLEMAN

SUGGESTED READINGS

The suggested readings indicated below, and as directed to each of the case studies, are offered only in that they are familiar to the writer, and have direct application to the subject matter at hand.

It is obvious that there are many additional texts available in which these subjects are discussed, and the student is urged to make use of any and all sources. Professional periodicals, e.g. the *Television Quarterly* and the *Journal of Broadcasting*, should be researched, along with readings in *Broadcasting*, *Television/Radio Age*, *Variety* and other news-and-feature publications devoting major space to broadcast matters.

(*The Topicater*, a clipping service review of what's being written about the industry, was of great aid in preparing this text.)

A Mechanical Note.

The suggested texts are listed below, numbered by alphabetical order of author or editor. With each case study, specific readings are suggested. These are done by number and by name of author only, with chapters, pages or reference titles then indicated.

Suggested Readings for Case Studies

(1) Bluem, A. William and Manvell, Roger (editors), *Television: The Creative Experience*. New York: Hastings House, 1967.

(2) Coleman, Howard W. (editor), *Color Television: The Business of Colorcasting*. New York: Hastings House, 1968.

(3) Hilliard, Robert L. (editor), *Radio Broadcasting: An Introduction to the Sound Medium*. New York: Hastings House, 1967.
(4) Hilliard, Robert L. (editor), *Understanding Television*. New York: Hastings House, 1964.
(5) Klapper, Joseph T., *The Effects of Mass Communications*. Glencoe: The Free Press, 1960.
(6) Kleppner, Otto, *Advertising Procedures* (5th edition). Englewood Cliffs, N.J.: Prentice-Hall, 1966.
(7) Quaal, Ward L. and Martin, Leo A., *Broadcast Management: Radio + Television*. New York: Hastings House, 1968.
(8) Roe, Yale, *The Television Dilemma*. New York: Hastings House, 1962.
(9) Roe, Yale (editor), *Television Station Management*. New York: Hastings House, 1964.
(10) Spring, Samuel, *Risks & Rights* (in publishing, television, radio, etc.). New York: W. W. Norton & Co., Inc., 1952.
(11) Taylor, Sherril W. (editor), *Radio Programming in Action*. New York: Hastings House, 1967.

PART I

Case Study Problems

1

THE RADIO AUDIENCE: WHERE IS IT, HOW DO WE ACQUIRE MORE?

The Background

When PLB Corporation purchased its paired radio and TV properties in Everytown, it became the owner of two decidedly different broadcast outlets: 1. A successful TV station, with a solid network affiliation and a fair share of the viewing audience; 2. A fumbling-along-the-middle-of-the-road radio station, with audiences that in the most optimistic rating report rarely achieved more than 10% of the total listening public.

Mack Grainger, PLB group vice president, summed up the owner's point of view for a meeting of WAAA-Radio executives: "We are here to do a successful long-range job. In TV our problems are relatively small—they are not *your* problems, and I promise you that radio will not be considered a minor promotion vehicle for TV.

"WAAA-Radio came on the air here in the mid-20's, and was a pioneer station and a major voice in the market before TV. As in many other situations, management lost interest when the video tube began to glow brighter and brighter in the 1950's. A parade of program managers and disc jockeys did so many things in the past 10 years that I doubt whether there is an original listener left.

"Just a year ago, a 'program doctor' from the sales rep firm turned it into a hard-rock station—even though there were, and are, two stations of that type in Everytown.

"The net result was to alienate every older listener, and *not* to draw many new ones away from the two established rockers.

But it took six months to discover this. Since then—and with a complete staff turnover—WAAA has been stumbling along a path that doesn't seem to lead anywhere."

The Problem

"We have a very simple problem, and a large challenge," Grainger continued. "PLB wants this to be a good station, a solid station, a significant voice in the community. We have no set formulas for this—in four different markets, we have four different types of stations, and the only common denominator is that they each have a recognizable voice in the market.

"I've asked the home office to lend you Hank Marsh, for the specific purpose of surveying this situation and coming up with recommendations for a new WAAA voice. Note that I *didn't* say 're-program'—I said 'make recommendations.' I really mean a long-range job. Hank is not a quickie program doctor, and you are not pressed by time in that sense.

"*You* people are going to have to do the actual programming and selling and operating, and live with it. What Hank comes up with will be spelled out in detail. Where we go from there will be what you decide. After whatever period of time it takes, Hank will deliver a report; we will all go over it in detail, and hopefully come up with a pattern for the future that will put WAAA in a solid position in the market."

The Marsh Report

1. *The Competition*

In this market of 1.2 million population there are 10 AM radio stations regularly reportable in the audience surveys; also one FM station—but with a program format so specialized that we need not consider it for the purpose at hand.

The remaining six AM and two FM stations collectively represent less than 5% of the audience.

The two top stations, *A* and *B,* both are 50 kw clear channel stations; as such they offer varied programming to reach beyond the metropolitan area. *A* is more traditional; *B* has a slightly more youthful sound in its voices and music, but basically is in that same regional service category.

2. *The 'Real' Competition*

We face four other stations in the fight for a share of the local audience. *C* is a 50 kw directional signal hard-rock station; *D* at 5 kw has a similar content, but with less of *C*'s "hey kids" and more of a "Hello, youth of all ages" appeal. Between them, they certainly offer at least enough of that kind of programming for Everytown.

The remaining competitors, including us, are all at the 5 kw, full-time service level, entirely adequate for reaching our metropolitan market. Station *E* defies strict categorization: it offers musical periods of nostalgia and "Americana," but at other hours has a talk program followed by musical comedy favorites of past years.

Station *F* has very little music; makes sounds like a combination of a "talk" station and an all-news format. Whatever they are doing seems subject to change, including syndicated shows and remotes from retail locations.

We—WAAA—aren't doing anything *bad*; Mack's summation might in turn be summarized with one word—*lackluster*. To lay further burden on an already-overworked word, we don't have any *image*. I don't mean to suggest that this in itself is a major criticism: the dominant station *A* doesn't operate in any easily-definable category. It has personalities and news and jazz and concerts and farm hours—the image is in the minds of the large numbers of different audiences it commands at different times of the broadcast day. But that's an extremely expensive way to go, and can be justified only with the kind of income to be drawn from a major operation.

3. *Where Do We Go?*

Let's run through the list of formats present in radio today—each has been successful in many markets; none is present in absolute practice here in Everytown today.

a. *The All-News Station*—This is a well-established formula; has achieved great success in many major markets. It turns up a fresh re-hash of news headlines every 15 or 20 minutes in peak listening hours; shoots in quick weather and traffic and time information; possibly enhances its fare with a shotgun pattern of special taped features in off hours.

The concept was developed to establish an image of a place where you could get everything you needed in a brief time period.

On the negative side, it demands a large staff—possibly 40 or more readers, writers and editors to go on a round-the-clock basis, as compared to the 15 people employed here.

b. *The "Pure" Good Music Station*—This has had such labels as "gaslight music" and "the sound of beautiful music" and "wall-to-wall music." It minimizes the role of the disc jockey to that of an anonymous voice, uses quick musical passages on tape to bridge from one record to another, "clusters" commercials in groups while claiming uninterrupted musical segments of 10 or 11 minutes. News as such is offered briefly on the hour, and little short of a holocaust is reason to break the pre-recorded format.

It is initially expensive to establish and to promote; later very economical; has a success record in many medium-to-large markets.

c. *The All-Talk Station*—This balances fairly lengthy news and special events programs with non-musical "talk" shows: the cult of the personality is all-important. It depends in large measure on the loneliness of listeners, and their need to respond to what they hear. The personality may work alone, taking phone calls and in turn listening or responding; or he may have guest "experts" sit with him as an added inducement to public response. The technology of fast tape-delay conversation from the callers has reduced the dangers of crackpots and libel; however, the personality must be quick with his responses and decisions. This, as with the all-news format, is expensive: you can't give smart pills to ex-disc jockeys, and air personalities capable of giving this kind of program a successful aura can command top salaries. The consideration has to be made in light of the success of the format in many markets.

d. *The Classical Station*—This is on one hand a terribly limited format; on the other, the continued success of WQXR in New York must be taken into account. In this market of 1.2 million people, with its own symphony orchestra, major universities, art centers, little theaters and other cultural activities, this is a format that must be considered. Voices are of course anonymous; news is offered in a lowkeyed, non-tabloid sort of way, and special programs are geared to a fairly well-defined audience stratum.

It is not as cheap a format as it might seem: it demands a music director of wide classical background, and well-educated writers, announcers and newsmen.

e. *The Country-Western Station*—In one sense, this is about as far removed from the classical pattern above as you could get—the first impression would be that we were shooting for a 100% *different* audience in *d.* above as compared to *e.* here. But today's country-western has shed its red flannel shirts and washdresses, hay-chewing and pigtails. The music goes beyond the three chords of the hillbilly's guitar, and the lyrics cover subjects more varied than just leaving that old Red River Valley. The instrumental backings are more often than not done by reeds and violins and brass sections, and the names are not all Fud and Minnie.

I mean this in its most favorable context when I say that country-western is a likeable and inoffensive format, with a lot of tuneful appeal for people who just might attend the symphony and the legitimate shows in other hours.

To Sum Up:

This is a far from complete list of radio program possibilities, but it's useful here in that it describes formats *not* present at the moment in your area of competition.

Two of the PLB AM stations are successful with a good music format; another is dominant with the all-talk operation. By way of contrast, we have one FM station doing a severe classical job, and another with a kind of "Americana" format only one step removed from straight country-western.

As I see it, you have a number of ways to go. Any one of these will, with proper promotion, give you an image of being a definable and identifiable voice; any one will also provide an effective vehicle for commercial messages for your clients; and any one will be an understandable commodity to be sold by your national sales reps.

The choice you make, or whatever combination of formats you devise, will have to be one that is most comfortable in terms of programming, promoting and selling.

The Question: Which Way to Go?

Grainger underscored a problem, and in a very real sense issued a challenge.

Marsh first of all summed up the current radio market situation in detail; secondly indicated a realistic view of the competitive situation; thirdly offered five possible ways to go.

There are six WAAA-Radio executives whose roles must be analyzed in the decision-making process:

BURNS, the station manager, who will bear the ultimate responsibility.

SWANSON, the national sales manager, who must concern himself with acceptance of the new format by advertising agencies involved with national spot advertising.

FRANK, the local sales manager, with a major interest in a type of programming that will be attractive to local clients (who actually tune in and listen to the showcasing of their own advertising).

BAINS, the program manager, who will have overall control and day-by-day responsibility for the station's product.

AIELLO, the operations manager, who will be faced with the training of personnel, possible reorganization of music library and other materials, and technical execution.

GRANT, the promotion manager, who will face a major assignment in publicizing the new format.

> THE CASE STUDY PROBLEM: As Burns, develop an overall plan that will meet all aspects and implications of Grainger's challenge—"A good station, a solid station, a significant voice in the community."

A Special Note

For the individual studying the case, the involvement of all six men should be studied through other sources, and a final conclusion drawn.

However, in a classroom or seminar situation, it might be more interesting to assign the roles of the six executives to various participants—with the suggested outside reading to be used as reinforcement for their individual decisions. It should be remembered that Burns, as station manager, will have an overruling vote —for the simple and practical reason that *he* must bear the responsibility for the results!

Suggested Reading

(3)	Hilliard (radio)	— Chapter 1: "Programming and Management"—Sections 1 and 2.
(6)	Kleppner	— Chapter 16: "Using Radio: The Radio Commercial"
(7)	Quaal & Martin	— Part 4: "Radio Programming"
(11)	Taylor	— Part 3: "Modern Music"; Part 4: "Country Music"; Part 5: "Beautiful Music"

2

STATION REVENUE AND THE STATION MANAGER

The Background

Joe Butterfield sits in a solid position as station manager of a substantial TV station in a medium market—255,000 TV households; two competitors; each of the three stations the fulltime affiliate of one of three major networks.

Joe reports to Charles Simon, vice president and general manager. Simon is a minority stockholder, a member of the board of directors of the group owning the station, as well as a radio station, a publishing firm and other properties. Due to a wide spread of interests on Simon's part, Joe has the challenge of full operating control of the station—a situation not always present in broadcasting.

Historically, the station came into existence in early 1953, just following the FCC "freeze" of TV channel licensing; has had a steady growth in its market since that time; along with its two competitors has enjoyed increased income as TV household set counts moved up, and as rate cards moved up with them, as more of the advertisers' dollars have been diverted to television advertising.

The Problem

For many years the TV station has been the outstanding profit-maker among the properties controlled by the investment group. However, the sharp climb in TV households tapered off as

TV reached a near-saturation point; rate card increases tapered off as well—and so did net profits.

At the same time labor costs continued high . . . spiraling cost of living and greater stability of employees demanded steady salary increases, increased benefits . . .the cost of station operation curved upward at a sharper rate than profits.

The board of directors was well aware of the nature of the situation, and scaled budgets accordingly. They retained a broadcast consultant as well as a Washington law firm; knew that their situation was far from unique, and that they were in at least as favorable a position as other stations with the same network affiliation in comparable markets. But at the same time they looked for ways both to control costs and to increase revenue.

Butterfield was asked to prepare for an all-day, full scale meeting with Simon and the corporate controller, R. J. Clawson, following the annual board meeting in February. Indicated in advance were two major agenda points: (1) economies in operation, and (2) increased revenue potential.

As a first step in preparing for the meeting, Butterfield detailed the present situation. In most segments of the broadcast day revenues were fairly well fixed, as influenced by the TV set saturation of the market, with an expansion rate closely tied to the national rate of population and household growth and reasonably anticipated at one or two percent per year.

Compensation from the network (for carrying programs) was set from an elaborate formula, adjusted year-by-year.

Billings from national and regional advertisers in local spots were pretty well scaled by competitive pricing, by measurable audience, and guided by the station's national sales representative. While Butterfield as a good manager always pressed his reps for "another 10%," he was fair with them and his employer in rating them as doing a good job in delivering national business: "In most months of the year they bring in more than one-third of the total national spot business in this three-station market."

Locally the station logged a well-rounded roster of clients: financial institutions, car dealer associations and dealers, beer and soft drink bottlers, appliance and home furnishings retailers and the rest. Rates here, as with network compensation and national spot billings, were pretty well solidified by market saturation and competitive pricing.

The cost of station operation, of *doing business,* continued to climb, however—at a rate exceeding that of sales revenue. Talent and labor costs were as competitive as other aspects of the three-station economy, and contract prices for the use of program materials—primarily feature films and syndicated programs—continued to rise in anticipation of the needs of the highest bidder.

As the station operation matured, salaries and benefits multiplied. The TV station management and staff had been brought into the corporate fringe benefits plans in the late 1950's; insurance and pension reserves and profit sharing became a heavier overhead load as a higher percentage of five-, 10- and even 15-year employees dominated the payroll.

In all overall review of these points, Butterfield's best estimate was that of a continuing-profit operation, but on a descending scale: one that could, under present methods of operation, deliver predictable-but-modest net profits for a number of years ahead—but that did *not* promise to reverse the trend of the past two or more years and *increase* that profit ratio.

Seeking a Solution

Butterfield presented the problem to his staff: national sales manager Bob Frank; local sales manager Wally Olsen; program manager Mort Samuels; chief engineer Bill England. In both his memo on the subject (outlining his preliminary survey) and in the following meeting, he included the station business manager, Nate Archer, and the promotion manager, Hal Barton.

At that meeting, he staked out ground rules for procedure: The subject under discussion is *increased profitability,* and it is to be explored in two ways—*economy in operation* and *higher revenues.*

"This is off the record, and informal," he continued, "but most serious in attempting to reach a decision that will offer a promise of solving the problem. Who's first?"

Samuels, the program manager, spoke: "In this central time zone, we really carry the late night network show an hour ahead of the East, and sign off an hour earlier than stations in most eastern markets. I think we could add a one-hour strip film show, or even two 30-minute shows, and keep some late-night audience."

"Cost you overtime," the chief engineer rumbled.

"But," Butterfield asked the sales managers, "could it be sold?"

Bob Frank hedged his reply: "*If* it showed up with some fair rating points, we could maybe bring in a couple of spots on Fridays and Saturdays—maybe even Thursdays—but forget about the early part of the week!"

Local sales manager Olsen was cautious: "We might get an all-night food outfit like White Castle or Chicken Delight interested—but it would have to be at a very reasonable price."

The promotion manager entered a program note: "Some really wild programming, like the *Cisco Kid* as it's dubbed for foreign markets, or silent movies with funny comment—but we'd have to spend some extra money on promotion."

Butterfield noted Point One: the possibility of extending the broadcast day, in anticipation of holding audience and offering more availabilities for spot announcements or sponsorship.

Olsen was next: "I know about the FCC and licenses and everything, but I think we carry an awful lot of sustaining programs from the network. Our competitor over here knocks out that religious show from New York at noon on Sunday, and has a movie sponsored by Swift Real Estate, and at five o'clock they carry that *Men at War* action series instead of the network interview show from Washington. If we did something like that I know we could get some local business."

Frank shook his head: "No national business for Sunday daytime."

"Also," Samuels added, "we could lose our license!"

Butterfield noted Point Two: the possibility of pre-empting some network sustaining shows, particularly on Sundays, to accommodate potential local advertising. He also noted the need to check policy with the law firm in Washington, and to re-check the actions of his competitors.

Bill England, chief engineer, spoke: "We log a tremendous amount of man hours taping commercials for local clients. I know this is a necessary service, but I think we should draw up some new ground rules. These guys come in without any real plan, only an outline of a script, and goof around for as long as we'll let 'em, trying new shots and arty ideas. This costs money—real money. How about some limits, and a realistic scale of charges?"

Defending his local clients, Olsen replied heatedly: "These guys don't have any other place to go, except to our competition! We've got to give them service when they buy time!"

"That's true, Wally," England responded, "but *they* don't run the service end of their businesses at a loss, and *we* can't afford to either. Electronic equipment has a predictable life span, and electricity costs money, and the biggest cost of all is overtime technical manpower."

Butterfield wrote Point Three: a close examination of studio and overall production use by clients, with the possibility of setting firmer rates and ground rules for commercial production.

Bob Frank spoke forcefully: "We are locked in by hours of network programming that are spelled out for us. In most of the prime time spots, and in the daytime soap operas and the rest of the network daytime schedule, we can sell national spot clients without too much trouble.

"But we are losing potential additional income at night, in our 10-to-10:30 news-weather-sports strip. Seven nights a week we have a parade of oldtime local sponsors. We get to sell some spots in-between the shows, but the programs themselves are all locked up by one or two, maybe even three sponsors, on a 52-week basis. And that's on a local rate, 52-week discount basis, I want to add!"

"Yeah," Olsen interrupted, "but they don't go in and out with fancy agency-conceived 'flights'—they *are* there every week."

"I'm willing to take my chances," Frank continued. "In off-season time some local guy can always be brought in anyway, and at a higher and shorter rate. We could get extra prime time revenue if we tossed these guys out and made the programs available only for one-minute spot announcements or whatever. Joe, I say we should clean everybody out between 10 and 10:30, and make the whole period open to spot announcements!"

Olsen was adamant: "Some of these local people have been with us for better than five years, and First National Bank has been on the Sunday news since it went on the air. Toss 'em out, and you're in for a lot of grief in town!"

"All that I'm saying," Frank went on, "is that I think we *do* have an opportunity—within our broadcast day and without adding hours or extra program or labor cost—to offer availabilities that will bring in more sales dollars."

"But don't forget," Nate Archer added, "that this national business has buried in the sales dollars the commission for the agency and the commission for the sales rep—much of this local business comes to us *direct*—no agency—and we produce the commercial materials as needed."

"And," Frank added, "we then have to employ writers and directors to do it—and we still have the commissions paid the local salesmen."

As POINT FOUR, Butterfield noted the suggestion of turning the already-profitable nighttime news-weather-sports strip over to spot participation only, rather than the largely proprietary interest sponsorship situation now present.

By prior talks, Butterfield dismissed change or reduction in the various seasonal promotion plans sketched out by Barton as a factor in long-range economy considerations: it was agreed that an aggressive promotion plan was required in any event, and that current activity was flexible enough to be shifted to place emphasis on most programming changes that might be made.

The meeting closed, Butterfield turned to an examination of the major points brought out, as he would present them before his management:

POINT ONE: The possibility of extending the broadcast day, staying on the air an hour or more later than the present schedule and offering some form of programming to attract night owls. He listed program costs as minimal, some promotion costs to attract that specialized audience, labor costs as a major factor, income from national spot business as a weekend possibility, local business as marginal but with some potential.

POINT TWO: Pre-empting network programming at key times when the possibility of sales to local clients might make this profitable. Olsen had been pinpointing a few weekend periods when a non-sponsored or public service program might be blanked out; Butterfield looked at possibilities beyond this: in the area, Friday night was late shopping night, with virtually all retail outlets open until 10 p.m. and the suburban plazas and malls jammed with cars. He noted: what about a two-hour "shoppers' special" in the middle of Friday afternoon, and an hour of features on the news-weather-sports side from 6 to 7 p.m., with 60-second spots open to local advertising?

POINT THREE: England had brought to a head a long-simmering point of debate—how far do you go, and how much do you bend, in aiding local advertisers and agencies in the production of commercial materials? At a modest $10 a minute for a live studio with full staff, how many minutes can you give? The other stations must be in the same bind; possibly this is the time to set a firm schedule of rates for use of studio time.

Point Four: A major re-alignment of commercial practices in the well-rated 10-10:30 p.m. program strip. With the reasonable guarantee of a good lead-in audience from the network at 10 p.m., this has the promise of being a continuing top property. To toss out the existing local clients was a risk of a loss in good will as well as revenue; the possibility of bringing in a solid list of national spot clients indeed offered at least a 10% increase in revenue for the time period. Semi-annual price increases would be more normal and expected in this national spot advertising frame of reference.

Other areas? The staff was solid, paid but not overpaid for their efforts—there was little but inefficiency and lowered morale to be gained by a staff reduction.

What *could* be achieved had to be done within the framework of the four segmented areas outlined by his department heads.

> The Case Study Problem: As Joe Butterfield, develop a plan of minimum 12-month scope, preferably 24 months, to meet the management goal of *increased profitability* through *economy in operation* and *higher revenues.*

(4) Hilliard (TV) — p. 35—"Television Stations: Their Sources of Revenue"

(7) Quaal & Martin — Chap. 5—see "Costs of Programming"
Chap. 9—"Managing for Profit"

(9) Roe — Chap. 1—"The Business of Broadcasting"
Chap. 3—"The Network-affiliated Station" (see Programming, Personnel and Planning, Control of Operations.)

3

MEET MOLLY ALBATROSS OR GOLDEN GOOSE?

The Background

Molly Heatherstone has been a daytime fixture of Channel Four for over 10 years—the glib hostess-interviewer of *Meet Molly,* a 30-minute Monday-through-Friday series that combines glimpses of visiting celebrities, songs and instrumental numbers by a small group, "editorial" mentions of new products being advertised on the show, and a very full roster of clients, mostly national advertisers but a few from the local market as well.

For the past three years Molly's husband (and manager), Harvey, has appeared on the show on Tuesdays and Thursdays with short commentaries on news and current events.

Originally a studio program, *Meet Molly* became a mobile troupe with the addition of new station technical equipment: for live appearances, at shopping plaza openings, state and county fairs, clients' shops and factories, and for videotaping of events for later use, Molly has had the mobile van and supporting equipment in use two or three days of every week.

The popularity of the show—Molly in sensible shoes, tweed suits and occasional Boston lady hats, and Harvey, also a little tweedy and with a British guardsman mustache—seems guaranteed; the list of clients solid and satisfied.

Competition has never been a problem: In a four-station market of approximately one million households, *Meet Molly* gathers about 100,000 households on the average, compared to Channel Seven's *Hostess Time* with 80,000 later in the day, and to Channel Ten's *Food 'n' Fun,* offered still later and running a poor third with about 30,000 households. The fourth station has no program in the category.

THE PROBLEM

With this background common knowledge, it was a very real bombshell dropped when Channel Four station manager Jim White stated to his staff: "I'm giving very serious thought to dropping *Meet Molly*—talent, format, mobile activity, the whole thing!"

The announcement came near the end of two full days of program, operation and sales review by White and his department heads. The meeting had been initiated by the top management of the group station ownership—with the very strong suggestion that, even though Channel Four was in a dominant market position, all avenues be explored to make certain that dominance was retained, and that cost of operation be held in line.

There had been a number of suggestions made, and decisions either agreed upon or tabled for review after the fall season had been run through, at least to the first of the year.

But *Meet Molly* seemed so invulnerable a part of the daytime schedule that it hadn't been mentioned by any member of the group.

"Now let me go on before you explode," White said with a smile. "I didn't say flatly that I was going to do it—I said that I'm giving it serious thought. And this is the major reason I asked Ben Warren to come out from our New York sales representative office. I'm sure that he and Lou, as national sales manager, will have some violent objections, and I want the thing to be turned over completely before any action is taken."

Warren shook his head. "Jim, you can't be serious. In New York, Molly is one of the easiest sales we have to make. My guys would go into shock if you took her off."

"All too true, Jim," Lou Linz cut in. "When I'm on agency calls with Ben and his people, that's one time period we never have to make a pitch on. They just want to know if they can get in."

"She's a great place to plant interviews with traveling promotion people for new products—really gives them the red carpet treatment," the promotion manager added.

"Which in turn makes her all the easier to sell the next time around," Warren said.

"From a local point of view, we couldn't care," the local sales manager said. "She's too expensive, and a little too high-toned in her personal relations with local agencies and advertisers. We sell her once in a while, but mostly as a daytime spot for somebody doing shotgun buying through the local schedule. We'd have to have a lower rate card and a lot more loving cooperation before she'd ever be a prime item with my contacts."

White held up his hand. "I've got to explain some things, particularly to Ben and Lou, so they don't think I've stacked the meeting. May, and Frank, and Maurie"—he nodded in turn to three of his department heads, May Higgens, women's director, Frank Simmons, business manager, and Maurie Shafer, program manager—"have known my concern about Molly, and have helped me gather some interesting information. Maurie . . ."

"The network began to blow the whistle on Molly a year ago," Shafer stated, "when we moved the show back a half-hour because of the soap opera shift. They pointed out that wherever Molly ran she gave them a poor lead-in for the network program that followed . . ."

"Let the network worry about it," Warren muttered.

"That's a good theory up to a point," Shafer answered, "but we thought that it might just have a lesson for us as well. So we had both of the rating services do some special studies for us. I've summarized a few of the most important areas on these three charts in front of you.

"We all know," he continued, "or at least we've always said, that Molly has a great women's audience. Women-women-women—the shoppers and buyers and controllers of the purse strings. And if you don't believe it"—Shafer grinned—"just read some of the flow of promotion copy that George turns out of his department!

"But we face a problem. The rating services are producing more and more demographic detailing of *who's* in the audience—not just women as a single category, but young and middle-aged and older women, and women in different income groups and working women and women with and without kids of school age.

"And they're beginning to cross-ruff this stuff with details about who buys what, and how much.

"In this first chart our Molly doesn't come off so well. She has a very respectable number under 'women'—but when you break those gals into age categories you see that she is weakest in the

MOLLY – CHART No.1

WOMEN VIEWERS
Mon-Fri Average Audience –(000)

Channel / Program / Time	Total Women	Women by Age Groups 18-34	35-49	50+
Ch.4 MEET MOLLY 1-1:30 pm	(000) 89	(000) 24	(000) 26	(000) 39
Ch.7 Hostess Time 3-3:30 pm	73	29	27	17
Ch.10 Food 'n' Fun 4-4:30 pm	27	9	10	8

youngest group, average in the middle group, and has a big margin with the ladies over 50!"

Ben Warren interrupted: "Maurie, I'm forced to admit that you have some point. We've had a little resistance from a couple of the big agencies—the guys who use computers in place of time buyers and whatnot. But it's still not a problem."

"Be patient, there's more," Shafer answered. "Our second chart examines a very special category of the women's audience, the Lady of the House, the gal who holds the pursestrings, does the shopping, and the rest of it. The ratings people are able to break down just *who* she is in a number of ways, as you see here—by the presence or absence of children in the household, and also by the size of that household.

"Once again we have problems with Molly. She does indeed command more Lady of the House types than her competition, but *who* are they? In the category of *no children in house*—which we can for the most part interpret as those ladies over 50—she is on top, but you can see that she isn't dominant in the next two categories, and is a poor second in the *five-or-more* family size group, where the food and drug people want to make most of their sales."

MOLLY - CHART No.2

LADY of the HOUSE VIEWERS

Mon-Fri Average Audience - (000)

Channel / Program / Time	Total Lady of House	Lady of House by Categories			
		No Children in House	Youngest Under 6	Youngest 6-17	Family 5 or More
	(000)	(000)	(000)	(000)	(000)
Ch.4 MEET MOLLY 1-1:30pm	81	37	18	26	13
Ch.7 Hostess Time 3-3:30 pm	69	13	32	24	21
Ch.10 Food 'n' Fun 4-4:30pm	24	6	10	8	9

Ben Warren nodded: "I'd be a bad sales rep for you if I didn't admit that this is the area where we have begun to find a little resistance. But I still don't think it's enough of a problem to kill a program that gives off the aura of a winner!"

Shafer smiled: "I don't like to advocate knocking off winners either. But let's turn to the third chart—here you see another area where your national buyers are taking a hard look at the overall audience—the *cumulative* audience—the number of households tuning to a program at least once over a period of weeks. This is the largest stumbling block for the future—Molly has a large but static viewership, and in four weeks she reaches less homes than her principal competition, and in eight weeks considerably less, close to 50,000 less. Can you fight this?"

Shafer sat down as White spoke: "We don't have to find arguments for those data at the moment, if only for the reason that there are some other considerations. A very major one is what Molly has done and has the promise of doing for us in the future, in terms of her relations with her—and our—public. May Higgens has done a lot of searching on this, and I'd like to turn the floor over to her."

MOLLY – CHART No. 3

EIGHT - WEEK CUMULATIVE AUDIENCE —
Number & Percent of Total Households Reached at Least Once

Channel Program Time	Average Week Rating Households		4-Wk. Cume Households		8-Wk. Cume Households	
	%	(OOO)	(OOO)	% Total HHs	(OOO)	% Total HHs
Ch.4 MEET MOLLY 1-1:30 pm	10	99	107	11	113	11
Ch.7 Hostess Time 3-3:30pm	8	81	123	12	149	15
Ch.10 Food 'n' Fun 4-4:30pm	3	29	41	4	63	6

"No charts," May said, "but some observations. Molly has a great acceptance in our market. We have a continuing flow of requests for tickets to her studio shows, and she always gathers crowds at her remote tapings. We have ten times more requests than we can possibly accommodate for her guest interviews—women's clubs sponsoring art shows and P-TA's holding carnivals and men's groups selling Christmas trees for charity and all the rest.

"But this very personal contact type of activity is a dead giveaway to the make-up of the audience. And what I see, and what we handle in the mail, most definitely backs up Maurie's research studies. These girls may still giggle, but they do it while encased in middle-to-large girdles, and in some cases through suspiciously even sets of teeth!"

White brought the meeting back to order: "We've had both the reports of our audience research friends and the candid appraisal of an eyewitness reporter. Now I'd like you to hear the business side from Frank Simmons."

"I'm sure you realize this," Simmons began, "but just for the record do note that *Meet Molly* is the most expensive live show we produce . . ."

"Frank," Ben Warren broke in, "don't you at the same time get a better premium price than for any other program?"

"Of course, and you can see why when you look at the costs involved. Above the regular studio program costs—which I'll come back to in a minute—we average around $1,000 weekly in remote set-up charges and taping. Extra talent costs when she takes the music group out with her run another six hundred a week *above* normal studio performance.

"But let's go back to the basic cost of the show. Molly gets $500 a week at present, and Harvey another 50 bucks for each of his guest news expert appearances. Molly gets a bonus of $10 for each spot run in the show.

"All of this adds up to the fact that the Heatherstones are drawing off slightly more than 50% of the total sales dollars! Her contract calls for all of this to go up about 8% for the next 52-week period. Can we raise the rate card to cover this?"

After a brief silence, White spoke: "I'll save our national sales guys from trying to answer that by offering some additional thoughts. From the talent point of view, Molly has one of the best contracts in the business—firm 52-week cycles, a four-week written notice of cancellation needed *or* an automatic renewal—and each renewal at an eight percent increase or better.

"How did we get into this position? This is a contract inherited from that brief period when Harry 'Escalator' Small was sent out from the home office to be controller. Harry had his station experience in an era of expansion, when it seemed that the rising curve of income and of TV household and market growth had no forseeable end.

"Harry put a carrot on a stick, in his thinking, and it's turned out that Molly ate the carrot and owns most of the stick!"

Summing up Molly

The final Molly decision must be White's: in the free exchange of his staff meeting, he has a divided house. Both his national sales manager and his New York sales representative are more than content to stand pat with a currently saleable product; his local sales manager, on the other hand, is unable to do much with Molly because of both price and attitude, and presumably would welcome a more economical program in which his staff could sell advertising for local clients. To drop the program would undoubtedly result in loss of national spot business, at least for a short period of time; a cheaper product would possibly bring in some local (but smaller) revenue.

The long-range projection, as detailed by May, Frank and Maurie, is less bright—points to additional cost, less net revenue, a static and aging audience. Even Warren admitted to an occasional stiffening among New York buyers. Could the program substantiate a rate increase without additional stiffening?

Top administration of the station group was fully aware of cost increases, and would make no complaints as long as revenue was proportionate *and* a dominant position was maintained, not only for the next 12-month cycle but for years beyond.

THE CASE STUDY PROBLEM: As Jim White, write for group station management a firm recommendation and plan of action on *Meet Molly*, including whatever available documentation and opinion seems necessary to backstop a full and definitive decision.

Suggested Reading

(7) Quaal & Martin — Chap. 3—See "Changing Audience Characteristics," "Profile of the Audience," "Local Station Research."
Chap. 5—See "Costs of Local Programs."

(9) Roe — Chap. 7—Note pertinent excerpts in local program areas—importance of time periods, concept of counter-programming, etc.

4

GOING ON THE AIR: A NEW 'U' IN VIEW

THE BACKGROUND

Duke Industries has built and put into successful operation three UHF TV stations in the past four years. Each of these is in a major market—none lower than 15th nationally—and each competes with at least four VHF commercial outlets.

Now Duke has received its construction permit and gone into the building of another UHF station, also in a major market *but* one that has been "under video-serviced" in the words of group vice president B. T. Wood.

Wood explains his point: "This has been a three-station market since the early 1950's—three substantial VHF stations, each with a longtime network affiliation, each with a standing in the community. An early, and in my mind premature, attempt to introduce a UHF operation died in bankruptcy—under-capitalized, programmed without experience, entered into at a time when too few home sets had the capacity to receive the UHF signal."

Wood's comments were offered before the management group assigned to put Channel 38 on the air. Mac Everett, the new general manager, had been station manager of Duke's first station, and the other team members had all worked in the Duke chain. "You've all," Wood continued, "had extensive and fiercely competitive experience under the gun in establishing one or more of our other stations. And it's because of that experience and that success you're here.

"But in some way this is a new ball game for all of us. In our three present markets, we came up against at least four VHF stations, plus VHF educational stations in two of the markets and a UHF competitor already established in one. There's a lot of programming that your new audience has never seen; also, you have a lot of material available that has never been purchased for play here due to lack of time to put it on.

"You have a number of ways to go. I'll be back in four weeks, and at that time I'd like to see a fairly comprehensive plan for programming, for promotion, for selling. Remember, our targeted air date is only three months away!"

THE PROBLEM

Everett and his staff faced an assignment that was both tough *and* a broadcaster's dream: literally to put a station on the air, covering every aspect of operation, with good financial backing and budgets, and the potential of an audience for new faces and new programs.

Mac Everett's first instruction to the group was obvious: "Split up, pull together everything in your own area, and next Monday we start a marathon meeting to put the jigsaw together."

Everett held preliminary individual conferences with each of the department heads: Brad Holloway, general sales manager; Jack Swope, program director; Farley James, news and sports director; Helen Masters, public affairs director; George Hansford, business manager; and Joey Haines, promotion manager. Without making judgments, he aided them in lining up reports on their respective areas.

The Planning Meeting

Everett opened the meeting by noting that the chief engineer was excused—"Out under a transmitter with a soldering gun. He says that if we know what we're doing, he'll get it on the air!"

"Now let's get to the business at hand. Each of you has a primary responsibility in one area. At the same time, we all have had past experiences in other markets, many of them applicable here—so it's any and all ideas from anyone who has something to offer. What goes on the air comes first, so I'll turn the meeting over to Jack for a programming discussion . . ."

SWOPE: "Running against three network affiliates, we have a pretty good idea of present performance and what can be expected in the future. They butt heads all the way from 7:30 to 11:00 p.m. in prime time, and have similar half-hours of news and sports and weather following that. The early evening network and local news programs clash in a similar way, give or take 30 minutes.

"I definitely do *not* propose that we challenge those periods, at least during the initial six months of establishing our identity. Because of the lock-in of daytime network programs, there has been surprisingly little children's programming in the market. I'd like to develop at least two kiddy entertainer hosts, or a host and a hostess, and acquire as large a library as feasible of cartoon shows and similar children's features. We can build an hour daily show at noon, against the network soap operas, and two hours or more starting at 4 p.m., to overlap the long news periods on the other channels.

"At 7:00 p.m. I see a 60-minute action series on a Monday-through-Sunday strip basis—western and detective and military syndicated shows. At 8 I put in a feature movie and at 10 a block of news-weather-sports features. This leaves us free at 11 to go either to a late movie or a pair of 60-minute strip shows, depending on client interest.

"To fill in daytime, I see a morning movie at 10, and maybe a repeat of the same feature from 2 to 4 p.m. Before the a.m. film we fill with whatever public service is necessary and readily available.

"Weekend daytime will fill in, and I see no need to block it out here."

As a visual demonstration of his report, Swope offered a chart blocking out his proposals . . .

Everett turned next to Farley James, news and sports director.

JAMES: "I have no major argument with Jack's plan in the overall, but I want to make points both for sports *and* news. First of all, *news*: we plan, and are budgeted for, a good-sized news staff, with mobile equipment, sound film and the rest. We want to have good exposure for this effort, and to be a saleable commodity —which I will admit news sometimes is not.

"I like the news at the 10 p.m. slot, an hour ahead of the other stations, and would want to be certain that we committed it as a full hour, *not* subject to pressures from local or national sales to give up the second half in favor of other programming. This solid hour could be a winner.

● PROGRAM PROPOSAL CHART || CHANNEL 38

TIME	MONDAY - FRIDAY	SAT & SUN
9:30 a.m.	Public Service	
10:00 a.m.	Movie of the Day with News Inserts	Public Service
12:00 noon	Kiddy Time	●→
1:00 p.m.	Two 30-min. Syndicated Pgms.	●→ Religious Pgms
2:00 p.m.	Movie of the Day with News, Features	SPORTS
4:00 p.m.	Children's Shows Cartoons etc. w/ Pgm. Hosts	
7:00 p.m.	Action Theatre 60-min. Action Strips	OPTIONS
8:00 p.m.	Feature Movie	●→
10:00 p.m.	News, Sports, Features	●→
11:00 p.m. — to sign-off	Late Movie; or back-to-back Syndicated Pgms.	●→

"Next, I would like to steal an idea from radio and create some excitement in the market by offering a two- or three-minute news summary every hour-on-the-hour during the broadcast day—a special kind of programming that we could promote as ours alone, and one we know the competition couldn't match. I realize that this would demand some editing of syndicated and feature material in order to make room, but I think it would be worth it.

"I don't agree with the noon hour for the kids; think we should have a noontime news report of at least 15 minutes, and maybe 30.

"For the morning, we should get on the air at 8 a.m. with a wrapup of overnight news, the same way that CBS radio has done for so many years. Once again, we would have something that the other stations couldn't match.

"And now for sports. This is a sports-minded area—we have major league baseball and pro football, hockey and basketball teams, and a Big Ten university as well as several sports-competitive colleges in the market. I think we should be flexible; remote-coverage minded; go out and pick up whatever isn't locked in by network contracts. Some of this would be done live, and some for videotape replay. And there are sports names available—pros in baseball and football especially—who could be built into studio shows of their own. And it would sell."

Everett looked to his general sales manager, Brad Holloway.

HOLLOWAY: "Diversified programming is fun, and I don't deny the promotional opportunity implied. But I have to think of what our national spot sales reps can do with it, as well as our local salesmen. I'm a little afraid of an overload of kiddy programming—it's possible to have three gold trophies, and all the under-12-year-olds in town in your audience, and still not be able to sell the shows.

"I'm even more afraid of becoming sports-oriented in a secondary sort of way—never actually carrying major league action, but working with the stuff all around it. We may end up merely enhancing our competition!

"The news-every-hour leaves me cold. We might find interest on the part of a local advertiser or two, but it just isn't a currently-acceptable and understood pattern for national spot advertising.

"All-in-all, I'd like to see much more emphasis on feature films and syndicated shows, with as much of our money as possible directed to the purchase of the best possible packages. The rest of it can fill in as the need indicates."

Everett turned to Helen Masters, public affairs director: "We've heard from the commercial mainstream—what can you give us from here?"

MASTERS: "Our competitors are quite complacent in their current public service activities. They do church service pickups, run schedules of public service announcements for various local and national campaigns, and cooperate with the religious and civic organizations in the community.

"We have the opportunity to do something *different*. The weekday 9 a.m.-to-noon period can't possibly be very profitable. I suggest that we offer to the public and parochial schools the use of the time, to relay educational materials from National Educational Television and other sources—things they are not now receiving.

"There are weekend possibilities as well. We have the flexibility to air materials from the major religious groups—*not* in the early Saturday and Sunday morning 'ghetto' periods, but at afternoon times when the audience potential is much larger."

Everett turned to business manager George Hansford: "You've not only been in the business a long time, but gone through the on-the-air pangs of two Duke stations. Any observations?"

HANSFORD: "I warn you, I'll sound grumpy; maybe even sour. There was a time when we put a station on for limited late afternoon and early evening hours, with one engineering shift covering the broadcast day. But this you don't want—we must land on the public full-blown, competing with established operations.

"This means two shifts of technical personnel from the beginning, offering 14-to-15 hours of air time as a potential.

"Now that's basic, and inside the studio. Farley talked about remote sports coverage—going outside to pick up athletic events, either live or on tape. This ups your labor and production costs by a substantial degree, and should be borne in mind. Who pays? Can we make money on it?

"Brad Holloway talks about syndicated shows and feature films as a mainstay of operation. Again, these cost money, real money, and while we can acquire some of those properties at a lesser cost than can our big VHF competitors, we will still have to pay on the basis of being in a major market. Can we sell them?

"Jack Swope wants to pick up personalities for live shows. Again we face the talent costs, the special fees, the promotional expenditures involved in making effective use of live talent.

"It isn't my job to negate any of these ideas, but only to offer warnings about the costs inevitably connected with various methods of operation. Coming into this market, we don't have the yardstick for per-hour costs of being on the air that we'll have a year from now. And our parent organization will understand all costs and problems—as long as we remember that they were incorporated to make a profit in the long run, not to lose!"

Everett nodded to promotion manager Joey Haines: "Any comments?"

HAINES: "Promotion effort will of course have to be designed to follow and support the pattern of programming. We have an adequate budget—the direction in which we point it will be the question.

"When our first station went on the air, we slanted all of our efforts to its UHF channel identification as an entity—we didn't lean on personalities or specific programs. With billboards, and in newspaper ads and on bus cards and a lot of other visual media, we had four dice—all sixes—inside a TV screen, with the slogan *24 is your lucky number.* And it evidently worked.

"But for our second station we went another route, using radio spots and small newspaper ads to push the personalities hosting specific shows, and the syndicated features and movie titles, just for the day at hand. And that worked, too.

"So we can lean to one extreme or the other, or possibly come up with a mix of the two. The direction of the programming will give the answer."

EVERETT (concluding the meeting): "You've all given me your very best thinking, and I appreciate it. I'll be back to you individually with questions, mostly about costs. We don't really have any open conflict between departments, and I hope to put all of your reports together and come up with a winner. Whatever way it goes, you'll know soon."

> THE CASE STUDY PROBLEM: As Mac Everett, assemble a comprehensive plan for group vice president Wood, to include an overall program schedule, a prognosis of sales potential, and an outline of promotional support philosophy.

Suggested Reading

(4) Hilliard (TV) — p. 19—"The UHF-VHF Problem"
(7) Quaal & Martin — Chap. 5—"UHF and the all-channel sets"
(9) Roe — Chap. 4—"The Independent Station"

5

"A STITCH IN TIME SAVES *SEVEN*"

Station WAAA is one of three TV outlets (all network affiliates) in a market of 500,000 TV households. In the eastern time zone, it carries regular network programming up to 11:00 p.m.; following its 11-11:30 local block of programming, it rejoins the network for the nighttime personality show.

The 11:00 p.m. local period, under the overall title of SEVEN at ELEVEN, is offered seven nights a week (substitute talent on Saturdays or Sundays). The program details are these:

11:00—*News Roundup*—Clifford Allen
11:15—*Weather*—Mel Grimes
11:20—*Features 'n' Fun*—Maggi Hurd
11:25—*Sports*—Laddy Trent

THE BACKGROUND

The SEVEN at ELEVEN format (an almost universal one in local station programming, granting minor modifications) has been in existence since the air date of WAAA: three of the four personalities—Allen, Grimes, Hurd—have been on the air for over 10 years; Trent, while newer, is a former star halfback from the local university and is equally well known.

The program block has been a solid income-producing feature for the station since its introduction. (Historical as well as capital expense note: the station built new facilities five years ago, including the "Million Dollar Studio"—only a slight bit of poetic license in titling the area in which SEVEN at ELEVEN production takes place, because the program segment is responsible for close to a million dollars in annual billing.)

SEVEN at ELEVEN has been dominant in the rating reports of two major audience measurement services for a like period of time. Channel Four has made repeated attempts—with new talent and formats, with extensive promotion campaigns—to achieve the number one spot, but has continued in a respectable and mostly saleable number two position. The third station, Channel 10, has not competed seriously in the time period.

THE PROBLEM

WAAA station manager Roy Murphy is forced to a serious re-evaluation of the situation when a series of rumblings and complaints come to him over a period of several weeks, all pointing to rating problems and selling difficulties concerned with SEVEN at ELEVEN.

The first note of alarm comes from the sales manager of the sales representative firm in New York: "What's happening out there, Roy? This is the fifth book (rating report) in a row with Maggi and Trent going downhill. Any more, and we lose the toothpaste and the food guys—unless you want to cut the rates, that is!"

Murphy promises to check the situation; the next day receives a memo from his local sales manager. "You know that First Savings and Loan has a long-standing interest in Cliff Allen—they've been on with him for eight years, on alternate nights with the utility people. But we're being sniped at by Channel Four. They are coming *up;* we are going *down*. Unless we do something to check this, we are going to lose one or two good clients—or at least they are going to cut back to a couple of nights a week and put part of their money over on Four. What ammunition have you got for me to use in meeting this?"

A few days later, Murphy's program manager arrives with a related problem. "Laddy Trent has a proposal. Next fall, he wants to take off from Thursday through Monday each week—during the NCAA football season—to go out and cover the final practices, the games and the post-mortems at the top college games, by national standards. And he says that he can get almost all of the travel and filming and what-not paid for.

"I've told him that we can't afford, and *he* can't afford, to be away during the October-November rating period, but he says that the interviews and the films he'll bring back will make his week-night programs twice as attractive. And that he can produce some post-season special programs from the films. And that, of course, he doesn't like ratings anyway. What do *you* say?"

Murphy sighed, shook his head: "You're correct, of course—we can't have him away from his show for half the nights of a major rating period. Our competition and their sales reps would noise this all over. Tell him that—and when he howls and comes to me, I'll reinforce it."

The following week, the station promotion manager had a luncheon lament for Murphy. "Maggi Hurd is talent, and a female, and a bit of a prima donna, and everybody in my department knows this and plays the game. But she's getting too hard to work with—misses a press interview without an apology, won't pose for the usual gag pictures for Halloween—says that as women's director for the station this is beneath her position—and gives us a lot of guff before she agrees to take the usual client promotions and interviews that we put her show together for in the first place."

To complete the talent problem for the full half-hour period, Weatherman Mel Grimes threw his own gripes to Murphy: "I'm simply not getting either the production *or* promotional support needed. I've seen tapes of that girl they're using to do weather over on Four, and she has all kinds of spinning devices and electronic aids to make the show look good. We are still doing what we did 10 years ago. *And,* your promotion man does nothing to support me—the spots on the air hardly ever appear, and I haven't seen a *TV Guide* ad in months!"

Seeking a Solution

At this point, Murphy sat back to take a careful reading of the situation. He was well aware of the slipping ratings, and potential loss of clients and revenue. For much of the past year, he had worked with his program and promotion managers, trying to find ways to freshen the programs and to reverse the downward ratings trend.

But he faced a difficult problem in carrying the story to Mark Marius, his vice president and general manager.

Marius, a one-time orchestra leader and show producer, carries a monumental reputation as a programmer in network radio, and brought his "show biz" magic to television. As assistant general manager of WAAA, he had created the format of SEVEN at ELEVEN when the TV station went on the air; had selected, coached and guided three of the four current stars; thought of and still thinks of the 30-minute period as his very own idea. Murphy had learned from his first days as a WAAA salesman that *Mark's Monsters* were in a very special category—to be protected, promoted, and *not* to be criticized.

Murphy's secretary groaned: "I don't envy you, having to take this one to Mr. Marius!"

With no little fear of the outcome, Murphy laid the problem before Marius. He was surprised at the reception: "Yeah, I read those rating books too, and I knew you'd get a lot of pressure. Well, I don't think much of ratings, unless they put me on first. Don't like 'em; never did; think we'd all be a lot better off without 'em." He spun his chair around, grunted to his secretary: "Get me Jack Seaton at ABX."

(Seaton, a well-known radio and TV audience measurement researcher, is head of ABX Services, best known and most-often-used local rating service—also the one in which SEVEN at ELEVEN has taken its most severe drop.)

Marius moved immediately to the business at hand: "Jack, my station manager, Roy Murphy, is with me, and he tells me that we have a problem with the 11:00 p.m. ratings. Could you come out here sometime soon and straighten us out on this?"

With a date and time set, Marius hung up and concluded to Murphy: "Don't worry—he'll work out some changes, and we'll all be in good shape in a couple of months."

With somewhat less conviction in the outcome, Murphy left to draw up details for the staff meeting with Seaton.

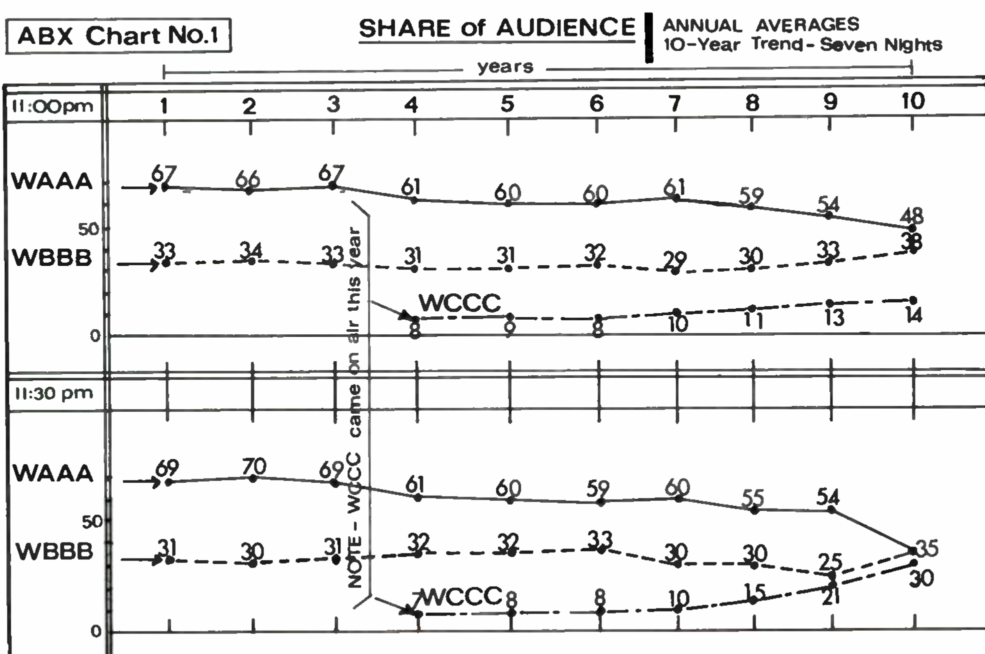
At the meeting, Seaton came armed with an assistant plus a carrying case of large charts. The WAAA management group, with Marius and Murphy at the head, included the national and local sales managers, the program manager, the promotion, news and business managers. Marius opened the session: "Jack is here at my invitation, to give us some details on the SEVEN at ELEVEN problems that some people think we have. He knows what I think about it, so I won't repeat anything here, but just let him go ahead. Jack, all we want is better ratings!"

Seaton, with a smile, did indeed go ahead. "First of all, permit me to review just what we do to get those so-called magic figures, or funny numbers, depending on where you stand at the moment. We can't phone or send diaries to all 500,000 television households in your area for each rating period, so we sample a portion of those households. Now I know that it seems like a very small sample—but at the same time neither you nor your competitors would be willing to pay for the operation of a sampling at 10 times, or even four times, the present rate. Nor do we think that necessary.

"If we are doing the job of random sampling to the best of our ability, then the results should be projectable to your total market with reasonable accuracy—as you well know, we always insert cautionary notes that these sampling techniques are subject to a certain margin of error."

"Not until recently," Marius interjected, with a small chuckle from his staff in response.

"Exactly so, Mark," Seaton continued. He turned to his first chart—a zigzag graphing of WAAA audiences as opposed to the other two stations, for the 11:00 and 11:30 p.m. periods and running across a ten-year span.



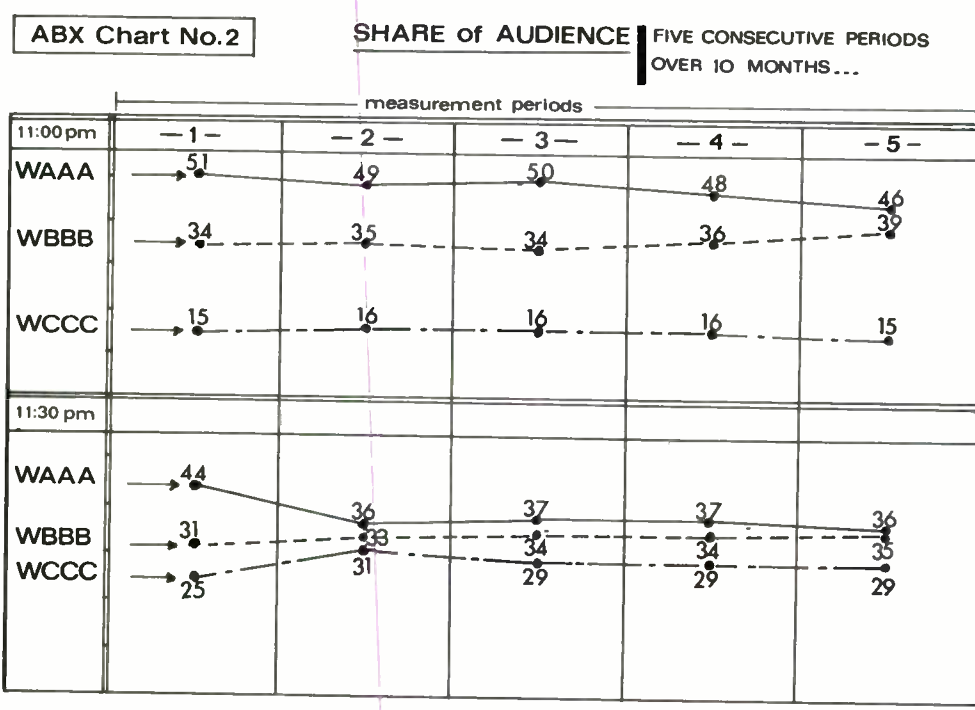
"You can see here the SEVEN at ELEVEN story for the past 10 years. It has entered the time period with a dominant share of the audience; has held a greater percentage of audience throughout the half-hour; has led into the late night network show with more audience than the other two stations together—*up to this year.*"

Seaton went on: "But that's history now. Those earlier years were the growth years, when network programming was expanding, when more and more stations were coming on the air, when it was difficult to keep up with the sales of TV sets. Today it's all equalized . . ."

"Let's look at the past 10 months, when there have been five four-week report periods published for your market. Here is the trend, like it or not. You are bit-by-bit losing your share of audience, while Four is gaining and Ten is as well. Project this trend for another season, and you are then in the position that Four was in two years ago."

Marius interrupted with some heat: "Everybody knows that you take these ratings with just a few hundred people—they could all be Channel Four viewers! How do you know?"

Seaton was patient in replying. "Mark, we grant many pos-



sibilities of error and bias in sampling—but this can be as good or as bad for one station in a market as another. Any *one* of these five rating periods could have error in it, but the overall trend running through almost a full year can't be written off as continuing error and continuing bias *against* you and *for* your competition. To be brutally frank, your programming is failing you!"

The room was silent. "Let me go ahead," Seaton continued, signaling for a third chart.

"Here is a composite—an averaging of these last five report periods, showing the performance of each of your four programs in your SEVEN at ELEVEN period against your competition. You know that we don't claim to have a large enough sample to break down five-minute programs, as you have between 11:15 and 11:30, for any *one* rating period. But over the five cycles we *can* do it, and here it is for you, including a comparison to the same periods as averaged for a year earlier."

Seaton went on to analyze the new chart: "In the first 15-minute period, all three stations have a news segment. This is the easiest to compare. Your Cliff Allen has dropped slightly, but in lesser proportion than the last half of the period. To some extent,

ABX Chart No. 3 — COMPOSITE COMPARISON — AVERAGE OF FIVE PERIODS FOR PREVIOUS & CURRENT YEARS — Sun-Sat averages

TIME STATION	CH.	PROGRAM	CURRENT YEAR (+) average for 5 periods		PREVIOUS YEAR (++) average for 5 periods	
			Met. Rtng.	HH's (000)	Met. Rtng.	HH's (000)
11:00pm						
WAAA	7	C. ALLEN NEWS	20	102	23	113
WBBB	4	Local News	16	81	14	69
WCCC	10	Local News	6	28	5	24
11:15 pm						
WAAA	7	M. GRIMES – WEA	15	74	19	93
WBBB	4	Weather	12	61	10	50
WCCC	10	Weather	4	21	3	15
11:20 pm						
WAAA	7	M. HURD – FEA	9	45	14	67
WBBB	4	News Spec	9	45	7	34
WCCC	10	Movie	6	29	4	20
11:25 pm						
WAAA	7	L. TRENT – SPR	8	41	13	63
WBBB	4	News Spec	8	41	6	29
WCCC	10	Movie	7	33	5	24

(+) Current Year—500,000 TV Household Base

(++) Previous Year—482,000 TV Household Base you might even be able to defend this in terms of a lesser lead-in from network programming, on two or three nights of the week.

"But it does remain that the curve is down.

"The next five minutes has a common denominator of weather programming, and here you can see that Grimes drops five points below the preceeding quarter-hour, and is only three points above his major competition.

"The next five minutes has no common denominator—your Maggi Hurd feature stands against a special local news feature on Four, and the early start of a movie on Ten. Actually, when you take this five minute period by itself, she is tied with the programming on Four.

"The last five minutes drops another rating point, but continues in a dead heat with the corresponding drop on Four.

"To face the situation, you have to note that it is only because the second 15 minutes are normally reported in one block of time that you are not indicated as close to a tie."

Marius spoke: "Yeah, but Maggi has always had a good audience, and she gets a lot of mail—and the clients love her."

"Love her," Murphy added, "but a couple of them are threatening to drop her."

"Look, Mark," Seaton went on, "I want to leave this material with you, and I hope you'll consider it for the good research that I believe it is. I make no claims for infallibility, but I do think that you should weigh this carefully. I'll say again that we can be wrong in one period or another; but I'll also repeat that the evidence over a longer period of time has to have weight. I don't know your operation in enough detail, nor is it my job to say whether I think you need new personalities, or new visual effects and set designs, or more promotion, or what. But I will say that I am convinced that you need to take action to correct your problems. At our end, all we can do is report what we find."

After routine thank yous and farewells, Seaton and his assistant left and the conference room was silent.

"Look, Mark," Murphy began . . .

"It's okay, Roy," Marius cut in. "I know how to read handwriting on walls. But I'm too close to this to make any smart decisions. Kick it around with these guys, and in a couple of weeks I'd like some proposals on what to do."

Marius stood up, and continued: "Do remember this—we've invested a lot of time, and development, and money, in these stars of ours. They're known all over town, and to New York agency people as well. I don't want an easy answer that will send them over to Channel Ten so that we can be cut down even more!"

After Marius left the room, it exploded: "We've got to get a new news guy, and fast! . . . Maggi pulls the whole thing down with the feature show . . . Let's get some new gimmicks in the weather!" . . .

Murphy rose, held up his hands: "Okay, but no more today. I'll have copies made of all this stuff that Jack brought us. You have the sales figures, the projections, and the list of current clients. This is Tuesday. Friday morning we start a long, maybe all-day meeting, to lock horns and to come to some conclusions. Remember what Mark just said, and don't make snap judgments—I want solid thinking and sensible ideas. Programming is *it,* so Joe and I will review and put up a first proposal, if only to have something to knock down. Where we go from there depends on what everybody else has to offer, but here are two points: first, I want to push this with Mark well before his two-week deadline, as do you; second, I'll order lunch brought in. Goodbye!"

When the Friday meeting began, Murphy had agreed to the broad-scale revision in programming offered by Joe Carling, his program manager, as a "first proposal."

"What you see here," Murphy began, "is a large target in the shape of a preliminary programming plan—for shooting at with whatever weapons you have. We will tape the whole meeting; will edit and transcribe by common agreement, and will submit to Mark what I hope will be a reasonably concise statement of majority opinion—with the thinking to back it up. Joe, you take over . . ."

Carling, the program manager, showed a programming plan. "I would like to suggest a complete shuffle of the people and the ingredients of what we now have, and retain the concept of SEVEN at ELEVEN. This would be a 30-minute show, completely flexible. Cliff Allen would be the overall moderator or communicator or host or whatever; the other people would go in and out with materials according to the timeliness and importance of the subject. In the tight period of August and September, Laddy Trent would come in very early in the program with baseball action among the top teams in both leagues. He'd do the same in the latter parts of the collegiate and professional football seasons, and for other major sports. When the sports action was light, his participation would be light as well.

"Mel Grimes would do the same with weather. When the subject was new snow records or hurricanes, he'd be on right after the opening; with everything normal, he'd be brief, and come on late in the program with the forecast.

"Maggi would be in and out, with one- or two-minute interviews and features.

"And we'd add a straight newsman for local stuff—with the obvious understanding that, all through the show, we'd be as visual as possible with films and stills of all kinds."

"So now we have something to shoot at," Murphy added. "I want to amplify the commercial reasoning behind this proposal: it retains the present talent, and the investment we have in them; it offers the promotional possibilities of a new concept in programming for our area; it makes available the flexibility of carrying spot announcements, national *or* local, throughout the show, without tying us to any single sponsor or co-sponsorship arrangement—and the obvious pressures that those agreements imply.

"So," Murphy smiled, "who's first in the duck blind?"

Richards, the national sales manager, spoke: "I like the concept, and I think our sales rep would feel the same way. But I'm doubtful about carrying it off with the present talent. Maggi, for one, is in my thinking over-exposed on the station. She does her daytime half-hour shows; she's on tape with commercials for six different sponsors at all hours of the day and night; she's on our radio station with tape commercials as well. I just don't think she has anything more to add to this nighttime program block—*if* we need a girl in here, let's get a new one!"

Bain, the local sales manager, was next: "Roy, two points. First, I know that everybody thinks Maggi and Mel are the weakest links in what we have to offer, and I'll be the first to admit that weather could be given in 30 seconds and that girly-type interviews and features are pretty light stuff. But these two people are the best sales and promotion gimmicks we have to work with at the local level; they go out and meet clients, they do interviews with them and go to their lunches and company picnics, and they have a personal knowledge of the products they're selling.

"Second—and it really ties in with my first point—if we don't have separate shows for these people, we don't have any real way to sell them to local clients!"

News Manager Olsen cut in: "We simply have to offer news as news, or come off second best as a primary source of news reporting for the public. Also, I'd like to know how we can claim adequate periods of news reporting for the FCC if we don't have programs identified as such?"

Court, the business manager, was next: "Financially, this new concept implies added production and overhead—it would have to carry a full load of commercial announcements *each and every week*, summer as well as winter, to pay its way at the present level. These talent people have been with us a long time, and are all being paid top money for their work. I don't think that they would accept less money because we decide to give them less exposure during parts of the week or month or year.

"All-in-all, we might be better off to retain the present format, but find some fresh—and less-expensive—people, to do it. And I *do* recognize the danger of our talent going over to Channel Ten—but I don't think they are ready over there to pay them!"

Carling answered: "Our people have other program commitments, and contracts that are flexible enough to keep them happy. As a matter of fact, this anticipates my second proposal—that we program the same format at 6:30 p.m., on a Monday-through-Friday basis, as another part of an 'All-new concept in local information' promotion."

Ness, the promotion manager, spoke: "Don't forget that you are asking for a lot of additional promotion time and money when you consider either or both of these new half-hours."

"But we'd have to do that anyway," Murphy replied, "If we put new people in the present format."

Richards responded with enthusiasm: "For the national spot business, the early evening half-hour in this new format, packaged with the 11:00 p.m. period, might create some excitement in the New York agencies. We could come up with some seasonal sales plans to cover *both* early and late periods, and rotate spots for maximum reach and frequency."

Bain groaned: "An early as well as late block in this new format would only compound local sales problems. The pattern among most of our local clients is to buy a personality and a show, even if it's only five minutes one night a week. My boys sell Maggi and Mel and Cliff and Laddy as personalities—*not* rotating positions. They—the clients—use their pictures in store promotions, and have an identity with them. What we really need are better ratings for saleable personalities."

Murphy offered a reminder: "Under our present programming, over the broadcast day and week, our other-than-network income is about 65% national spot, 35% local—which is about average for our type of market. To move one way might seem to offer more availability for national business; to stand pat in format would seem to ask for more local advertising."

Richards replied: "Let me hedge my comments this way—I think Joe's new plan has the possibility of attracting a lot of additional national spot money *if*—and I admit that's a big *if*—it in turn attracts a very substantial share of the audience."

To which Bain added: "And unless that audience increase is *very* substantial, we would stand to lose a sizeable amount of local billing—at least in terms of present clients. Maybe we could go out and get others—and we'd most certainly try—but there would be some light billing periods before we regained even what we have now."

Murphy turned to Ness, his promotion man. "Any one of these propositions, or a combination of any, would demand a lot of promotion, as you have pointed out. Could you come up with a rough guess on costs?"

"I hope fairly close," Ness answered. "Fortunately, we have the staff for the job. However, our advertising and promotion budget is pretty much geared for and adequate to our present operation. Something like this demands a real all-out *burst*—lots of print advertising, billboards, bus cards and the rest. We'd probably want to run a contest or two, with big prizes. There'd be press parties, and advertiser parties, and personal appearances. Our sales rep would certainly want a special presentation in New York. All in all, I'd hang a 50-to-60 thousand supplementary—meaning *not* in the budget—price tag on a 13-week campaign."

Murphy nodded: "Let's bear that in mind."

"But we'll need additional promotion, even if we stay with our present people and format," Carling said.

"No argument," Murphy replied. "The question becomes one of where we are going to spend it for the maximum result.

"At this stage," Murphy continued, "let's have a change of pace. So far, I've led you pretty much in the area of program concept—whether to make a dramatic shift or to stand firm with what we have, on more or less traditional forms. We've heard some honest, even blunt, evaluations of what all of this might mean on the national spot and local sales levels. And we've run through production and promotional costs, and the potential of news crediting in a legal sense.

"We've had a number of opinions on the personalities involved; but now I'd like to take them one at a time, to get some idea of your thinking as to their present and future value to us. I'll name them, and anybody who wants to—shoot out whatever comment you have.

"First, CLIFF ALLEN." "Smart guy, came out of the local university sociology faculty, but not really a TV-type newsman by present standards . . . Solid man, better than most markets this size can put on the air . . . A little gray at the temples in comparison to the competition . . . But that's good for the reliable news image . . . A little bit aloof with clients—he goes out to the lunches and factory tours, but he doesn't seem to have his heart in it . . . Gives a dignified, news-with-authority appearance . . ."

"Next we have MEL GRIMES—and let me add that he talked to me recently about visual effects and ways to upgrade the program." "Mel hasn't had any professional training—we grabbed him from the newsroom way back, because he'd been in Air Force meteorology school and knew the words, and he still sounds like an amateur . . . But that's part of his charm—weather is a silly subject anyway, and he makes it entertaining . . . How about a girl with some curvier isotherms for visual effect? . . . I wonder if the weather is really worth a five-minute program every night?" . . .

"And then we come to our women's director and nighttime feature personality, MAGGI HURD." "Overexposed; on the air too much . . . But she still has a great following in the area . . . Like Cliff, she's getting a little gray at the edges; *if* we continue to have a female with a feature insert at night, maybe it should be somebody with a little more appeal for the younger boys in the audience . . . I don't think we should have a woman at all—it causes resentment among women in the audience, and this is part of our ratings problem . . . Maggi is just a little *too* sophisticated and well-groomed—my wife says she can't stand the comparison at 11:20 p.m.!" . . .

"And, finally, LADDY TRENT with sports." "A nice boy, but I sometimes wonder whether the subject is worth a five-minute segment on a year-'round basis. Lots of times he seems to be filling time with scores nobody cares about *here,* and with news items about soccer and polo players and whatnot . . . The saloon crowd thinks he's the greatest—if we dropped him, I think we'd lose a lot of hard-core audience . . . Sports *may* be worth a show every night, but I wonder if we couldn't do it a lot less expensively with more pictures and a staff news guy?" . . .

"Okay," Murphy concluded, "we've looked at programming and at the people in the time period. We've explored the commercial problems, and the probable outcomes of various shifts. We've all been with it long enough to know that there's no point in conjuring up wild changes—we *do* need a solid block of profitable local programming in the time period. From here on, I have to boil down your thoughts, and try to come up with some reasonable suggestions and plans for Mark. Thanks, and I'll keep you posted."

> THE CASE STUDY PROBLEM: As Roy Murphy, write a comprehensive report to general manager Marius, with a detailed program format *and* the reasoning for the decisions.

Suggested Reading

(6) Kleppner — Chap. 13—See "Buying Spot Time."

(7) Quaal & Martin — Chap. 3 —See pertinent comment on the audience and local audience research.
Chap. 5 —"Station-produced Programs."
Chaps. 7 and 8—Selective readings in sales potential of local programs.

(9) Roe — Chap. 7 —See "The Broadcast Day."
Chap. 13—See "Revenue" and "Sales Analyses."

6

WHO IS THE NEXT GENERAL MANAGER?

THE SITUATION

Fred Grant is general manager of the broadcast division of ACL Communications Ltd., an international corporation with diversified interests in newspaper, magazine and book publishing. The ACL broadcast subsidiary, ACL Radio-TV, was established by the parent organization in the early days of TV; grew from an initial investment in one radio and TV station combine to its present group of five properties—each a combination radio-TV operation, each a network affiliate, each successful in its local market.

Grant is a career man with ACL; has seen management service in field offices and with the headquarters operation in New York. His credits are numerous and varied, including guest speaker invitations and chairmanships of industry organizations; his contacts with broadcast industry leaders are personal and informal, and his knowledge of industry activities and futures is current and sound.

In his position Grant commands the respect of the vice president-general managers in charge of each of the ACL broadcast properties. More strictly speaking, he has this working situation in four out of five of the station units, because there is no manager for the *fifth*, and newest, station.

ACL management policy toward its individual broadcast units has been a "hands-off—service your market in your own way" type of attitude. In the four established radio-TV properties of ACL (10 years or more of ownership), senior vice presidents are in charge. Given wide latitude in management and industry involvement, they are known as senior citizens in commercial broadcasting—nationally and even internationally.

ACL's newest station, WAAA-TV (and WAAA radio), has been a member of the group for less than a year. The previous general manager was a stockholding member of the former ownership group, and quite happily departed for an early retirement with his capital gains.

The Problem

Fred Grant faced a major problem: to select as the new head of the WAAA stations a well-qualified manager, a man who could in a reasonable length of time claim a position comparable to the other four members of what might be termed his peer group—the ACL general managers.

Knowing that personnel assignments at any level have an element of trial and error, Grant wanted to take the time to make the best possible choice—to "minimize the T&E, to maximize the possibility of success."

Grant's immediate superior is Ralph Lake—one of three executive vice presidents of ACL, the board member who led the corporation into broadcast investments, and most recently the man responsible for the acquisition of the WAAA property. As a senior member of the corporate board, Lake carries direct responsibility for the activities of the broadcast division.

Fred Grant must transmit his recommendation—or recommendations—to Lake, with as much screening of personnel records and documentation of accomplishments as he can put together.

Grant decides that this is a promotion that can come from within the ACL broadcast division: after more than 15 years of broadcast activity, it would (1) seem obvious that a candidate for the position could be found within the group, and (2) it would be a demoralizing action to go outside for a new major management candidate.

In an informal talk, Lake agreed: "I go along wholeheartedly with your thought of bringing a man up out of our own staff. But this must be a person who meets some difficult-to-define job specifications as well as the obvious ones—the things that the Navy calls 'Running a tight ship.'

"From the business side, he'll face the same problems as the man who runs any local chain of retail stores—stocking merchandise the public wants, advertising its availability to them, maintaining good relations with the users of his wares.

"He'll need skill and judgment in selecting and promoting good people, and in keeping a high staff morale level.

"And he'll have to keep one eye on the profit-and-loss figures every day!

"But there's a second part, and this is where broadcasting is a little different from a hardware chain. We have enemies—several kinds and in varying degrees. There are the outright competitors—the newspaper and regional magazines and outdoor advertising people. These are easy to recognize—they sell against us, even as we sell against them.

"The second group isn't hard to understand either. These are the editorial people of the print media, who look to and point to the shortcomings and mistakes of our industry with shouts of alarm.

"And we mustn't overlook those people, sincere and otherwise, who view our entire industry as a major contributor to everything from juvenile delinquency to inadequacies in Medicare!

"This is a rambling way of saying that the manager has to be quick on his feet, unflappable, skilled in public verbal fencing, and have the ability to keep a smile through it all!"

To a Solution

To meet the problem, Grant called for a meeting of his four senior station managers. In a lengthy, informal and confidential memo, he reviewed his conference with Lake, and concluded: "I don't like to sound arbitrary, but just for openers I want each of you to come up with a guy, maybe two, from your own staff, who is the most likely candidate for the job. *Don't* discuss it with them; *don't* ask them if they want to move. I'll worry about that when we get to the finals.

"And don't hold back on me. Remember that this is for the good of the entire group—a guy who is *ready* isn't going to stay with us anyway, *if* he's that good. So even though it might hurt your own operation at this time, give me the best you have and we'll go from there."

The Meeting

Three weeks later Grant had his meeting with the four managers. Six names were submitted: two from each of two stations, one each from the other two. To Grant there were a few surprises in the list. In the general organizational structure, there was a station manager for each of the radio and TV stations; under each of these a national and a local sales manager, as well as a program manager.

Yet in several cases the general managers had omitted their number one men—the obvious successors to themselves.

"Why not BEARDSLEY, your TV station manager?" Grant asked the head of ACL's oldest and best-known operation.

"Beardsley is a great representative for us and for the entire group," the veepee replied. "He's an officer of the Quad-A advertising group, a guest speaker for at least 20 industry groups each year, and a worker in a lot of other associations. Next year he'll be president of the NBR. He has contacts all over the broadcast field—but he's just not close enough to the day-by-day operation of our stations to supervise one.

"I'm giving you KING as my first choice," the veepee continued. "He's doing a great job as national sales manager. Came up from radio production, back in our first year, and he's had a dozen different desks—traffic and production and local sales. Nice guy, and a nice family—fit in anywhere—and very down-to-earth with the staff. You put him out there, and you won't have any problems with personnel or in community relations."

Grant noted the King recommendation; at the same time put Beardsley's name in a parallel column, under a question mark.

From the second ACL manager Grant drew a more expected recommendation. "WALLY BROWN is doing an excellent job as TV station manager, and I'd hate to lose him. He started with us in TV as a staff announcer. He did news and weather shows; later became production manager and then program manager. He has a fine command of film buying and syndicated show buying as well. He supervises the publicity and audience promotion work. When our last national sales manager left us, we promoted him over several people with a lot of sales experience, because we thought that he could do the best job of representing us to our sales rep and to national clients. And from that it was a natural step to his present job as TV station manager."

"What about GRANGER?" Grant asked.

"He would be my second nomination. He's radio manager, and a very good one—a former career Army officer who came to us to do personnel work and gradually took on a lot of other duties. But only after we've talked about King."

Grant turned to his next manager.

"TED PHILLIPS is the best peddler any of us will ever see," the manager said, "and I wouldn't even mention his name if he hadn't trained a lot of good men under him.

"Phillips came to us from a used car lot. He made better money than we could offer him, but he was bored with the seasonal aspects of that kind of work. He went out as our newest local radio salesman, with the poorest sales prospect list on the staff: in a year, he was top biller, and a year later he was the top TV salesman on the staff. He became local radio sales manager, and then local TV sales manager, and now he is national sales manager for both stations. He knows all the timebuyers in New York and Chicago, and has a fine relationship with our sales reps."

The fourth ACL general manager smiled as he spoke: "LOU GARCIA is our radio station manager and my prime candidate. He joined us as a bookkeeper in the accounting department. He took his CPA in night school, and went on to a night school degree in business administration. He became chief accountant, and then business manager. As a member of our executive group he has offered sound suggestions and guidelines for rate card pricings, for film buying, for equipment purchases and amortizations, that have given us an edge over our competition. He understands the *business* of broadcasting, if you will, like few people I know. There were a few noses out of joint when we made him station manager last year—but there is a lot of respect for his knowledge and ability as well. If we want to put one of our good career men out to run a station as *we* see it, you couldn't pick a better man. And I'll be sad to see him go."

"But suppose we looked at FAIRBANK?" Grant asked.

"I couldn't argue," the veepee added. "Parker is a younger man, came out of the executive training program, and has been with us in several positions, and done them all well. He has vigor, and a wide understanding of the broadcast business, and would most likely do a good job."

Summing Up

On his note pad Grant had six names—plus the personal side entry of Beardsley—his question mark notation from the first manager.

"At this stage," he said, "you've given me a wide range of good people. Unless you have any very specific knowledge of why any one of these guys would *not* move, I think we can stop without a go-around of second or third choices. Anybody?"

"Good choices—they'll go," was the conclusion of the group.

For Action

Following the management meeting, Grant put together a prospectus report for his meeting with Ralph Lake. He assembled *dossiers* on the top men as proposed by his managers—plus his own appraisal of the "extra" candidate, Beardsley:

BROWN, WALLACE R. Station manager, WBBB-TV. Age 41; two years junior college, Chicago. Prior experience: local radio traffic clerk, staff announcer. Joined WBBB as staff announcer—news, weather, staff duties; subsequently production manager, program manager, station manager. Married, two children, active in local P-TA, Rotary club, church.

GARCIA, LOUIS J. Station manager, WCCC Radio. Age 42; Queens College, New York, three years; CPA, night school; bachelor in business administration, evening division, U. of C. Prior experience: bookkeeper. Joined WCCC accounting department; chief accountant, business manager, station manager. Married, four children, active in Knights of Columbus, local politics, broadcast associations.

GRANGER, MICHAEL T. Station manager, WBBB Radio, and regional Manager for CATV development. Age 51; West Point graduate, career Army officer, joined station as personnel manager after early retirement; later assumed business manager duties as well. Married, four children, national officer in veterans' organization, head of local former officers' group, active in politics.

FAIRBANK: PARKER L. National sales manager WCCC-TV. Age 35; prep school, Yale B.A. and Wharton School M.B.A. Trainee in ACL magazine division, transferred to broadcasting as local sales manager for WDDD Radio, then to WCCC as TV local sales manager; just promoted to present title. Married, two children;

top-seeded played in amateur tennis; weekend sailor; active in local Yale Club recruitment.

KING, ROGER S. National sales manager, WDDD-TV. Age 43; B.A. in communications, U. of Illinois. Prior experience: announcer, program manager, Peoria, Ill. radio station. Joined WDDD staff as radio director; traffic manager, TV production, local TV sales, local sales manager. Married, three children; golfer; active in civic clubs, P-TA county council.

PHILLIPS, THEODORE A. National sales manager, WEEE and WEEE-TV. Age 37; no college. Prior experience: retail salesman. Joined station as local radio salesman; TV sales staff; local radio sales manager; local TV sales manager. Single, active in civic clubs, golfer, district delegate for Quad-A advertising convention, regional representative to NBR national convention of broadcasters.

. . . and Grant's appended suggestion . . .

BEARDSLEY, REGINALD H. Station manager, WDDD-TV. Age 45; B.A. Williams College. Prior experience: local radio salesman, Salem, Mass., TV spot sales representative, Boston and New York. Joined ACL New York office as service executive; to WDDD as local TV sales manager, national sales manager. Married, three children; active in national industry groups, frequent speaker for industry meetings, for schools and for educational groups.

> THE CASE STUDY PROBLEM: As Fred Grant, make a number one selection for the position, and for a meeting with Ralph Lake prepare a full line of reasoning for this choice. At the same time, be prepared with a number two selection, with similar reasons.

Suggested Reading

(7) Quaal & Martin — Chaps. 1, 2, 9, 10, 11, 12—are of special relevance to this case, as is the text generally by the very implication of its title.

(9) Roe — Chap. 1—"The Business of Broadcasting"
Chap. 3—"The Network-affiliated Station"

7

THE COST OF BEING INDEPENDENT

An Immediate Problem Situation

Ben Charleton called his department heads together for an emergency meeting, and opened without preliminary chatter: "Gentlemen, I will confirm for you the rumor that you already know—we have lost our network affiliation, and 75 days from today will be an independent station, responsible for our own programming from sign-on to sign-off!"

The Background

The situation was serious, but not entirely unexpected. Charleton's Channel 11, along with the present independent station, Channel Eight, had entered the Tri-Cities market in the mid-1950's—both latecomers in comparison to Channels Two and Five, early 1949 pioneers in the area. The combination of a late start and a high band placement (from the common antenna tower in the downtown area, Eight and 11 simply couldn't reach as far as the low band stations) made Eight an economy-minded, tightly-run operation, airing its abbreviated daily schedule "on the cheap," in the words of a local TV critic.

And 11 was only slightly better; a very weak network affiliate, even for the recognized number three network. Junie Barthold, head of station relations for that network, sent continuing crisp reminders and jabs to Charleton, reminding him of 11's relative standing in the local market *and* in its performance as contrasted with other network affiliates in similar markets. "Congratulations," he wired, "you are now number 29 out of 30 in the Nielsen MNA report. Why not try for 30?"

Charleton had made obvious tries to climb out of the bottom category, but found many problems. Lack of signal strength was a major factor: the Tri-Cities, as a mecca for a five-state area from the mid-1800's, was ringed by communities of 20- to 30,000 persons, all just one day's stagecoach ride removed from the market center, and all within the signal of Channels Two and Five but far enough removed to pick up a fuzzy, "snowy" image from Channel 11.

And the population of these onetime crossroads hamlets totaled, when swung around all compass points, over 300,000—a potential advantage in terms of *total viewers reached* that was impossible to combat.

The Channel 11 Image

The "image" of his Johnny-come-lately station was another problem to Charleton: in this basically conservative area many people, and especially the older and more permanent residents, had been served by Channels Two and Five for six years before Channels Eight and 11 had begun even part-time operations. They had the *Today* and *Tonight* shows, and their favorite network personalities, as well as their always-watched news and weather and sports reporters, and saw little reason to tune to new fields where strangers peered back at them.

Also, lack of success forced economies in operation: Charleton had fewer newsmen and less mobile equipment, a smaller promotion staff and an even smaller budget for promoting his wares, than did his established competitors. He couldn't pay prime rates for feature films, or for syndicated kiddy shows and cartoons. While he strained his budget to procure and to retain the best possible talent, he nevertheless lost good people to local competition and to larger markets.

Seeking a Solution

In the special meeting, Charleton had no need to review those facts at hand. "Channel Eight is getting the network affiliation. You know and I know that it's going to be close to impossible for them to do any better than we have done. At the same time I think we have to be objective enough to understand why the network is making the move—Barthold is a gambler, and he figures that something better might come out of the switch.

"And so much for that," Charleton continued. "Now *we* have a problem. We are going to re-program ourselves, be on the air more hours than Eight ever was, offer better features and production and client service and more comprehensive news coverage than they ever did, and be a fully competitive television service in this market. This is your challenge—*how* are we going to do it?"

"Right now, Ben?" the program manager asked.

As laughter broke the tension, Charleton replied: "No George, not today. Everybody go back to the troops and tell them what I've told you—I'll follow it with a memo. Tomorrow we'll meet for a quick exchange of thoughts, with the guarantee that no decisions will be made. In two weeks we'll meet to define our directions. Then we'll have 30 days to firm up our plans, and a final 30 days to promote and sell what we're going to do. I'll see you tomorrow."

Charleton opened the next day's meeting: "We've all had a night to sleep on, or *not* sleep on, the situation. Let's start with some questions."

The promotion manager spoke: "Ben, just for the record, how serious is this from a financial point of view? Couldn't we do just as well without those hours when we only get 30-something per cent value in network compensation?"

Charleton nodded to Joe White, his business manager: "*You* can answer that."

White shifted some papers. "Roughly, our real value—the selling price of the station, if you will—just went from about $8 million to $2½ million! Now that's a little severe, and it's in terms of what the network affiliation is worth *here*, at this moment in time, as opposed to what past performance has shown an independent to be worth in this market. Two years from now we might be able to demonstrate that an independent is worth three or even four million."

"But not eight," the program manager sighed.

"No, not eight," White continued, "and here's why. At present, our annual income is forecast at about $2.8 million, from all sources, of which about $800,000 is network compensation. No pun intended, that's now a net loss.

"Another $1.2 million is in national spot business—of which we must note that about 65% is in network time, as station breaks in network time periods. And that's why network time is worth more than 30-something per cent of the rate card!"

"The remaining $800,000 is in local billing, with approximately 20% of this in network time periods."

"So," Charleton concluded, "without an adding machine, you can see that we will almost automatically lose a little over 50% of our income. How we hold, or recapture, the rest, is up to us."

"What kind of rate card will we have?" . . . "Do we pick up the syndicated programs that Channel Eight carries as an independent?" . . . "How about expanding kiddy shows in the afternoon?" . . . "How about a longer news program, maybe starting earlier?"

The questions flew, and Charleton noted them; after 10 minutes he held up his hand. "Okay, we've heard the basic financial situation, and we're thinking along those lines. Each of you has a well-defined area: national sales, local sales, programming, news, engineering, promotion, business management—and I'm *not* listing them in order of importance.

"By your questions you have indicated to one another as well as to me the direction of your thinking. Explore your own area, communicate with one another, check with me, as I'll be doing with you—and two weeks from today we'll meet to make plans."

The Planning Meeting

Charleton opened the scheduled meeting: "I have met with each of you, and in some cases with two or more people. We've reviewed, and re-reviewed, and compromised in some places and been firm in others. Let me offer a few introductory remarks: First of all, I'd like to take an optimistic note and sum up what we *have* going for us. We *are* established—we are not in the position of a new station entering the market, or in that of a UHF having to sell the basic concept of investment in tuner or antenna adjustment just to receive us.

"We have in the past drawn as much as 40% of the tune-in. This was of course with special network programming, which we no longer will carry—but the point is that with the right program appeal we have the physical ability to attract an audience on that order, and that is a point to remember well.

"We know our engineering limitations, and there is little that we can do about them. But we should remember that Channel Eight has almost the same problems and the same acceptance problems in this community situation.

"For the first year, I think it would be foolish for us to consider ourselves in competition with either Two or Five. Between them they will command 60% to 65% of the audience, and the same ratio of dollars in national spot revenue. Beyond that it's an open road, and I propose to get the lion's share of the remaining audience and dollars! I would guess that the working theme is 'Beat Eight,' and how we go about that is today's real topic."

"I don't like it, Ben," national sales manager Bart Houston said. "When our sales reps in New York or the other big cities go out to submit availabilities, they're in competition with the reps from all three stations, not just one. We *have* to keep an eye on all the others."

"Keeping an eye on 'em is okay, but the real dollar value competition comes down to us and Eight," local sales manager Larry Barth added. "Here at the local level we've never been in serious competition with the big boys—but with Eight we can put up a fight—and usually a winning one."

Joe White: "From the business office point of view, how we structure our rates will help us define a lot of this. Do we stand firm; drop to expected low levels, or what?"

"Stand firm," Houston replied. "*But* shift the programming to a feature movie concept, with minute-or-larger availabilities throughout the day. Then we can package groups of spots shotgunned to reach a lot of people in a week, or even in a broadcast day. We can commission a rating outfit to document reach and frequency, and sell a lot."

"No, we can't go that route, unless we want to lose a lot of local clients who have identification with a certain program or personality. We'll have to pull our rates back until we see what kind of audience we draw, just to keep the people we have now." Larry Barth continued: "There are local programs where this idea of pouring in spots would change the whole attitude of the present sponsors."

Charleton turned to George Turner, his program manager: "You have at least a few words on this?"

"At least," George replied. "I think you guys both have a point, up to a certain extent—also that you are holding too fast to an easy out in terms of past clients locally or in the current performance of our chums at Eight with the movie grind. If we want to create some excitement—to gamble on the attraction of something new—then we are going to have to compromise and make a really new kind of format.

"We didn't lose our license; just our network feed. Financially this hurts. There are prime time periods when I think it would be foolish to run up against network programming—we'd only be denting our pick on a granite wall.

"In other times we have to find weaknesses, and attack these with the best materials we can pull together. The fact that the total daytime audience rarely goes over 30% of the potential, and even the prime time sits at about 60%, gives us a challenge to do something that will bring *new* audience as well as pull existing audience from the competition."

"A nice sentiment," Houston said, "but how do you do it?"

"I'll try this on you for size," Turner replied, opening a large chart. "Here's the plan in a very rough Monday-Friday form . . ."

CHANNEL 11 MONDAY-THROUGH-FRIDAY PROGRAM SCHEDULE

8:45 a.m. sign-on; miscellany

9:00 a.m. to 11:00 a.m.	light variety, with a morning host; alternating between 30-minute syndicated shows and feature films, on a random basis.
11:00 a.m. to 12:00 noon	*Ourtown Spotlight:* a live hour, with host and possibly hostess; interviews, film shorts, news and weather information, entertainment.
12:00 noon to 1:00 p.m.	A kiddy hour: An "Uncle Louie" type host; cartoon features; opportunity for live commercials by host.
1:00 p.m. to 4:00 p.m.	*Double Feature Matinee:* two back-to-back short features, with repeats on a four-to-six week cycle. Live host an optional feature for commercials.
4:00 p.m. to 7:00 p.m.	Solid kiddy shows; a pot pourrie of everything available, both in cartoon and human-action format; tape commercials by Uncle Louie from earlier period .

7:00 p.m. to 7:30 p.m.	*Ourtown Evening Spotlight:* feature news, accent on local interviews and happenings, including top-of-the-news national and international happenings, weather, etc.
7:30 p.m. to 9:30 p.m.	* Action-adventure-western syndicated programs, in a random pattern of 30-60 minute lengths.
9:30 p.m. to 10:30 p.m.	*Ourtown Tonight:* news and features, including taped interviews and features from earlier segments; weather, sports results, etc. Top host in charge.
10:30 p.m. to sign-off	feature movie (or syndicated interview show, if available).

* Evening period indicates wide-open potential for *sports* feeds—basketball, hockey, soccer; tapes of college and pro football blacked out of home market, etc.

"You might very well want some explanation," Turner continued.

"Or an explanation of how we sell it," Barth grumbled.

"Okay—here we go. First of all, it would be foolish to turn the station on and bring in crew for the early morning—we have nothing competitive to offer. At least until we are in a stronger position.

"From 9 to 11, we are up against all kinds of quiz shows and network reruns of situation comedies—I suggest a personable host with a bag of variety programs, all the way from silent shorts to full-length old movies. This is a fun time; the kids have gone off to school, the man of the house to work, and it's for relaxing.

"Along about 11, we need a better focus on the day. Here we have a hostess and probably a secondary host as well—service information, everything locally oriented, with our news and weather guys coming in as needed.

"Noon is for the kids—over 80% of the local school kids in the elementary grades go home for lunch, and we go for them here with cartoons and a nice, lovable host.

"At 1 p.m. they're out again, and we now offer some relaxation for the lady of the house. These will be familiar films, and will come back again fast—the purpose is to gain a large cumulative audience over a period of time. It's the place they'll look to see if they want today's offering.

"From 4 p.m. all the way to 7, I want to capture the kiddy audience. We know that they are available, and I want to give them what they want. We scale this from the youngest interest early in the three-hour block to older interests in the last half-hour. In no way do we attempt to compete with the news programming on the other channels.

"At 7, when the other guys have turned to filling in until the network starts, we do a capsule review of the day—a combination news and program production.

"From 7:30 to 9:30 we run all over the place with action-type shows, not at any time trying to counter-program any single slot against one or more network programs. We have a lot of leeway here in experimenting in best formulas, and I'll admit that this might develop into a firmer schedule than you see at the moment.

"At 9:30 we jump the gun by 30 minutes with the start of a full hour of news and features. We feed heavily on tapes of earlier local segments; also drop in evening news and late-developing items.

"10:30 to closing is our most open time. While movies have proven to be the best overall vehicles against network personality shows, we must stay open for a new personality in syndication if anything pops up.

"Overriding the evening schedule at any time would be the possibility of sports feeds, as indicated. We should be open to anything—even soccer, if it suddenly takes hold!

"Now," Turner grinned at both Turner and Barth, "before you see too many problems in selling at both the national and local levels, let me point this out—spot participations are available here through most of the day. At the same time, the local sponsor who needs identification can buy the weatherman with his inserts at *several times* during the day, or the news guy he fancies, or the lady hostess of the morning show. We should be able to balance this so that both sides are happy."

Charleton turned to his staff: "And there's a plan to think about. I don't want George to stand and defend every detail, but I'd like your responses as they come to mind . . ."

Houston spoke first: "There's lots there from a national sales viewpoint—for the most part I like it, and I think our reps will. But three hours of kiddy stuff in a solid block is an awful lot—I wonder if we shouldn't stay with our present news at 6 p.m. and see what happens."

News director Paul Petersen was dissatisfied: "This gives short shrift to news as real *news*—we end up as sort of second-rate contributors to some programs, but don't have any real identity."

Barth was next: "My reservations run along Paul's line of thinking. I don't know how we sell a news show unless it is labeled as a news show, and scheduled and promoted that way. I see what George means in floating features through an hour or half-hour, but I don't know how we sell that concept. News is news, and weather is weather, and sports is sports, and the other stations will continue to offer that kind of identity and advertising opportunity."

Petersen added: "I hate to see us give up the morning. We've been doing a 15-minute news for almost seven years, and while I admit it doesn't show up in the ratings, it's part of our image."

"That nighttime sports thing scares me," Houston said. "If we get a client sold on the audience turnover in the evening, and then bump him because of a hockey game, we'll have trouble in the future."

"I'd like to see us retain every bit of identity we now have," Barth said. "We should try to hold our present audience where we can, not toss it out along with the loss of the net. My salesmen will fight to keep clients where they are now, even if it means reducing our rate card to compensate."

"Well," Charleton concluded, "we've got some pretty clear-cut opinions and attitudes. George and I have the onus on us to come up with an initial program plan—the immediate following step will be a practical sales plan to go along with it. So much for today."

THE CASE STUDY PROBLEM: As Ben Charleton, establish a firm program format for the "new, independent Channel 11," using whatever staff opinions seem valid to you plus whatever additional opinion and information you have at your command. An explanation for the action should accompany all major decisions.

Suggested Reading

(7) Quaal & Martin — Various readings under headings of Sales, Programming, Management, etc. There is no specific reference to the independent station as such; however, co-author Ward Quaal writes from a background as head of WGN-TV Chicago, one of the country's leading independents.

(9) Roe — Chap. 4 —"The Independent Station"
Chap. 7 —"Programming for the Commercial Station"
Chap. 14—"Sales Management for the Independent"

PART II

Case Study Profiles

1

PROFILE 1.
ONLY HIS BUSINESS MANAGER KNOWS

Station WAAA general manager Paul Rogers spent much time examining the proposal before him: to invest in the color equipment and facilities that would make WAAA a leader in color television in his market of 150,000 households. The proposition was filled with enthusiasm: ". . . originate all local programs in color, air film and slides and videotape materials in color, tape clients' commercials in color, possibly even operate a remote video van to air live programs in color from various locations in the community."

The costs of all this, or even a major part, were sobering. "Where," his business manager asked, "can you find the increased revenue possibilities to justify this capital expense?"

And the answers from the program director were far from conclusive: "I know that we can't charge any additional fees for being in color, but we simply have to go this route to remain competitive. Otherwise, we risk falling way behind if Channel 10 gets in ahead of us!"

"If that kind of leadership means into bankruptcy, let them lead," the business manager muttered.

The facts of the moment were fairly simple: according to both rating services approximately 38% of the households in the market had color TV sets. These viewers were able to see all of WAAA's network programs in color, since the necessary equipment and transmitter adjustments had been provided for several years earlier.

In addition, WAAA had added a color film-and-slide chain 12 months earlier, as an accommodation to the increasing demands of national spot advertisers as voiced through the New York sales representatives: demands that said "Color origination or *no buy.*"

But the costs of enlarging studios, expanding air conditioning and lighting, training of personnel and possible addition of skilled technicians, and most of all the purchase of equipment, loomed large in any consideration of "local, live, first-in-the-market" color for WAAA.

Rogers, in weighing all of this, wrote a memo to his department heads: "To expand in local color operation would, according to my best advice, cost us from a minimum of $100,000 to possibly $400,000 in the next fiscal year.

"Once started in this direction, it would seem apparent that whatever over the minimum *not* spent in that period would face us in the years immediately following.

"Industry experience seems to indicate that there is no possibility of charging any substantial additional fees for the use of color—as is common in print advertising.

"So where do we go? Expenditures at this level will have bearing on dividends, on profit sharing, on ability to promote and to purchase top syndicated film and other products.

"I guess that what I'm asking each of you is this: do we need to go this local color route in order to compete and to prosper and maintain dominance?

"And, if so, to what degree?"

Suggested Discussion Points

What are recommended steps in "colorizing"? Can these be achieved piecemeal, or is a onetime technical overhaul leading to complete color more economical in the long run?

What are advertiser demands for color? Beyond the technical requirement that *their* material be aired in color, do they want to know that all of the station's programming is also in color?

Will an "all-in-color" status bring additional audience to the station?

Is there, in the final analysis, any additional revenue to be gained from complete colorization?

Suggested Reading

(2) Coleman — Introduction; Chapters 9, 13, 14.

(7) Quaal & Martin — pp. 17, 104, 168, 233.

2

PROFILE 2. COOKING A LEGAL STEW

Waldo Partridge Starrs (his professional name) had conducted an extremely popular cooking show on WAAA Radio for almost seven years. He was an egotistical and temperamental performer, proud of his *cordon bleu* credentials and of his program subtitle and introduction: "The Kitchen Conjuror."

With a rich baritone voice tinged by just a bit of a mysterious, *mittel*-European accent, plus a solid knowledge of food preparation, Starrs was a sold-out item on the station log.

Unfortunately, television was as damaging to daytime radio cooking programs as to nighttime dramatic and musical fare. The time came when advertising dollars were no longer available for a kind of programming that had now gone visual: Waldo was cancelled at the end of his contract period.

This was a major blow to Starrs. His expertise was in radio communications: the ability to talk about foods and food service amenities in a sophisticated way—*galantine* of turkey and holiday table decorations, Yorkshire pudding and *Viennertorte*, Pennsylvania Dutch scrapple and Texas border *tortillas*—Starrs' was a unique ability to paint with the voice; as one promotion piece said, "Make a *ragout* bubble in the mind's eye."

But a future in television wasn't a likely proposition for Starrs. As with many other radio personalities, his vibrant vocal chords and polished vocabulary were encased in a corpus something less than photogenic. In this case, Waldo Partridge Starrs was a sound that emanated from the body of Laddy Hlavacek, a balding, 5′6″, 240-pound native of Berwyn, Ill. To hear Waldo was a lesson in professional radio; to see Waldo the voice originating in the body of Laddy was a definitely unbelieving experience—even though his credentials were real and hard-earned.

So Waldo-Laddy had to do something. He turned to his brother-in-law the attorney, and in due course that relative serviced—to Station WAAA and manager Burt Carruthers—a bill of monies owed the "late" Waldo, with the implied *or* of a major lawsuit.

Carruthers immediately called in Hay Reynolds, his legal counsel. Reynolds made a report, after examining the situation, the Starrs contracts and fees paid, and the claims now made. "Burt, I'm more than halfway afraid that he has us on a point. It's a small one, and obviously a contrived one as well, but I don't know that I'd want to face it in a courtroom."

"I don't see the why of it," Carruthers answered. "His contracts have all been annual ones, with renewals of at least 10% each time. He's shared in the income from spot announcements ever since the third year. And when we decided to drop him, we gave him a lot more than the required four-week notice. He's made quite a bit out of this, all in all."

"Waldo doesn't argue any of that," Reynolds said. "But he does recognize that he's at the end of the string with radio, and his chances in TV are slim. With futures *out,* at least as far as we are concerned, his attorney did a review of the past.

"And he's come up with a sticky situation.

"Let me turn to asking a question," Reynolds continued. "Do you recall how long it's been since you started answering Waldo's mail and sending out his recipes?"

"Long as I can remember," Carruthers replied. "The very first week Waldo was on, he had some complicated instructions for a fancy dish. We had a lot of phone calls, so we got the information from his script, mimeographed it, and mailed it to anybody who asked for it."

"And then," Reynolds looked at his notes, "Waldo in turn said on his program that the recipe was available, and you got several hundred letters in the next day or so."

"Yes, we did; it helped to sell the program that way, documenting the interest of the listeners."

Reynolds nodded: "Then it became practice to prepare recipes in advance; Waldo would say that they were available, and you'd get a flood of mail each time."

Carruthers smiled: "That's promotion men's talk. We didn't have many 'floods,' but we always had a lot of mail coming in and going out for the *Kitchen Conjuror*."

Reynolds winced. "Unfortunately, you made all-too-good promotional use of that. There is on record a large pile of station promotional pieces—mailers, magazine ads and the rest—claiming an average of 5,000 requests a week, all answered, with *Waldo's*—and do understand this when I repeat *Waldo's*—recipes being distributed free."

Carruthers nodded: "The 5,000 figure is more promotion talk, but the flow of mail is certainly documented."

"And Waldo's file of that promotion material is far more complete than your own—WAAA has turned over promotion staff several times in the past seven years, but Waldo has been here, and has gone on adding to his own files. He has every recipe, and every promotion claim, and a copy of every fan magazine and client house organ and post card where his recipes were used."

"But that was all part of promoting Waldo and the program," Burt said. "It's done with all kinds of shows—stories ghost-written by our promotion staff, and fashion forecasts by our women's editor, and all the rest. It's part of the business."

"But," Reynolds shook his head, "you never had any formal agreement with Waldo on it. You know and I know that it was as much for his good as for WAAA's, but if he wants to he can drag up the records to show that the program was worth a hundred dollars to WAAA for every ten he received."

Carruthers groaned: "So what is he after?"

"The arithmetic is pretty much blue sky, but it boils down to this: over the seven year period he figures that about 1.8 million recipes were sent out—and that's from WAAA promotion claims, remember. And he's willing to round off his rights for a flat 10 cents apiece!

"Then there are the client use and magazine printings and whatnot. For these plus the mailings he'll settle for a flat $250,000, without argument."

Carruthers sighed: "That's highway robbery. But you're the legal counsel—can he do it?"

Reynolds nodded: "The problem is that we don't have a shred of evidence to show that he ever agreed to it, or was compensated for the material as a part of his contract. It was standard promotional activity, sure, but try to prove it. He can drag into court literally wheelbarrow loads of *our* mastheads, and say, 'I never got a penny for this—I was exploited.' And we can come up with a lot of arguments, but he is going to be established as the damaged and now cast-off former employee."

"Okay, Hal, what do we do?"

"Two things," Reynolds replied. "First of all, we settle with Waldo for $100,000—this is what I believe he and his brother-in-law need to open 'Waldo's Conjuror's Kitchen' in Berwyn—which is what they want. And as a bonus we grant them the use of the show title—which we happen to own! And we write it off to experience."

"I agree," Carruthers answered. "But what's point two?"

"You have a staff meeting as soon as possible, and re-examine your practices with other shows and other performers, and figure out some iron-clad ways to keep this from happening again!"

Suggested Discussion Points

Waldo said on his program that the recipes *were* available; on the strength of this, should the threatened suit have been allowed to come into court, and opposed?

Could WAAA management have anticipated the Waldo vs. WAAA claims from an early date, and made an agreement that would have avoided the potentially-explosive situation?

In the future, how can WAAA management cover similar situations with adequate agreements between performers and management? Should similar agreements then be applied to writers, directors, producers, involved in potentially-exploitable productions?

Suggested Readings

(7) Quaal & Martin — p. 220—"Need for Legal Counsel"
(10) Spring — p. 244—"Property in Publicity"

3

PROFILE 3. MUST IT BE "EDITORIALIZE OR PERISH"?

The problems of Station WBBB-TV, as they relate to the subject of "editorializing" on the air, are summed up in the following memorandum from the general manager to the group vice president:

As you know, I have for a long time resisted the concept of WBBB's taking stands on issues, of grinding the axe of partisan points of view; in short, of editorializing on the air.

This is as we recognize in the tradition of print journalism. There is scarcely a weekly paper published in the smallest of county seats that doesn't have an editorial column or more, calling for more support for the Boy Scouts or less speeding on the local stretch of the thruway or for a solution to the inchworm plague in the next county. Distant issues have roles as well: let's have a local rally to end a civil war in Africa, or what a shame it is that the old luxury trains of yesteryear no longer serve us.

None of these subjects has any relevant quality in terms of the overall community as defined by our signal; *and* we are licensed to serve this community—or so it says in the Federal Communications Act.

In the recent past, I've seen what has happened when one of our two competitors moved to editorialize. Station "A" put both light and heat on the local public utility, with films documenting the statement that the utility's stacks were pouring polluted air on the downtown and adjacent suburban news. The utility cancelled its sponsorship of the 10 o'clock news—immediately.

Station "B" fell into the same air pollution trap a little later, with a series of interviews with and statements by authorities to show a significant air pollution increase in the downtown area—because more and more private cars were being driven into the city.

The regional car dealers' associations all cancelled their schedules, as did the operator of the largest department store—the one with the brand-new 800-car parking ramp!

Under pressure from church groups, Station "A" started a campaign for the closing of all retail stores on Sunday. The three major food chains all withdrew their advertising.

Station "B" undertook to aid the cause of the regional Parent-Teacher Associations in de-emphasizing competitive sports among junior high and grade school youngsters. The big sporting goods store cancelled its spot advertising, and an executive whose brother was head of the city park system sports program also withdrew the advertising of his corporation.

But I've also noted the continuing urge of our news director and of our public affairs manager to editorialize. We've all seen and heard the messages from members of the FCC, our own National Association of Broadcasters and other industry groups, to get in there and fight. Then we saw the sobering words of an FCC examiner in turning down the license renewal request of a west coast station: that one of the most serious points against the station was that it had a firm policy *not* to editorialize. This, he emphasized, made them suspect, and certainly guilty of not servicing their community.

So now we *have* editorialized. We did it graphically, pictorially, with film and candid photos as well as with words. We did it with concealed tape recorders and anonymous interviews; with checking and re-checking of facts and figures; with the best available staff and most of all with a sense of responsibility.

We took as our subject the most fundamental issue we could offer the public we are licensed to serve—*our* city, Everytown. We filmed the morning and evening traffic jams; all-day parking in no parking zones; industrial waste pouring into the river; women soliciting in broad daylight in the downtown area; bars open way after legal closing hours; piles of refuse and dirty public parks and policemen sleeping in patrol cars.

What happened? First of all we lost five clients, who cancelled abruptly because of "changes in advertising strategy." They all showed up on another station the next week.

Now we are told that the city itself is considering a lawsuit—because we have damaged its ability to get the best possible rates on a new bond issue; are told that we will be considered liable for the difference in rates between the anticipated one and what they might have to accept because of our slurs upon the character of and operation of the municipal administration.

And, following this, we are told that individual members of that administration may then file suits, based on defamation of character as implied by our revelations of their lack of or shoddy administration.

We think we can meet all of this heads-on, if we have to; but our job is broadcasting, not functioning in courts of law—and especially so when our cameras and microphones are still not admitted in those courts.

They say that in the academic world the unwritten law is "publish or perish." From recent governmental dictat, we would infer that our command is "editorialize or perish" (meaning lose your license).

But if it then in truth becomes the reality of "editorialize *and* perish," who's the winner?

Suggested Discussion Points

Are there "safe" areas of subject matter that a station can use while fulfilling its implied requirement to editorialize?

Should a station follow a policy, as is common with print media, of endorsing political candidates?

In the same way, should a station take sides on controversial issues in its community: school expansion, bond issues, rezoning of land and buildings, police action, etc.?

Is there any way in which a station can follow an aggressive policy of editorializing while at the same time maintaining good working relationships with clients and with local government agencies?

Suggested Readings

(7) Quaal & Martin — p. 85—"Editorializing"
(11) Taylor — p. 87—article by John H. Hurlbut under "News and Public Service"

4

PROFILE 4. CAN THE VAST WASTELAND BECOME VERDANT?

Station WAAA general manager Ralph Bates expressed his annoyance, concern, and most of all feeling of need for fresh thinking on the part of his staff, in a memo titled *How Can We Do A Better Job Of Public Service?* The missive, addressed to all department heads, read as follows:

We try in every way we know how to be "good guys" in public service programming.

We carry all of the religious programs and "Meet the Washington People" kind of shows put out by our network.

On the local level, we follow the advice of the Everytown Council of Churches and the Ministerial Association: we use the programs and the spots they endorse; we use all of the Smokey Bear and the rest of the films supplied by the Advertising Council.

We carry the announcements about using ZIP codes and mailing early for Christmas; about wearing your safetv belt and not teaching your children to smoke.

Yet the effectiveness of all of this is most difficult to document or to evaluate, and in truth it would seem that to be the good guy in the market is to put yourself in second place when it comes to a hard-nosed rating evaluation of station performance.

As I noted, we carry all the public service programs sent through by the network on Sunday morning and afternoon, and both rating services scratch them as "below reportable standards" in their local rating books.

Our major competitor blanks out his net's shows, and runs old movies and syndicated shows—*he* gets at least a modest rating, and sells spot announcements.

That's an easy out, but not the way for us. I'm content to see us remain No. 2 on that kind of comparative basis, *but* . . .

I continue to ask: is it not possible to construct *local* programming that would serve our community while at the same time have enough audience appeal to enable us to show up in the rating books with something more than a minimum entry that really means nothing?

Are there subjects of concern that can be amplified, maybe dramatized, for the good of the area? Do we have in our market untapped people with TV potential—local government, religious groups, volunteers in civic organizations—who would be effective on our station?

Are there, in the syndicated offerings of the religious and service groups, films or tapes that we have not explored and that might be effective here?

In short, what can we do that would remove "token" or "routine public service" from our lexicon, and give us something unique, distinctive, all our own in the market?

(And if we win an award in the doing, that won't hurt either!)

Suggested Discussion Points

Does the routine relaying of network public service programs —when available rating information indicates that there is no discernible audience viewing—have any value at all?

Would the addition (or substitution for network programs) of local public service programs be a major improvement?

Would the involvement of local religious, civic, government leaders (e.g., an advisory committee on public service programming) offer any significant improvement?

Does the local audience in truth indicate a demand for any (or all) type or types of public service programming now offered or not offered?

Suggested Readings

(1) Bluem — Introduction to Part II—"The Camera and the Event"

(7) Quaal & Martin — Chap. 9—selected segments under "The Audience"

(8) Roe — Chap. 9—"The Economics of Responsibility"

5

PROFILE 5. THE DISSONANT SOUND OF A DIFFERENT DRUMMER

Station WAAA is the lone independent in a four-station market of 400,000 homes. As such it enjoys fair success, with major sports, children's shows and newer movies as its staple saleable products. Sy Charles, the program director, judiciously avoided "spinning our wheels" in attempting serious competition in the network prime time program area; instead concentrated the station program highlights and supporting promotion in time periods where he sensed the best chance of gaining good audiences.

Charles took a long look at the Sunday evening schedules on the competition; decided that, "Between the built-in appeal of the action out on the Ponderosa, the dancing bears and the powerhouse movies, we don't stand a chance.

"But I am going to propose an alternative for a minority audience segment—an evening for *culture vultures,* for people who like their opera without 'horse' in front of it and who have outgrown the Doris Day-John Wayne movie era.

"We'll build a *New York Times*-type 'Week in Review' series, and follow it with a discussion program, and then buy the Chicago Symphony miniature concert tapes, and for the main attraction we'll use the 'Play of the Week' dramatic shows from New York."

WAAA manager Ted Steiner supported the plan immediately, noting that it was a good gesture of public service as well as a program outline that might attract some advertisers who don't care to associate with the norm of TV fare—"We might possibly break even, which would be a first for the industry in itself," he grinned.

Subsequent rating reports gave indication that the plan was working: while the other stations hadn't lost any of their audience, additional homes were tuning to Charles' *culture vulture* experiment, with emphasis on the "Play of the Week" anthology dramas.

With top Broadway stars and the best of standard stage literature, the play series could scarcely be faulted. Greek tragedies, Victorian comedies, 20th century European and American writings all played well. One of the most ambitious offerings was Eugene O'Neill's *The Iceman Cometh,* with Jason Robards Jr. as Hickey, traveling salesman, reformed alcoholic and wife murderer. Because of the four-act construction and wordiness of the script it was taped in two parts, for showing on two consecutive weeks.

In advance of the first episode, Sy Charles wrote a memo to the WAAA staff under the heading of *The Sound of a Different Drummer*: "This is a strong play, and we may get some flack from the bible belt segment. For this reason we're holding the start of the show until 10 p.m., in the hope that the youngsters and the sanctimonious will be tucked away.

"Do be aware of the fact that the characters in this show are lushes to a man (and woman); as denizens of Harry Hope's combination saloon and rooming house, they live in alcoholic dreams of a tomorrow that never happens.

"As such, they use a natural vocabulary replete with profanity and ethnic terms; also the profession of the females is established without doubt.

"The first serious blast doesn't come until the play is about 30 minutes along. Pearl and Margie arrive to deliver their night's earnings to Rocky the bartender about 20 minutes later. From that point on, look out!

"I doubt that we'll have much trouble, but if you get any complaints, send 'em to me."

By the Wednesday after the Sunday showing of the first episode, it was more than evident that you didn't have to carry Lawrence Welk on your station to get cards and letters. Two baskets of mail sat in Sy's office, and the stack of phone calls recorded was several inches high.

"About two dozen nice, thoughtful, well-written letters of thanks," Charles reported to his manager, "and all the rest say that we are in league with the devil, seeking to contaminate today's youth, and that we should be put off the air!

"The phone callers use words that O'Neill would never have considered for his play. We haven't had any trouble since we accidentally ran *Medea* on Mothers' Day—and now this!"

"It isn't going to bankrupt us," Steiner said, "but you should know that two clients were pressured into withdrawing their spots from next week's second part. A few others, mostly retail stores, are holding firm, but are getting threats of boycotts if they continue to advertise with us."

"Do they know," Charles asked, "that 75% of these cards are identically worded, and were suggested from the pulpits of a major denomination on the Sunday morning *before* the show went on?"

"Sure they do. A couple of them even heard it in their own churches. But they're in business, and worried about their own public relations.

"The important point now," Steiner continued, "is that both the religion editor and the TV editor of the newspaper are pressing me for a statement—do we intend to run the second episode next Sunday as scheduled? And they won't be put off much longer."

"And I suppose that if we go ahead, they'll run a story that starts 'TV ignores public; flaunts harmful program before our youth.' Ted, don't they realize that O'Neill is the dean of modern playwrights? That he got a string of Pulitzers, and the Nobel as well?"

"Yes, of course, and I don't think they'll be quite that severe. But it won't be good. I reminded Jones at the *Star* that one of the networks had run a story about a salesman, and nobody objected——even said that I thought Hickey in *The Iceman* was in truth a more honest and moral character than Willie Loman in *Death of a Salesman*.

"Jones was funny about it. He said: 'You've got a point—but Willie didn't hang out with the same kind of crowd!'

"In any event, Sy, Jones has a deadline this afternoon. What do we tell him?"

Suggested Discussion Points

Charles was well aware of the controversial potential of the play in his "bible belt" market; should he *not* have scheduled it in the first place?

Since Steiner isn't greatly upset over the loss of revenue, is there anything to be gained by cancelling the second episode?

Are there any useful public relations devices to be employed *in advance* of the airing of the second episode?

If the second episode is played, in what ways can the station prepare for an anticipated second round of attacks?

Finally, *should* the second episode be aired as scheduled?

Suggested Readings

(4) Hilliard (TV) — p. 39—"The Controversy—Television's Alleged Effects"

(5) Klapper — p. 206—"The Effects of Adult TV Fare on Child Audiences"

(8) Roe — p. 123—"The Economics of Responsibility"

6

PROFILE 6. TWEAKING NOSES AND KICKING OVER CANS

The incident began the night Station WAAA news director Steve Porter nodded to a large, black-outlined card hanging behind his head, just as he closed his TV report. "You might wonder what this card with the numeral 7 on it signifies. Well, it marks the seventh straight day that Pete Marvin, publisher of our own hometown *Argus,* has had his picture on page one of his own newspaper. Congratulations and good night, Pete—will we see you tomorrow?"

The next day's paper was already set, and in the early edition the publisher was once again up front, in a Rotary club luncheon group. Porter opened his evening show by gesturing over his shoulder: "Yep, there it is—eight. But do you know that in the later edition the editor moved Pete back to the second section!

"It's only fair, though," Porter went on with a smile. "Mr. Marvin only stayed for the introductions, the picture-taking and the shrimp. Just about the time we had our TV film camera set up, he was called away."

The TV picture then dissolved to a rear view of the corpulent publisher scurrying down the back corridor of a hotel, as Porter narrated: "Why the hurry? Pete is doing a two-for-one. Having blessed his fellow Rotarians, he's now heading for another luncheon meeting—at the Town Club!"

The TV film changed to a long-lens shot of Marvin exiting through the rear door of the Town Club and jogging down an alley. "And there he goes," Porter continued, "on his way to who knows what? Certainly not yet another luncheon meeting."

Porter looked into the studio camera solemnly: "We are happy to report that the menu at the Town Club did *not* include shrimp!"

Soap opera organ music came in as Porter concluded his report: "Some people are table hoppers; Pete-the-Affable is a compulsive luncheon club joiner, it would seem. Tune in tomorrow for the next episode. Will Pete make it nine? It's Kiwanis day, so we'll look for him there—and who knows where else?"

The next morning Steve Porter was asked to attend a meeting in general manager Hal Ross's office. The room also contained a serious sales manager and an anxious promotion man.

"Steve, you've got a great thing going," Ross said, "and personally I'm getting a great chuckle out of it. Marvin is an egomaniac, and these clubs all pull him in and make him chairman of committees because they know it's the surefire way to get page one publicity in his papers. And he loves it—has his name on all the club mastheads, runs all over the place, but never has time to do anything because he's so busy.

"But you've also got a tiger by the tail. Dick says that several local retailers, our clients as well as the paper's, indicate that Marvin is furious, and that he is going to be very hard to do business with for anybody who buys us."

The sales manager nodded: "Puts us in a real bind with the advertisers who hang on the paper's goodwill for a lot of extra space—features on fashions and furnishings and recipes, for example."

"In another area," Ross said, "our network publicity people have been shut out completely on any kind of TV column space—the TV editor simply said that we are uncooperative, even negative."

"And," the promotion man added, "they either lost, or reduced, most of our listings in last night's TV page."

"Sorry to hear it," Porter answered. "But wait'll you see what we have for tonight. Ed has put together a film montage of all of those pictures for the last eight days, and we'll play the 'Stars and Stripes Forever' under it, and the narration . . ."

"Steve," Ross interrupted, "that's all good fun, but we have to take a more serious look at the situation that has developed. Bad press handling, clients clearing their throats nervously, the network worried—I know about the great traditions of press rivalry, and I do appreciate humor and satire and the twitting of the competitor.

And I know that a lot of people in town are enjoying this whole thing immensely, and hang on what will happen next.

"But what we have to resolve here is the question of whether this is really in the province of television—can we afford ourselves the luxury of tweaking noses and kicking over cans, even when we know those cans are filled with a garbage the aroma of which will appeal to much of our audience?"

Suggested Discussion

There are no readings indicated for this case study, nor a set of discussion points: the query to be posed is voiced by Ross in the last paragraph—" . . . what we have to resolve here is the question of whether this is really in the province of television."