

# MEDIAWEEK

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 LAURA K JONES, ASSITANT MGR SADC  
 WALDENBOOKS  
 42 MT PLEASANT AVE  
 WHARTON NJ 07885-2120 176

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### Sinclair Deals Itself Into Top 10

*\$1 billion pact for Sullivan's 13 outlets would give group more clout with Fox, UPN*

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### ABC Sports, ESPN Eye Closer Ties

*Execs of both units to meet this week about combining sales forces and on-air identities*

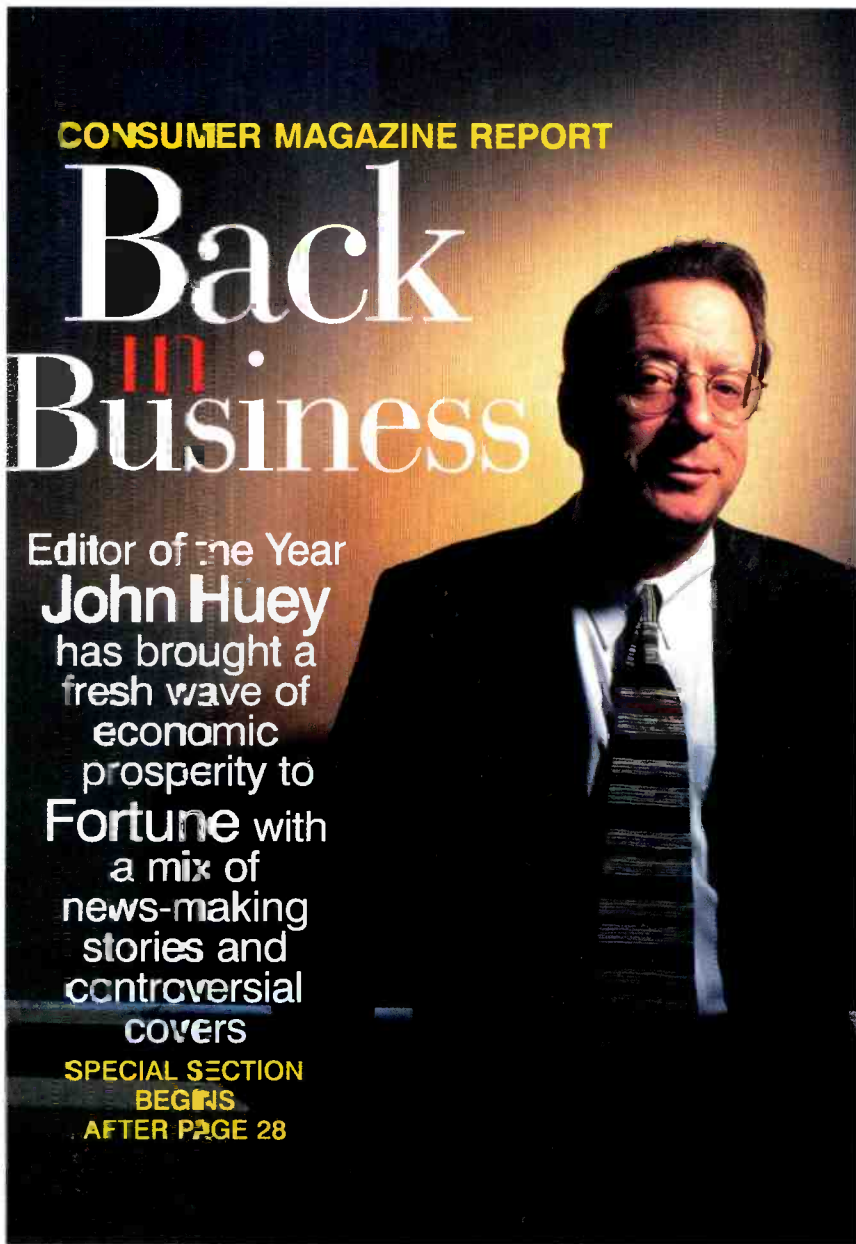
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*Coverage of the Lewinsky story spurs surge in 1st-quarter revenue*

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PETER MURPHY

## Cable's Digital Dilemma

*Will more networks mean smaller audiences?*

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### MARKET INDICATORS

**National TV: Quiet**  
 First-quarter scatter is still available, at favorable rates. Slow start to '98 could carry over, making second quarter a more even buyer-seller market than in years past.

**Net Cable: Active**  
 First quarter is all but finished; second continues to fill up, with CPM increases still running at low double-digits. Financial nets drawing business.

**Spot TV: Very Tight**  
 Inventory is moving well into second quarter, with telecom, fast-food, autos and financials leading. Northwest, South and East markets look tight, with political buys for spring primaries and general elections heating up.

**Radio: Tight**  
 The top 25 markets are extremely tight. Telecom and foreign auto are hot. Political ads are fueling L.A. market.

**Magazines: Solid**  
 Fashion and haircare are hot. Consumer electronics is picking up, as are schedules for domestic autos. But TV competition is making pharmaceuticals a real downer.

*The Seal is  
like lipstick:*



*it's the way  
polite society screams  
"Look at me!"*

Laura K. Jones

MAR 03 1998

# AT DEADLINE

## Marcus Cable May Change Hands Soon

Marcus Cable, the ninth-largest cable operator with 1.3 million subscribers, reportedly is for sale. The Dallas-based MSO, valued at \$2.5 billion, declined comment on reports last week that investment banks backing the company want to sell. Cable operator sources said that Tele-Communications Inc., Cox Communications and Comcast Corp. are possible suitors. At presstime last Friday, all three MSOs had no comment. Goldman Sachs owns 36 percent of Marcus. The remaining ownership is divided between Hicks, Muse, Tate & Furst (18 percent) and a management team led by Marcus Cable CEO Jeff Marcus (14 percent). Other investment firms control the remaining shares.

## Bain Said to Lead in Triathlon Race

Bain Capital of Boston is said to be the front-runner in the bidding for Triathlon Broadcasting of San Diego—a buy that could cost the venture capital firm about \$200 million. Bain's aggressive reach into media and its corporate profile suggest that a marriage between the two companies is likely, Wall Street sources said. Triathlon, which went on the block in November, owns 29 radio stations in markets including Spokane, Wash., and Omaha, Neb. It is being represented by Goldman Sachs. Triathlon CEO Norm Feuer reportedly would stay on if Bain makes the buy. Triathlon's 1997 revenue is estimated at \$37 million. Bain did not return calls.

## UPN Nears K.C. Connection

UPN appears to be a step closer to securing an alternative station clearance in Kansas City with Hearst-Argyle Television's KCWB-TV, sources at the two companies said. The change comes as the result of Sinclair Broadcast Group's recent switch of KSMO-TV's affiliation from UPN to the WB network (see related story on page 4). KCWB is a 2-year-old startup UHF station that has been separately held in a local management agreement with Hearst Corp.

## Honda Courts NBC for NBA Ads

American Honda is close to finalizing a new multi-year agreement with NBC to advertise on the network's National Basketball Association broadcasts, sources said. Yet to be determined is whether the deal would be for four years (through the 2001-02 season) or perhaps three years with an option to renew. For a four-year, one-eighth automotive sponsorship, NBC's asking price is said to be almost \$90 million.

## Pulitzer Mulls Exit From Broadcast Business

Pulitzer Publishing Co. is exploring the possibility of selling its broadcast operations, which consist of nine network-affiliated TV stations and five radio stations. An analyst said the broadcast operation could fetch up to \$1.4 billion, adding that its well-positioned TV stations in New Orleans, Orlando, Fla. and other cities should attract strong interest. The St. Louis-based firm will continue to operate the *St. Louis Post-Dispatch* and other print properties.


## FX Shows Toothsome Bid for *Buffy*

Cable has bitten into *Buffy, the Vampire Slayer*: FX last week spent as much as \$650,000 per episode, or \$65 million over four years, according to sources familiar with the deal, for first-run cable rights. Starting 2001, FX will run the Twentieth Television series during the week. *Buffy* will also be available to broadcast stations over weekends on an all-barter basis. FX's bid bested offers by USA, MTV and TNT.

**Addenda:** Tele-Communications Inc. last week said high-speed Internet service provider @Home Network will provide technology, e-mail support and software services for about 11 million digital set-top boxes...Dallas-based Belo Television Group named Robert G. McGann vp/gm at KENS-TV, the CBS affiliate in San Antonio. McGann was vp/gm at Chicago's WBBM-TV...Diane Baker, the New York Times Co.'s chief financial officer, resigned effective March 31 to spend more time with her 6-month-old son. John O'Brien, senior vp for operations, assumes the CFO role until a replacement can be named... Charles Jackson has been named editor of the *Oakland* (Calif.) *Tribune*. Currently director of programs for the Maynard Institute for Journalism Education in Oakland, Jackson returns to the *Trib*, where he served as assistant managing editor in the early '90s...Judi Allen, formerly senior vp, marketing and programming for Century Communications, last week was named senior vp, marketing strategy, for cable MSO MediaOne...For the fourth week in a row, Comedy Central's *South Park* drew more than a 6.0 universe rating; it earned a 6.7 for last Wednesday's episode...*Vibe*, the popular urban music magazine, will launch a spinoff called *Blaze*. The new title, expected in late summer, will focus on hip-hop music and culture.

**Correction:** In a story in the Feb. 16 Local Media section, the headquarters cited for Journal Register Co. was incorrect. The company is based in Trenton, N.J.

**INSIDE**



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## MEDIA WIRE

### Going to the Matt: Fox News Gives Drudge Celeb Show

Lightning-rod Internet reporter Matt Drudge will host a weekly celebrity news show on Fox News Channel, the cable network announced last week. Drudge, editor-in-chief of the 3-year-old Drudge Report Web site (at [www.drudgereport.com](http://www.drudgereport.com)), has drawn criticism for fast-on-the-draw reporting without adequate sourcing. Such was the case with his story last summer on Clinton advisor Sidney Blumenthal's alleged spousal abuse. In response, Blumenthal is asking for \$30 million in a lawsuit against Drudge. But Drudge has also been praised for breaking the Monica Lewinsky "Zippergate" scandal over the Internet, and for insightful, insider-laced writing on entertainment.

On FNC, Drudge, 31, will likely host leading gossip columnists in spinning the inside skinny on the previous week's news events and personalities. He will also likely go after politics, sports stars and entertainment. The yet-to-be-titled show will run on weekends. FNC, which reaches more than 30 million homes, did not announce a premiere date or location for the show. —*Jim Cooper*

### Drew Carey Inks \$26M Pact As Show Gets Syndie Riches

In rapid succession last week, Warner Bros. restructured its deals with *The Drew Carey Show's* co-creators and executive producers, comic Drew Carey and writer/producer Bruce Helford. ABC has already committed to two more seasons of the show, now in its third year on the network. And Warner Bros.' TV distribution arm recently sold the show into syndication—a deal that should generate roughly \$2 million per episode.

Carey, who stars in the WB-produced show, which consistently wins its time period on Wednesdays at 9 p.m., will reportedly see his \$60,000-per-episode paycheck hit \$300,000; the studio will get the actor's services for another two years, with the option for an additional two. Over four years, Carey could earn as much as \$26 million for his acting and writing services. Separately, Helford was given a four-year (*continued on page 6*)

# Welcome to The Big Time

*Sullivan deal would vault Sinclair into top 10*

**TV STATIONS /** By Michael Freeman

**I**n a billion-dollar blink of an eye last week, Sinclair Broadcast Group joined the Top 10 Club of station-group owners. The move has affiliate-relations executives at both Fox and UPN wondering what Sinclair will do with the added clout. Baltimore-based Sinclair capped a yearlong buying spree with last week's agreement to acquire Sullivan Broadcast Holding's 13 medium- to small-market TV stations.

The deal, valued at approximately \$1 billion, will bring to eight the number of markets where Sinclair will possess cross-ownership and cross-promotional power (see chart) to build up its TV and radio holdings. The Sullivan purchase follows two major group acquisitions over the past year for the ever-growing Sinclair group. The deal gives Sinclair a dominant position in the South and East, with ownership and/or management of 55 TV stations (in 37 separate markets representing 23 percent U.S. coverage) and 59 radio stations (in 11 markets).

Industry observers suggest that Sinclair's strategy will be to harness the radio stations as promotional vehicles for the large concentration of TV affiliates of "emerging" networks now in its possession. Sullivan stations in Nashville, Tenn., Buffalo, N.Y., and Greensboro, N.C., will expand Sinclair's cross-ownership power in eight large- to medium-sized markets. "From our standpoint, the acquisition of Sullivan represented a strong strategic fit, in terms of both of our TV and radio holdings," said David Amy, CFO for Sinclair Broadcast Group. "Certainly, the cross-promotional opportunities will provide us with a unique dynamic in the marketplace, and it will be something we're going to be exploring and exploiting in the near future."

Other station group owners agreed with that strategy. "Clearly, when these newer network affiliates are ranked third or lower in a market, they can stand to benefit the most from a promotional blitz on radio stations, particularly during evening drive time," said one station group

executive, who declined to speak for attribution. "It could be assumed that Sinclair will be sacrificing as much promotional inventory [on the radio stations] as possible to further build up the presence of its Fox and WB affiliates."

The Sullivan deal will tie Sinclair's growth to Fox's. Sullivan brings aboard 10 Fox affiliates, expanding Sinclair's ownership of Fox affils to two-dozen markets and making it the second-largest Fox affiliate group behind Fox itself. The

## Ad Rates Jump fo

**NETWORK TV /** By Betsy Sharkey

**J**ust six weeks after the WB's launch of its Tuesday-night schedule, teens and 18-34 viewers are tuning in at such high levels—higher than the other five networks in those demos—that advertisers are jockeying for commercial time. The WB adds that advertiser demand for Tuesday nights is strong even though the going rate for spots is about \$135,000, up to triple what the network gets for commercials on other nights.

The WB's fourth night of programming, anchored by the sly and scary *Buffy, the Vampire Slayer* at 8 p.m., followed by the new hit drama *Dawson's Creek*, has put the network in its strongest position ever going into upfront negotiations (the WB earned 14 percent CPM increases in the 1997 upfront). *Dawson's* in particular has become a prime launching pad for movie advertising; one studio has purchased a 2½-minute block in the show later this month to air a trailer in its entirety.

"Every once in a while, you catch a little streak," said Garth Ancier, WB president/entertainment, who like most of the network's core executives cut his teeth at Fox in the 1980s. "We've caught a streak on the drama side."

Buyers say that the WB's recent success is

Sullivan Fox affiliates are in Nashville (WZTV); Buffalo (WUTV); Oklahoma City (KOKH); Dayton, Ohio (WRGT); Charleston, W. Va. (WVAH); Richmond, Va. (WRLH); Rochester, N.Y. (WUHF); Madison, Wis. (WMSN); Charleston, S.C. (WTAT); and Utica, N.Y. (WFXV). An ABC affiliate in Greensboro, N.C. (WXLV), and three UPN stations (WUXP, Nashville; WUPN, Greensboro, N.C.; and WPNY, Utica) under local marketing agreements are part of the deal, which is subject to review by the Federal Communications Commission; the review should be completed by second quarter of 1998. If the FCC approves the deal, Sinclair will have LMAs in 19 markets.

The leverage-minded Sinclair group is not expected to seek compensation for affiliation from Fox, despite its newfound clout. Dan Sullivan, president/CEO of Sullivan, confirmed that the Franklin, Tenn.-based group signed a 10-year affiliation deal with Fox two years ago that should expire in 2005-06. Short of breaking deals, that effectively prevents Sinclair from seeking bonus affiliate compensation from Fox for now. Sullivan also said there are at least three years left on affiliation deals it struck for UPN affiliates that Sinclair will be acquiring.

### CROSS-OWNERSHIP CLOUT

Markets where Sinclair Broadcast Group has television and radio stations:

Market (Rank)	TV Stations (Affiliation)	Radio Stations
St. Louis (17)	KDNL-TV (ABC)	4 FM, 1 AM
Kansas City (31)	KSMO-TV (Independent)	4 FM
Milwaukee (32)	WCGV-TV (Independent)	2 FM, 1 AM
	WVTV-TV (WB)*	
Nashville, Tenn. (33)	WZTV-TV (Fox)\$	2 FM, 1 AM
	WUXP-TV (UPN)*\$	
Greenville, S.C. (35)	WLOS-TV (ABC)	4 FM, 3 AM
	WFBC-TV (Independent)*	
Norfolk, Va. (39)	WTVZ-TV (Fox)	5 FM, 1 AM
Buffalo, N.Y. (40)	WUTV-TV (Fox)\$	2 FM, 4 AM
Greensboro, N.C. (46)	WXLV-TV (ABC)@	3 FM, 1 AM
	WUPN-TV (UPN)*\$	

\*Station managed under Local Marketing Agreement  
 \$Pending acquisition from Sullivan Broadcast Holdings  
 @Pending acquisition from Max Media Properties

Harold Vogel, a senior media analyst with Cowen & Co., doubts that Sinclair would ever seek comp from Fox, given the network's broadcast rights to National Football League telecasts as well as a "bevy of proven young-adult hits."

Sinclair does have a history of extracting compensation. Last July, Sinclair struck an \$85 million, 10-year affiliation deal with the WB to convert five UPN affils to the WB. UPN's half-owner Viacom subsequently filed and lost

money from UPN. "David Smith [Sinclair president/CEO] will take his time and weigh his options to see if it is more viable to go independent" if he does not get what he may want in compensation, said the exec. A UPN representative declined comment on any pending negotiations with Sinclair.

Sinclair is said by sources to have secured \$700 million in cash financing from lead bank Chase Manhattan and is tendering another \$100 million in stock and assuming up to \$160 million in debt from Sullivan and Sullivan's majority investor, ABRY Partners (an 80 percent shareholder). Analysts estimated that Sinclair paid a multiple of 12 times Sullivan's cash flow, or about \$80 million, which they believed was a good price.

Since last July, Sinclair has spent \$885 million to acquire 16 TV stations and 32 radio stations from Heritage Media Services (through Rupert Murdoch's News Corp. holdings) and Max Media Properties. Although Sinclair has accumulated more than \$2 billion in debt, its first six months 1997 (ending June 30, 1997) broadcast cash flow of \$105.6 million jumped 62 percent from the comparable 1996 period. Sinclair has been the darling of Wall Street as well, with its average stock price at \$57 as of Feb. 26, which was 128 percent above its price a year ago.

Meanwhile, Sullivan and Boston-based ABRY Partners have formed a new group called Quorum Broadcasting based on the previous acquisition of five small-market stations from Petrocom Broadcasting. The group said it intends to use some of the proceeds from the Sinclair buyout to target the acquisition of stations in ADI-ranked markets 50 through 150.

Some programmers are concerned with the growing concentration of ownership, however. Said one senior-level syndication sales executive: "The good side is that Sinclair becomes more of a one-stop shop. The bad side is they get to dictate the terms and time periods. Either way, they're a significant force in the marketplace, and you have to respect their position." ■

## WB's Tuesday Nite

blurring the distinction between the netlet and the Big Four, at least on Tuesdays. And the WB's Tuesday takeoff has made Sinclair Broadcasting's moves to switch a number of the group's station affiliations to WB from UPN look prescient.

"I don't have to look at \$600,000 for a :30 on *Seinfeld* anymore to open a movie," said a Chicago-based buyer, who added that speaking for attribution might weaken his upfront negotiating position with the WB. "I can go into *Dawson's* and *Buffy* on Tuesday at a quarter of the cost and get the demos I need to drive the first weekend."

Added another major buyer: "Every movie studio has recognized [*Dawson's*] appeal and is putting added dollars against that property."

In major markets including New York, Chicago, Los Angeles, Atlanta and Detroit, *Buffy* and *Dawson's* have locked up the teen and 18-34 market with Big Four-level rating and share averages. When the demo pool in those markets is broadened to 18-

49, WB holds the No. 2 spot.

Consider these January averages: In New York, *Dawson's* was No. 1 among teens (with a 22.1/41) and 18-34 (9.9/21), and second in 18-49 (7.2/13), topped only by NBC (8/17), a pattern mirrored in Los Angeles and Chicago. In Atlanta, *Dawson's* and *Buffy* gave the WB a win on Tuesdays in 18-49, with *Dawson's* 9.4/17 edging out NBC's *Frasier* and *Just Shoot Me* block.

"The momentum began about 18 months ago—it just wasn't apparent," said Jamie Kellner, CEO of the WB, who tracks the network's ratings surge to the launch last season of *Buffy*. "One of the things we learned at Fox is to think like guerrilla fighters. So in a world where there are so many comedies, I don't think it's a surprise we've made a name with dramas."

Critical attention and a rash of publicity on the Tuesday-night slate isn't hurting either. Today, *TV Guide* will hit stands with four separate covers featuring each of *Dawson's*' four teen stars. *Buffy's* Sarah Michelle Gellar will be on *Entertainment Weekly's* cover this week and *Rolling Stone's* next week.



Top teens: *Dawson's*' James Van Der Beek, Katie Holmes

ANDREW ECCLES

## MEDIA WIRE

(continued from page 4) exclusive production/development deal, which at \$5 million a year will reach a \$20 million minimum payout. —Betsy Sharkey

### New York Commemorates 30 Years With 30 Voices

*New York* magazine will be giving both its readers and its advertisers a special gift on March 30. The weekly will celebrate its 30th year in print with a commemorative issue that will, for the first time, remain on newsstands for a full month. "The backbone of the issue," promises editor-in-chief Caroline Miller, "will be a very amusing and readable cultural timeline of the city over the years."

The issue will feature oral histories of 30 high-profile New Yorkers, including Jerry Seinfeld, George Steinbrenner and Barbara Walters. Advertisers will have something to celebrate, too. They will benefit from a full-month run on the stands at the standard weekly fee. Advertisers that buy more than a third of a page (full-page rates for color are \$42,550 and \$27,020 for B&W) will get additional exposure via 15-second *New York* promo spots on up to 65 movie screens around the city. The magazine will continue to publish regular weekly issues while the anniversary special is on stands. —Lisa Granatstein

### Wall Street Journal Staff To Get Airtime on CNBC

Reporters at *The Wall Street Journal* likely will appear on CNBC beginning this month, as parent companies NBC and Dow Jones continue to tighten their strategic alliance, sources familiar with CNBC's plans said last week.

"They [Journal staffers] have the smarts, CNBC has the air" with 66 million viewers, said one source. The network is selecting big-name WSJ reporters and lesser-known writers for camera work. WSJ's video presence will begin as short segments running throughout the day. Dow Jones' *Barrons* and *Smart Money* will also have on-air presences. CNBC is already producing Dow Jones' *The Wall Street Report*. CNBC confirmed the network is in the "detailed planning stage" with *The Wall Street Journal*. —JC

# Narrower World of Sports

*ESPN and ABC in talks to merge ad sales forces and identities*

**TV SPORTS /** By Jim Cooper and Langdon Brockinton

**T**alks will get under way between ABC Sports and ESPN this week to consider several major operating changes, according to sources familiar with the issues. The two units plan to talk about labeling some, if not all, ABC Sports programming with the ESPN brand name, and they also are contemplating a merger of the ESPN and ABC Sports ad sales forces.

Word of the discussions on the ESPN name replacing ABC Sports on broadcast sports programming leaked out in some press reports late last week. Sources with knowledge of the talks described the process as a work in progress and confirmed that ESPN and ABC Sports executives will meet this week to discuss a sales-force marriage.

ESPN and ABC officials refused comment except to say that "evolutionary" discussions between the two Disney properties are ongoing, but that no drastic changes are imminent. Steve Bornstein, president and CEO of ESPN, has also been president of ABC Sports since May 1996. The networks have recently worked

closely on NFL and X-Games programming.

One potentially thorny issue that could slow down the discussions is the 20 percent stake that Hearst Corp. owns in ESPN. One source pointed out that Hearst wants to ensure that any moves are thought through with the company's TV-station group—operator of several ABC affiliates—in mind. It's possible that ABC affils may object to network programming carrying the name of a cable network.

ESPN has been in a merging mood of late. Last week, ESPN drafted the ad sales staff of Classic Sports Network to become a part of the ESPN sales staff. ESPN acquired CSN last October. The lean CSN staff, led by vp of ad sales David Safran, generated an estimated \$3.5 million in ad revenue in 1997, a tenfold increase over 1996. That number is miniscule compared with ESPN's estimated \$500 million in annual revenue for ESPN and ESPN2. Safran will report to Jeffrey Mahl, ESPN senior vp of ad sales. "The more places you can touch your consumer, the better it is for them and the better it is for us," said Mahl. ■

# Cable Rate Battle Brews

*Lawmakers, operators taking sides on phase-out of controls in '99*

**REGULATION /** By Alicia Mundy and Jim Cooper

**T**he opening salvo in the war on cable rate increases was fired last week by Rep. Edward Markey (D-Mass.), who introduced a bill that would nullify the mid-1999 "sunset" provision of the cable rate regulations. Citing

numerous reports including a study by the Federal Communications Commission on widespread rate hikes, Markey, the ranking Democrat on the House Subcommittee on Telecommunications, said in a statement: "Cable increases have been out of line with inflation and with the costs of programming to the cable operators."

Markey got some ammunition last week when *The Washington Post* ran a story showing how cable rates in the D.C. area

have risen an average of 5.5 percent last year, and in a few instances as much as 10 percent.

Rep. Billy Tauzin (R-La.), chairman of the telecom subcommittee, opposes Markey's new bill. "It doesn't have much chance of passing right now," said Tauzin's spokesman, Ken Johnson. But he added: "Although Tauzin would prefer

to emphasize competition with DBS as a way to counter these rate hikes, [he] recognizes that cable is acting as an unregulated monopoly. If competition doesn't start affecting cable rates, we may have to support Markey's bill early next year."

Sen. John McCain, chairman of the Senate Commerce Committee, agreed. "Congressman Markey's bill seeks a regulatory fix," said McCain's spokesman, Mark Buse. "In



Postpone the "sunset"? Markey makes his move.

'S

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this short legislative year, we'd prefer to find a solution in competition. But if not, we will have to look at legislation like Markey's before the sunset rule takes effect." McCain's committee has set hearings on cable rates for March 31.

Major cable operators scoffed at Markey's claim that competition still needs time to mature. Operators added that they are struggling to deal with growing costs for programming, citing the recent NFL deal. Representatives from Tele-Communications Inc., Comcast Corp. and Cox Communications noted that the major DBS players are larger than some cable companies and compete aggressively in all cable markets. DirecTV, the leading direct-to-home provider, reaches more than 3.3 million homes.

"The top three direct-to-home providers have more customers than most cable operators, so tell me there isn't competition there,"

said Jim O'Brien, president of Jones Intercable. "If customers choose to stay with their existing cable company, it's because that's the better choice, not the only choice."

Operators said Markey's proposal shows how the 1996 Telecommunications Act has become a political football and that efforts to repeal the automatic deregulation are partisan. "This has a lot to do with politics—it's an election year, and this is a way for one party to point out that a bill that was supported by another party may have some holes as far as public perception," said Joe Camicia, director of government and public affairs for Dallas-based Marcus Cable. Camicia said the Telecommunications Act in its present form has allowed Marcus and other operators to spend more on rebuilding systems to provide more programming for customers and to compete with DBS' huge channel lineup. ■

## Olympic Effort Propels CBS

Heavy promotion during Games helps lift some week-after ratings

**NETWORK TV /** By Michael Freeman

In its first week after the Winter Olympics, CBS was able to ride the promotion-laden Games to stronger household and young-demo ratings in many prime-time periods. In particular, the network's broadcast of the Grammy Awards scored its best rating in five years, and the Tom Selleck-led sitcom, *The Closer*, opened well despite tough competition.

On Feb. 23, the day after Olympics closing ceremonies from Nagano, Japan, *The Closer* scored a second-place 10.9 rating/16 share in households from 9-9:30 p.m. The Monday-night newcomer lost out only to the second half of ABC's *Oprah Winfrey's The Wedding* (9-11 p.m.), which averaged a strong 15.6/24. *The Closer's* household average marked a 28 percent increase over what *Cybill* scored in the same time period this season before that show was put on hiatus and later switched to Wednesdays (8:30 p.m.). In adults 18-49, *The Closer* also improved the time-period average by 46 percent in rating. *The Closer* also built upon its *Everybody Loves Raymond* lead-in (a 10.0/15 in households) by 9 percent.

Last Tuesday night, CBS' Olympics-hyped, two-hour premiere of *Four Corners* (9-10 p.m.), a Western soap starring Ann-Margret, finished last in the time period with a 6.9/11 in

households and a 2.1 rating in adults 18-49. It marked the worst post-Olympics premiere ever for CBS. *Corners* also finished below previous time-period averages for *Michael Hayes* and the now-cancelled *Dellaventura*.

In addition to finishing fourth in households on Tuesday, CBS' 2.6 rating in 18-49 adults placed it fifth, just behind the WB's 2.7 rating for its 8-10 p.m. rotation of *Buffy, the Vampire Slayer* and *Dawson's Creek*.

Last Wednesday, the Grammys telecast scored a winning 17.0/27 in households, a 27 percent improvement over last year's telecast (13.4/22). The traditionally older-skewing CBS also scored a rare win in all of the key demos with the Grammys, including a 9.6 rating in adults 18-34, edging out Fox's *Beverly Hills, 90210* (a 7.2 rating) and *Melrose Place* (a 7.9 rating) from 8 to 10 p.m.

Minus the Olympics lead-in push into late fringe, CBS' *The Late Show With David Letterman* slipped back to a more earthly 4.0 rating/11 share overnight average for the first four days of last week (Feb. 23-26). Meanwhile NBC's *Tonight Show With Jay Leno* reasserted its first-place position, with a 6.0/17 average. ■



**Ann-Margret's  
Corners missed.**

TONY ESPARZAC/BBS

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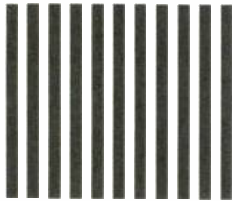
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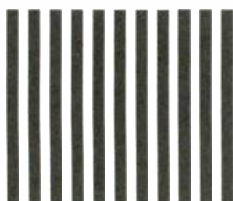
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# An Affair to Remember

*Lewinsky scandal is bringing extra viewers and ad revenue to CNN*

**TELEVISION** / By John Consoli

**F**irst-quarter revenue for CNN will be greater than anticipated thanks to higher viewership spurred by coverage of the Monica Lewinsky controversy. Like the other network news operations, CNN has seen its news-gathering costs rise since the scandal surfaced on Jan. 21, but the cable news leader has been able to more than offset the extra spending by offering advertisers additional time, at higher rates.

Advertisers have requested the additional time, according to CNN executives. Execs said that since the network has been over-delivering audience since the Lewinsky scandal broke, it has been able to put into the market inventory that had been set aside for under-delivery. CNN said that in February, it hit its highest 24-hour monthly rating (0.7) since October 1995.

Movie companies have bought the most additional time, followed by financial services, said Larry Goodman, CNN president of advertising/marketing sales. Goodman said that with a month to go, 87 percent of the network's projected first-quarter ad revenue was done. For the extra time, CNN charged the same CPM at a higher commercial unit rate, he said.

Through the end of January, CNN was over budget by about 5 percent on hard news

as a result of the Lewinsky scandal. Earl Casey, managing editor for domestic news, said about 30 freelancers were used early on, but that number has since dropped. CNN, which has a Washington bureau of about 300, turned to freelancers because many of its crews were tied up preparing for the State of the Union address when the Lewinsky matter broke.

News execs at all the networks agreed that while Lewinsky coverage has raised expenses, the over-spending has been minimal because the story is centered in D.C. "I can think of a lot of places I would not have wanted this story to take place," said John Moody, vp for news & editorial at Fox News Channel.



**Found-money man:**  
**CNN's Goodman**

"Like Little Rock." And if military action is taken against Iraq, network execs said the story will be covered, no matter the cost. "If there's a huge story, we're going to cover it," said March McGuinness, CBS News vp. "Black Rock is not going to say the money ran out." ■

# Stumping for Pols' Dollars

*CAB plays up the medium's ad benefits to political strategists*

**CABLE TV** / By Jim Cooper

**E**ven though it was not an election year, more political ad dollars were spent on cable in 1997 than ever before, according to the Cabletelevision Advertising Bureau. In a presentation to political strategists in Washington last week, CAB president Joe Ostrow (alongside cable rep firms NCC and CNI) said digital ad-insertion technology, improving interconnects, system consolidation and the growth of regional news networks are stoking the local political ad category on cable.

The CAB did not provide any numbers to support its report of increased political spending. But local buyers and cable-network sales staffers said spending in major markets, including Chicago and Boston, was up about 25 percent in '97 over the election year 1996. Kevin

Barry, CAB vp of local ad sales and marketing, said digital ad insertion offers politicians 24-hour turnaround time to change ads, a process that used to take days. Barry said spin doctors know the power of video over print in campaigning. "If one candidate says the other is a bum in an ad, a new spot can be out in hours to refute it," noted a local ad sales vp for a large cable net.

About 80 percent of cable systems use digital insertion now, thanks in part to the influence of interconnects. Cable systems in Chicago, Boston, Philadelphia, Washington and Detroit have all recently upgraded interconnects.

The growth of regional news services also has provided more outlets for politicians. There are about 20 regional news nets in the U.S., and more are expected as systems expand channel space via digital rebuilds. ■

## NETWORK TV

**ABC's *Ellen*** could be headed for cancellation, media buyers said last week, not because of its gay lead character but because of the 22 percent drop-off in audience from the series' lead-in, *The Drew Carey Show* and a story line that has become somewhat one-dimensional. While ABC officials have adamantly denied that a decision has been made on the fate of the sitcom, star Ellen DeGeneres told *Entertainment Tonight* last week that she was "getting every indication" the network was not picking up the show for next season. "I'm gay, the character's gay," DeGeneres said. It's just too controversial. Nobody wants to deal with it." An ABC rep noted that the network last year did not announce until May whether the controversial *Ellen* would be renewed and would follow the same time pattern this year. *Ellen's* time slot was shifted twice in the 1996-97 season before the show settled into its current 9:30 p.m. Wednesday position behind *Carey*. Season-to-date Nielsen ratings through Feb. 22 have *Carey* leading in with an 11.3 rating/18 share, while *Ellen* has produced an 8.8/14. "If a show is not holding its lead-in, is not growing, and is rather expensive, what's the purpose of keeping it?" said one buyer. "Even if it had a family subject matter, it might be canceled under those circumstances." "The humor just isn't there every week this season," concurred Paul Schulman, president of New York-based Paul Schulman Co. "ABC would be smart to find another show that can hold on to *Drew's* lead-in. There is no upside on *Ellen*."

**Walt Disney Co.** has put up for sale its 19.6 percent stake in Scandinavian Broadcasting System, acquired when Disney bought Capital Cities/ABC in February 1996. SBS, with operations in Western and Central Europe, does not fit into Disney's international broadcast plans, which are to develop Disney- and ESPN-branded program services in major markets.

**The CBS Evening News With Dan Rather** was the top-rated evening newscast for the week ended Feb. 22 (9.3/18), for the first time since February 1994. The *NBC Nightly News With Tom Brokaw* was second with a 9.1/17 and ABC's *World News Tonight With Peter Jennings* came in third at an 8.6/16. —John Consoli



# Numbers that don't add up...yet

by jim cooper

Digital cable promises far more choice for viewers, but there aren't enough of them to fund networks they want to see.

Call it the year of living digitally. In the wake of Tele-Communications, Inc.'s order of 12 million shiny new digital set-top boxes last December, networks are rushing to form digital netlets in 1998 to run on the new level of service. For some networks-in-waiting and small niche channels that have been unable to achieve significant distribution, the deployment of these boxes can not come soon enough. But at the big, established nets, could a rush to develop new channels for digital do to them what they have done to the broadcast networks? Could their development end up costing more than they're worth? Will there be enough subscribers with digital access to justify the creation of quality programming?

There are almost as many answers to these and other questions as there are existing cable networks. Not only is there no industry consensus; there's little agreement even among networks that are ostensibly similar.

As the chairman and CEO of the biggest of the big in cable networks, Turner Broadcasting System, Inc., Terry McGuirk is downright bearish on the future of networks developed for the digital tier. "The digital network business is really code word for networks that are generally going to be weaker, that are going to have less economic support, less impact on the bottom lines of the companies that provide them. I don't know that there should be the

emphasis on these networks as the great hope of these companies," said McGuirk during a recent press conference.

While more than a few operators argue that CNNSI and CNNfn would be prime services for the digital world, Turner is one of the few large media companies that hasn't launched any digital networks.

USA Networks is another. Kay Koplovitz, chairman and CEO of USA, is more interested in making the flagship network more competitive with ABC, CBS, Fox and NBC than she is with spinning off new niche nets on digital systems. "The economics of the digital platforms are not compelling, at least in the models we operate under today," said Koplovitz. "That's not to say that you can't come up with another business model. It will be some time before the digital rollout has enough homes to generate the potential viewership."

Neither McGuirk nor Koplovitz is dismissing digital forever, and certainly both networks have the copyrights and leverage to go digital whenever they want. "It takes as much effort out in the field to launch a digital network as it does to launch any other network, even though you are looking at a much smaller business proposition," said Koplovitz.

So why bother going digital?

Well-backed companies see a future in digital networks, and costs have not deterred them. Among these companies are multichannel players such as Discovery and MTV Networks, NBC, Rainbow, Lifetime, Disney, HGTV, The Weather Channel and even The Inspirational Network. "We really see a value in this market as learning about the future ways people will view television," said Charley Hubbard, vp of digital television and special projects for Discovery, U.S. "As digital rolls out, as DBS becomes more of a player, there will be many more

## MEDIaweek CABLE REPORT

choices out there for consumers, and we must learn now how to sell advertising in the new environment, how to handle distribution and how to program it."

Currently, the universe of homes served by digital cable is between 300,000 and 500,000 homes and will grow to about 1.5 million homes by the end of the year. TCI has been the most aggressive company in rolling out digital with its prepackaged, satellite-delivered "Headend in the Sky" (HITS) service. TCI made HITS available to 9.1 million of its subscribers in 90 markets and is selling it to other MSOs. So far Cox and some smaller cable companies such as Buford Television have signed up for HITS, which compresses one channel of analog into 12 channels of digital. The service presently offers about 40 networks to customers for about \$10 a month. But some programmers, including MTV Networks, are waiting

for news on digital platforms from other large MSOs like Time Warner Cable and Comcast before signing on with HITS.

"Our digital plans, and those for all the MSOs serious about digital, are constantly a work in progress, and the major gating issue now is the box rollout and the subsequent marketing," said one top-10 MSO executive who asked not to be named.

He is not alone. "It's the Wild West as far as digital distribution and how things are going to be packaged, but there will be some clarity this year," said Matt Farber,

senior vp of programming enterprises for MTV and VH1, which will launch The Suite, seven themed music channels ranging from VH1 Country to MTV Indie, on July 1.

Operators are far enough along that they need programming and marketing help to drive new cable boxes into the homes of their highest-level customers. "We are definitely feeling the draw from the operators and the pace of the marketplace has quickened," said Discovery's Humbard. Likewise, Joe Cantwell, executive vp of media distribution and development for Bravo Networks, said: "So far the interest among cable's best customers in digital has been very strong."

Having quality programming to run on the digital tiers will help, but with estimates that digital will

get picked up by only 10 percent to 15 percent of homes where it is offered, other set-top services like high-speed modems will be important to sweeten the deal for subscribers.

As for license fees for the new networks, prices being floated range from six to nine cents per sub to 10 to 15 cents per sub. Free-carriage offers are out there as well.

The one sticking point for digital networks is that operators might use the new digital channels for enhanced pay-per-view and premium-service multiplexing that add cash to their bottom lines faster than basic networks. But strong basic-cable brands can make cable companies look cutting-edge in the eyes of their customers.

"Toon Disney was born out of conversations with cable operators and the idea that Disney could produce a brand-name animation channel," said Anne Sweeney, president and CEO, The Disney Channel, asserting that Toon Disney will be strong enough to pick up analog as well as digital carriage when it launches on April 18.

"We see an obligation to help our distributors grow the next frontier of their business, which is digital, and you can't do that without product and product with a point of view," said Doug McCormick, president and CEO of Lifetime, whose digital service, Lifetime Movie Network, will launch in third quarter.

In terms of content, networks such as Encore, which is sitting on a lot of movie product, MTV, which can craft vibrant channels around music videos, and Disney, which has a vast animation library, will be able to fairly effortlessly create channels that have value.

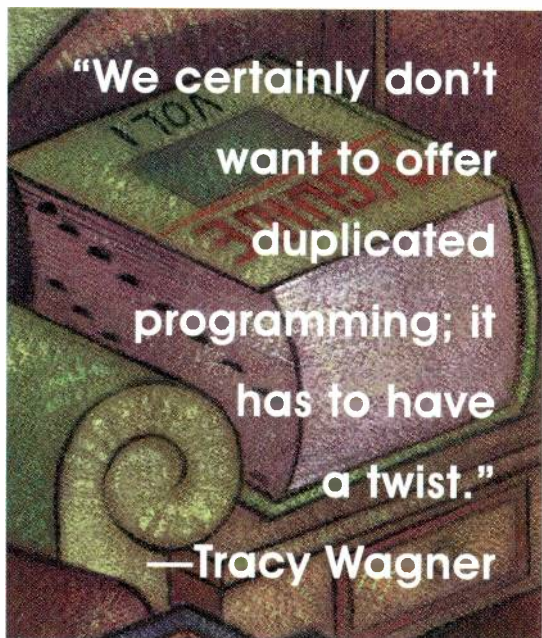
"If you have a significant library of product that you can use in a variety of ways, then it becomes a different set of economics. You are reorganizing and presenting programming in a way that might be easier for people to access if they are interested in the subject matter," said USA's Koplovitz.

"We certainly don't want to offer duplicated programming, it has to have a twist," said Tracy Wagner, senior vp, programming and distribution for TCI, adding that reasonable fees and long-term marketing partnerships are also vital.

But without a large universe, well-positioned programmers are still trying to scale their digital business and keep costs on par with distribution.

"Our goal is not just to roll out whatever we have in our library, but to focus on 'best of', combined with some premieres, and add into that originals a year or two out," said Humbard. "It's a scalable model with programming in concert with distribution and the market realities."

Programming in the digital future will likely be untraditional. Networks will have the option to





\*1997 Beta Research Subscriber Study

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develop new programming for the tiers. But with light distribution, there will be little cash to offset the cost of original production. They could also run reread programming. But that makes them less interesting to consumers and, ultimately, operators. "We wouldn't be doing anybody a service, ourselves or the cable operators, if what we are offering was something that they're already getting from MTV and VH1," said Farber.

Most likely a hybrid of new programming and the best of the mother networks will be common.

The digital boxes will also allow for new kinds of content. Interactive programming, transactions and multiplexing that will offer viewers the convenience of repeat access to popular shows will be possible.

"The digital world allows you to create a series of dependable destinations for the customers," said

John Sie, president and CEO of Encore Media Group. Sie said his business model for Encore works today in digital because customers can ascribe a value to his product, 24 channels of commercial-free

movies, where digital services that have spin-off programming from their mother networks will have a tougher time proving value, said Sie. A long-time champion of digital, Sie hopes to have a large block of commercial-free movie channels in cable's digital universe in 10 years, when, he projected, there will be anywhere from 650 to 1,000 digital

channels available to subscribers.

"You have to have a long-term strategy for those 650 channels. Our mission is to get that real estate early," said Sie.

The programming can also be enhanced with Internet tie-in via cable modems packaged with the set-top boxes. "We've come up with a three-step approach which we think will be somewhat the new structure of television by the year 2001," said Kate McEnroe, president of AMC, which is on the verge of launching a digital service that will tie traditional programming to Internet and Intranet content via the set top box. McEnroe would not discuss the details of the new service.

In the meantime, the digital universe is pretty puny. Nabbing any sort of serious ad revenue from

digital is not likely anytime soon. "Advertisers want targeted eyeballs, but they want a lot of them," said Koplovitz. But as the online world comes to terms with measuring audience and attaching a value, so will digital cable.

"It's not necessarily always going to be about wide-based, high-rated shows, we're going to deliver a specific psychographic with these channels that they can't find anywhere else for the dollar value," said Humbard, noting that Discovery's digital networks will start selling ads in 1999.

Other schemes are also being discussed. Blocks of digital channels drawing good ratings in their small universes could be totaled to achieve ratings parity with larger networks. For example, Rainbow's Independent Film Channel packaged with the focused digital networks could be positioned to advertisers as a "mega-brand" buy.

Even still, Turner is going for bigger fish.

"The fight I'd rather see us fight is to make programming investments that continue to shift audience from broadcast to cable and dollars that are attendant to that audience shift. If I can make an investment decision that really drives basic cable to another place and starts to meld us into a one television environment, that's a substantially better business for this company to make at this time," said Steve Heyer, recently promoted to president and COO of TBS.

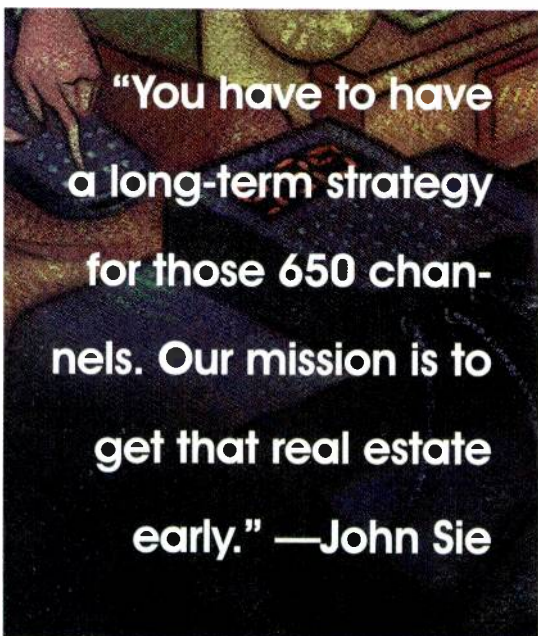
In the end, the consumer wants more; the explosion of the VCR and online services are evidence of that. Digital seems the latest attempt to offer even further expansion of entertainment and information options. But the consumer also wants easy-to-handle packaging, options the cable companies still have to craft. So far they have a growing menu of services.

Along with MTV, Discovery, Disney, Lifetime, Encore, HGTV and sister channel Food Network are in the process of developing new digital offshoots, and NBC and The Weather Channel have launched regional digital forecasts. Bravo Networks has spun off World Cinema and E!, Showtime and HBO are thinking about new digital networks as the marketplace matures.

Even smaller networks are putting chips down on a digital future. The Inspirational Network, for one, has earmarked about \$10 million to create a digital multiplex of three channels flanking the analog network.

"It's a business model today because it is part of the future. It's not speculation," said Humbard, pointing out that by launching multiple networks companies are doing some serious claim-staking for the future.

"We believe digital is going to happen and we want to be their with our brands," said MTV's Farber. ■





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## MEDIaweek CABLE REPORT

# Divining the Dolans

news analysis — by verne gay



They've created an empire at Cablevision. But some wonder how well the emperors' new clothes will fit.

**James (left) and Chuck Dolan have assembled an infotainment complex second to none in the New York area.**

Don't worry. You are not alone.

There are many people, perhaps including those running Cablevision, who are not completely certain what all this activity adds up to.

The new and very possibly *improved* Cablevision—based in Woodbury, N.Y.—was once just another bland cable company intent on collecting the monthly check from subscribers. And now, in one of the more dramatic transformations in the cable industry,

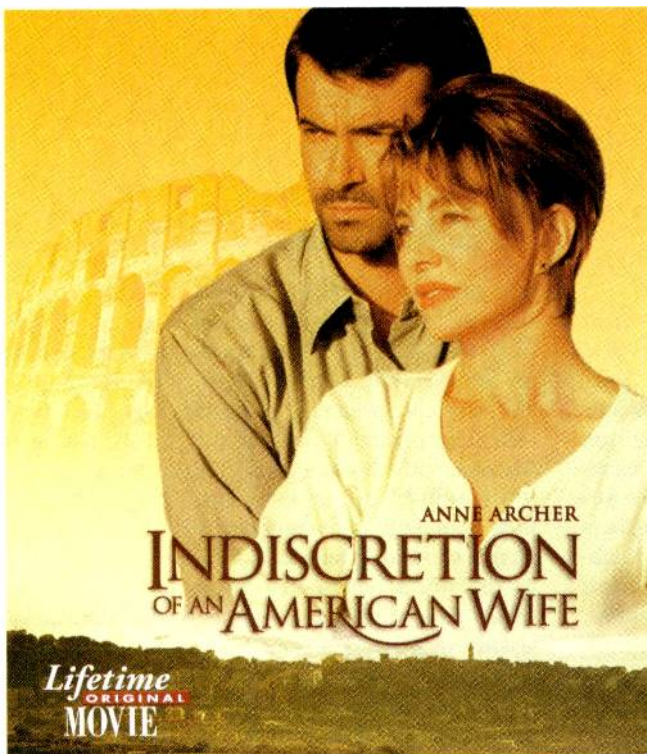
it has become...a puzzle. A fascinating puzzle, to be sure, but a puzzle nonetheless.

This week, Cablevision will complete the purchase of 10 TCI cable systems throughout the New York metropolitan area, establishing the single largest concentration of cable subscribers in the United States—a total of about 2.5 million. TCI executives describe the deal, in which TCI will become the largest outside shareholder in the company, as a coup de grace.

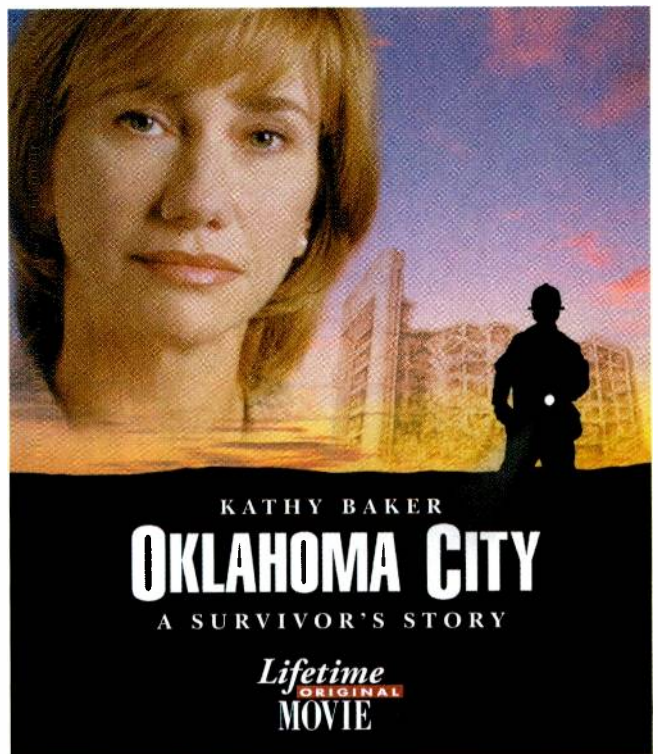
But a coup de grace for whom? Also this week, Englewood, Colo.-based TCI will begin having a big say in how Cablevision is run and where it goes from here. It is the sort of clout a partner with a one-third

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ownership stake typically wields. And Cablevision will also assume a mammoth chunk of TCI debt—\$669 million—as a result of the deal. Cablevision has been actively ridding its balance sheet of debt, so in one respect, it's back to square one.

Wall Street, which has been swooning over Cablevision lately, doesn't seem to mind in the least. The stock hit an all-time high of \$96 last week, and everyone seems to think it will go higher.

"Last year, they had a series of transactions—with TCI and the Fox/Liberty deal—which brought down their debt-to-cash flow ratio," explained Jessica Reif Cohen, a media analyst with Merrill Lynch. "They'll significantly improve their balance sheet in the coming year too."

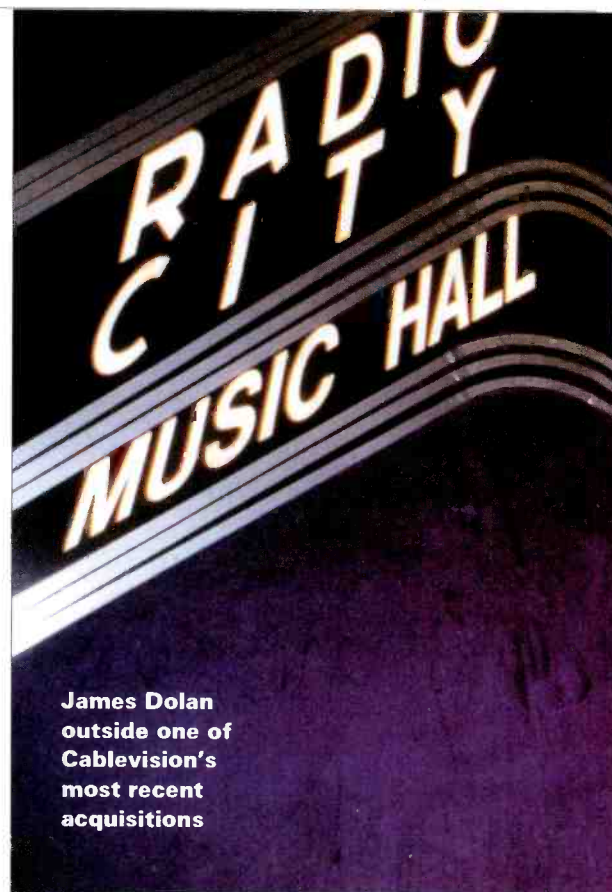
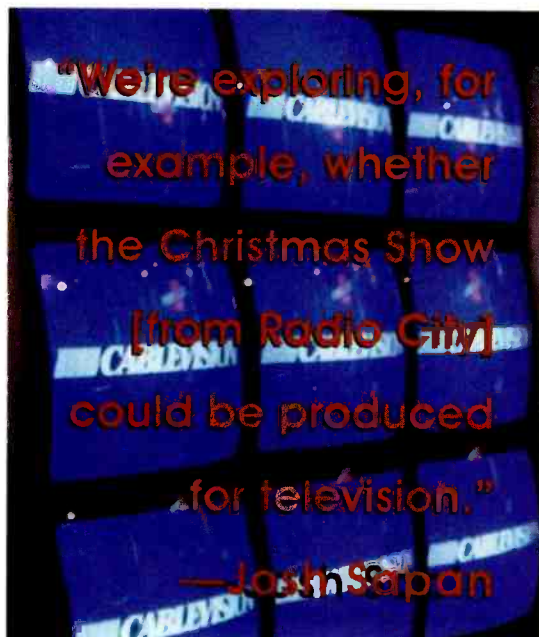
So why all the excitement over a work in progress—and a bewildering one at that? Consider

some of the other pieces that make up the new Cablevision: two of the country's most famous sports franchises, the New York Rangers and the New York Knicks; a renowned entertainment production complex, Radio City Music Hall; the world's most famous sports arena, Madison Square Garden; far-reaching joint program ventures with Fox and TCI; a burgeoning telephone subsidiary; a supercharged Internet service; and now, the once nearly bankrupt consumer electronics firm with (given its recent travails) the perversely ironic name Nobody Beats the Wiz.

Oh, and did we mention the Rockettes? Yes, the Rockettes are also part of the empire.

That's right, Mr. Dolan, no one can call you "Mr. Bland" ever again. Not that anyone did, of course. Along with a big assist from his 42-year-old son, Jim, Charles Dolan, the 72-year-old patriarch of this company, has been working extra hard to live up to his long-held reputation as "visionary."

But what has Chuck envisioned this time? The new Cablevision, in fact, is not doing anything that any other cable operator—at least one with clout—has not been doing lately. There are two basic principals at work: The first is an attempt to stanch the gains that new technologies, particularly DBS, are making at cable's expense. The second is an attempt to fill the hundreds of channels that will be created



**James Dolan**  
outside one of  
Cablevision's  
most recent  
acquisitions

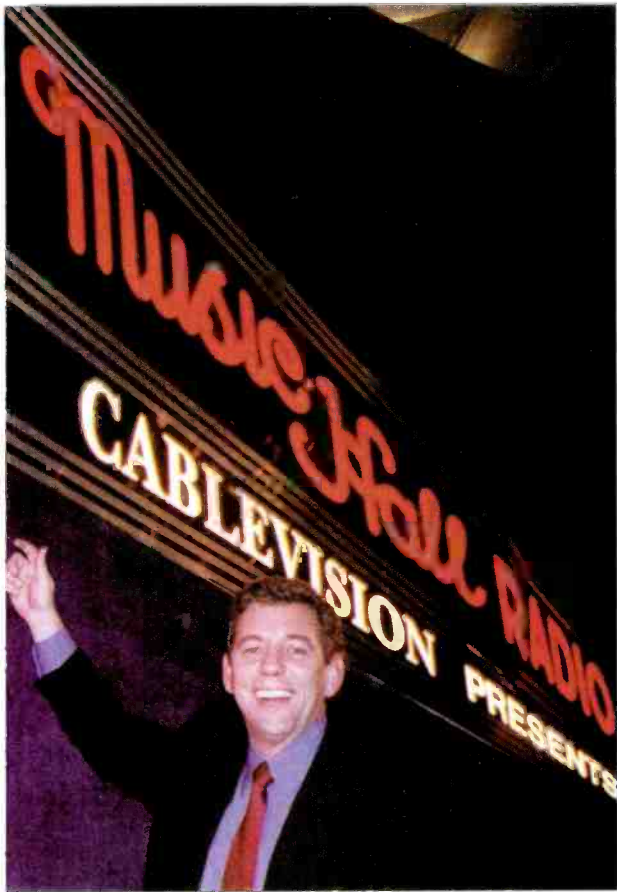
over the next few years, courtesy of digital compression. But the Dolans have added some unique twists to an old formula. To get a handle on what they're up to, observers say, one must first think of a huge circle—a circle enveloping the nation's biggest city. (Of course, you could always ask the Dolans, but, as was the case with this story, they might not make themselves available for an interview.) With the TCI deal now complete, the company will have the single largest subscriber base in a confined geographic area in the world, enveloping Manhattan and Queens, where Time Warner holds forth. And as far as Cablevision executives are concerned, the 2.5 million subscribers (the TCI systems will add an additional 829,000) will be a captive market for everything the company has to offer over the next few years.

At least that's the plan.

Subscribers will get not only a vastly expanded cable package (up to 100 channels by the end of the century) but also pay-per-view events, telephone service, Internet access, pricey electronic gizmos and event tickets. A single fiber-optic line "looped" through Cablevision's New York environs (now nearing completion) will connect the dots. Cablevision execs, borrowing from TCI CEO John Malone's original concept of satellite-delivered, digitally compressed signals, have dubbed the new setup "Head-end in the Sky."

This loop will literally complete a circle that will be the conduit for a synergistic feeding frenzy by customers, who will want their Rangers tickets, high-tech telephones, PPV telecast of "The Christmas Show from Radio City," dozens of swell new channels, high-speed Internet access, and on and on and

## MEDIaweek CABLE REPORT



JEFF BRANTZ/FOX

on. (At least that's the plan.)

And this is just the first circle. Now, consider a series of concentric circles radiating from New York to the rest of the country—indeed, to the world. There could be a Radio City Music Hall Network; a premium Madison Square Garden Network; additional premium or basic movie services from Rainbow, Cablevision's programming arm; a continuous series of pay-per-view events; video on demand; and a wide range of additional entertainment and sports networks that will be joint ventures with some of the mightiest entertainment companies in the world, such as Disney, Time Warner and Fox.

The oddest piece of the puzzle is Nobody Beats the Wiz. In January, Cablevision paid \$80 million for the retail chain, with plans to close more than a dozen stores in the New York area, keeping 36 open. Company executives tout the Wiz as a great way to sell cable modems and phones. Beyond that, no one seems to have a clue how the Wiz will complete the much-touted circle, or even if it will be a part of it. After all, what does Cablevision know about the rough-and-tumble world of retail? The answer: zilch. Why would people buy a cable modem at the Wiz instead of Sears, or any number of other stores that could offer lower prices? The answer: They wouldn't. And what secret formula does Cablevision have that will turn this failing chain quickly around before it becomes a real drag on earnings? The answer: Executives aren't saying, and one wonders whether they even know.

Yet for now, the real challenge is in midtown Manhattan, not Woodbury. There has been widespread speculation that the Dolans want to convert

MSG into a premium network, a politically explosive move that would draw howls of protest from New York area sports fans. There is also consideration of merging Rainbow and MSG into one giant programming entity.

And for months there has been talk that Cablevision has plans to spin off Rainbow. The parent, naturally, would maintain a controlling interest, but with the big cash infusion, it could launch new networks or dramatically expand current ones.

"With Rainbow, one of two things—or both—could happen: They could bring in strategic investors or go public," noted Merrill Lynch's Reif Cohen.

Josh Sapan, president of Rainbow, declines to comment on the future of the division. But he does say that the company is trying to figure out how to leverage some of its new program assets. So far, no specific details, but plenty of ideas.

"We're exploring, for example, whether the Christmas Show [from Radio City] could be produced for television, and how it could be produced in a highly dramatic manner," Sapan says, "and perhaps whether it could be carried in different forms—one version to Cablevision customers, and another version to [Rainbow's] American Movie Classics' national subscriber base."

And what of the 200-plus other events at Radio City every year? Sapan says Rainbow will tell artists: "We'd like to manage this event and help you develop it with a mind for the live venue [as well as] sequential multiple broadband exploitation."

Translation: For a fee, Rainbow will sell the pay-per-view rights, the Wiz will sell the tickets and Cablevision will heavily promote the event in the New York market.

But there are many, many more possibilities. What if Tina Turner has a playdate at Radio City? "We could do a [related] TV event on Bravo for that day—maybe a movie on her, and a documentary, and broadband content with deeper anecdotal [information]," Sapan explains.

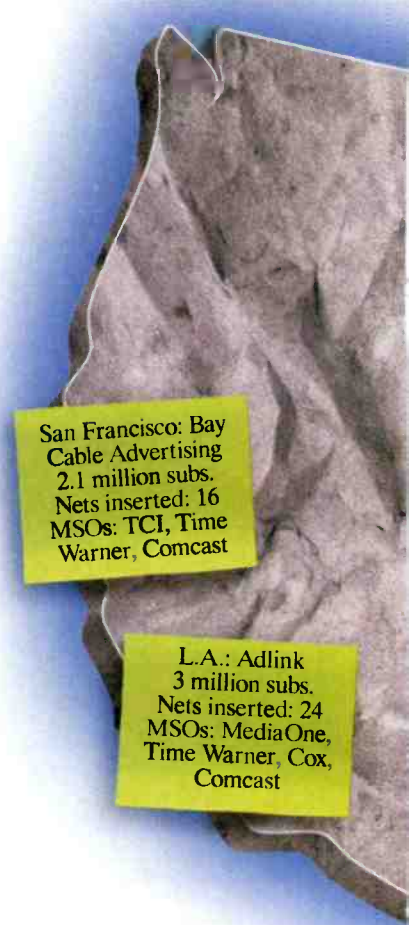
The same principles could apply to Madison Square Garden. But what happens if the artists' management has already laid out detailed plans for ancillary markets? No answer to that one yet.

Meanwhile, content from MSG and Radio City will be plugged directly into Cablevision's new batch of regional channels, which will bow later this spring. The so-called Metro Channels, like sections of a newspaper, will be dedicated to local sports, weather, entertainment, and so on.

It all sounds plausible. But then again, so did SportsChannel America, an erstwhile competitor to ESPN back in the late '80s that was to make its mark with local sports. It's gone; Fox Sports Net has taken that idea and made it successful. Which begs the question: Can Dolans be Murdochs? ■

## MEDIWEEK CABLE REPORT

Consolidation and clustering were supposed to make ad reps and interconnects obsolete. With target marketing and more niche networks on the way, they're more necessary than ever.



San Francisco: Bay Cable Advertising  
2.1 million subs.  
Nets inserted: 16  
MSOs: TCI, Time Warner, Comcast

L.A.: Adlink  
3 million subs.  
Nets inserted: 24  
MSOs: MediaOne, Time Warner, Cox, Comcast

by will workman

# We're All Connected

The wave of MSO consolidation in the last decade has radically transformed the landscape of cable's major markets. That's bad for some MSOs, but potentially terrific for interconnects and cable rep firms.

Hold on, you say. With as many as half the MSO players now extinct, didn't consolidation put interconnects and cable rep firms on the endangered species list? Certainly, while economies of scale and the building of John Malone's "megaclusters" has been an overarching strategy in every swap or acquisition, the effects on cable advertising have often been overlooked.

And who needs interconnects when one MSO dominates a particular market? Who needs rep firms when MSOs can deal directly with agencies, as TCI just did in its landmark spot cable deal in February with Kraft?

The resounding answering answer from agency and MSO executives is that, if anything, consolida-

tion only fuels interconnects and allows cable rep firms to flex their muscles in new ways. Few MSOs have a major market to themselves, and so have their own equivalent of an interconnect. And no MSO can flourish in the spot business without a rep firm's expertise, these executives say.

"There are very few major markets now that don't have what I would consider one rationalized interconnect strategy," said Jerry Machovina, TCI's senior vp of advertising. "The consolidation by MSOs and the overall health of the industry has really added continuity to everybody's efforts in the advertising sales process."

"I do think we're going to see more and more interconnects," said Filemon Lopez, senior vp of ad sales for Comcast, who says he's working on "several" interconnects to join the seven or eight exiting Comcast partners. "The benefits to everybody—the MSO, the advertiser and the agency—they're just too great to pass up. In Philadelphia seven years ago





it took 18 or 20 calls to clear the market. Now it takes just one."

Agencies say one fact is very clear: Their clients have long been turned off by the spot cable market because of its murky nature. Lack of simplicity has been cable's continuing Achilles heel, and dealing with multiple systems the primary culprit. Proof is in the bottom line: broadcast far outdraws cable in spot advertising. According to preliminary 1997 estimates from McCann-Erickson, broadcast spot business drew more than \$20 billion, where cable barely mustered a tenth of that.

"Most agencies couldn't find their way through the mire," said Jim Porcarelli, Grey Advertising's director of AOR services. "Why should they have to shoulder the responsibility of ratings predictability, stewardship, pricing—compared with other media vehicles—or guaranteed coverage?"

National clients want a "seamless, predictable way of doing business," Porcarelli said, "so consoli-

dation is providing advertisers with a more predictable marketplace."

The driving motto behind consolidation, music to advertisers' ears: one buy, one tape, one bill. "They want us to be able to deliver whole markets, which takes you right back to the interconnect conversation," Lopez said.

But bringing MSOs together to offer a uniform product to the agencies is only the first hurdle facing interconnects, said Charlie Thurston, president of Los Angeles interconnect Adlink. "The next steps of an interconnect are being a diverse sales, marketing and technology organization," making cable advertising simple to understand and execute for ad agencies, Thurston said. Further, the interconnect must be "a sales and marketing expert for those agencies, bringing 40—in a couple of years from now 60—diverse cable networks to those agencies." Thirdly, he said, there must be "the ability to become promotional experts and match brand-name

## MEDIaweek CABLE REPORT

products with brand-name cable networks.”

Adlink reaches 3 million cable homes, Thurston said, “so the mass branding and the mass exposure approach for both the cable network and the advertisers becomes significant, versus what you could do on a system level where you’re reaching only a portion of the market.”

Above all, Thurston and other advocates say, interconnects must prove they can make a dent in the broadcast marketplace. The hardwired interconnect made a \$10 million investment in a digital one-stop shop, “that we have clearly gotten two to three times our money back in just a short period of time,” Thurston said.

The digital solution allows Adlink and other interconnects to grow their rosters of available cable services, and offers advertisers the flexibility to tailor their messages to particular zones. “We bring 70

different systems together and make it act like one television station, which is what the agencies have always wanted,” said Hank Oster, senior vp of sales. “At the same time we have the niche marketing application that we can run different messages in any or all of those 70 sites.”

The other major front where consolidation allows for increased investment is in research. While Nielsen presents obvious limitations, Oster said, it’s up to cable to look at other types of research, including qualitative data that measure

actual buy and purchase behavior, sifting through to find predisposed customers for advertisers. The bottom line: Adlink expects its digital and research products to go from generating 5-10 percent of business to more than a third of its business, Thurston said. Overall, Adlink’s business has more than doubled in two years, he said, and what was a \$29 million company two years ago finished 1997 at more than \$61 million.

Adlink’s tools proved critical in its deal with Kraft, which laid the groundwork for the TCI-Kraft deal in February. Adlink spent two years with Grey going through analysis of Adlink’s ability to target market and cluster various networks by demographic and genre, which led to tests in late 1996 that showed Kraft could “pinpoint in a particular market certain products and give those products a lift,”

Oster said.

As a case study in the need for rep firms, executives on all sides cited the fact that rep firm NCC played a major role in the Kraft deal on the regional and TCI levels. TCI’s Machovina views the future of rep firms as a “non-issue. Simply, there is a cost of execution and processing, whether we do it or a third party does it,” he said. “We view our reps as part of our sales organization.”

National rep firms have become experts at representing the cable product for 15 years, “when it was a very difficult logistical nightmare to place business,” Thurston said. “Now that the industry is doing better, NCC and CNI are certainly benefiting from markets being easier to place,” Thurston said.

John Sawhill, NCC CEO, calls his firm a “necessary evil. The way I look at it...we are in most cases a business partner, because the cost of doing business yourself, whether you’re TCI or Time Warner or not, is prohibitive.”

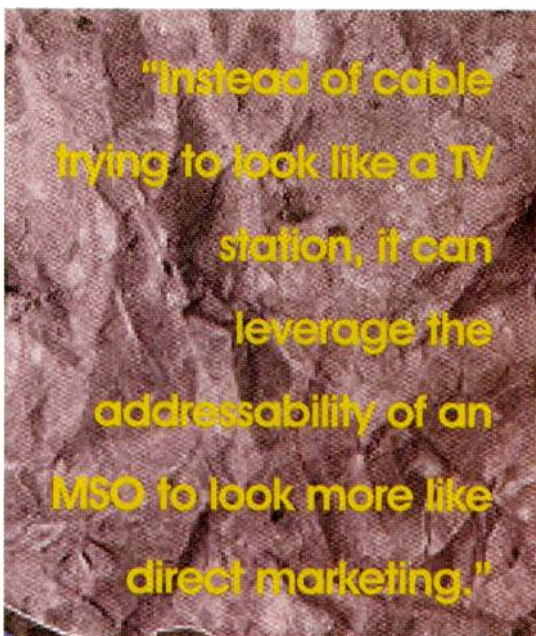
Sawhill points to his own company’s ownership—half of it is in the hands of Cox, Comcast, MediaOne and Time Warner—as the hard evidence. It’s also no surprise that Adlink, and now the Greater Washington Interconnect, in the Washington DC DMA, have hired NCC to run their operations.

With further cable consolidation potentially in the cards, could super-regional interconnects be the next step? If it sounds outrageous, consider how easy it would be. “We’re already moving toward that,” Schwartz said, describing a “Northeast Interconnect” that would link Boston, New York, Philadelphia and Washington. “There’s no reason why that couldn’t happen, because there’ll be touch points with everybody’s fiber infrastructure...there’s certainly a large benefit that could provide advertisers.”

But the super-regional idea won’t work, some executives say, because no one buys advertising that way. It’s either national or local spot, and on the local level digital’s inherent flexibility is leading to a greater concentration on targeting smaller and smaller zones or niches. “Quite frankl, that’s what makes the regional approach less attractive,” Machovina said.

Another logical advertising outgrowth of consolidation will be the use of cable’s inherent addressability to transform the older TV paradigm of advertising laying out a shingle to a newer one that’s the equivalent of direct mail with a tailored message.

“Instead of cable trying to look like a TV station...(it can) leverage the inherent addressability of an MSO to look more like direct marketing,” said Michael Gorman, head of the Mitchell Madison Group’s media consulting practice. “This is the vision that has excited the industry.” ■





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**Catch Us If You Can**



# JUDGE THIS!

Rank	Program	Jan. 98 RTG*
1	Wheel of Fortune	13.1
2	Jeopardy	10.9
3	Oprah Winfrey	7.9
4	Entertainment Tonight	7.0
5	Jerry Springer	6.8
<b>6</b>	<b>Judge Judy</b>	<b>6.1</b>
7	Inside Edition	4.9
7	Montel Williams	4.9
9	Rosie O'Donnell	4.6
9	Extra	4.6
11	Sally Jessy Raphael	4.5
12	Jenny Jones	4.4
13	Regis & Kathie Lee	4.2
14	Ricki Lake	4.1
15	Real TV	3.9
16	Hard Copy	3.7
17	Maury Povich	3.5
18	Peoples Court	3.1
18	American Journal	3.1
20	Access Hollywood	2.6

\*Source: NIS ranking report, G18 Average - All where applicable; weeks ending 1/11/98 and 1/18/98 (First-run strips, Off-Network not included)





special  
anniversary  
issue

Celebrate three decades of provocative journalism

# NEW YORK

issue date **4/6/98**

on sale **3/30/98**

ad close **3/16/98**

# ADWEEK

CONSUMER MAGAZINE REPORT

March 2, 1998

The Hottest  
Magazines of 1997

Executive and  
Startup of the Year

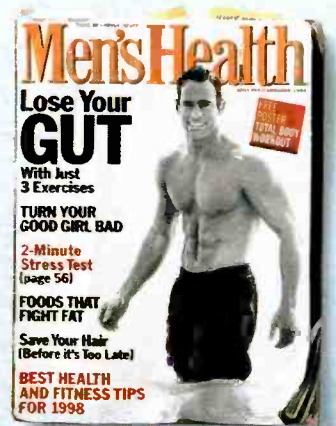
Follow the money:  
publishing IPOs

EDITOR OF THE YEAR

## Rising Fortune

How **John Huey**  
took care of business



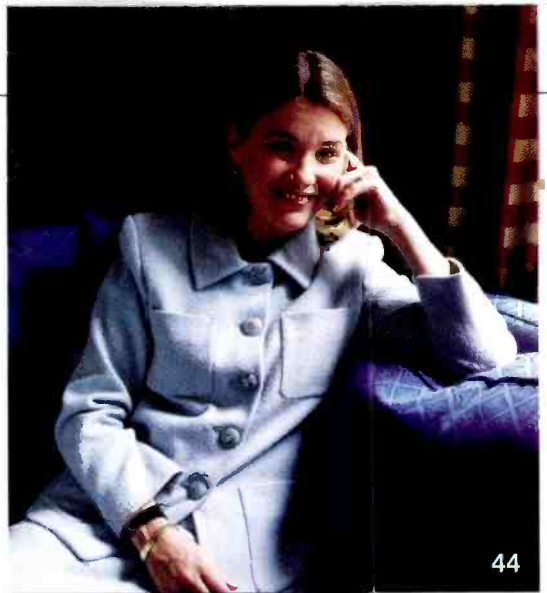


The magazine men live by.

[www.menshealth.com](http://www.menshealth.com)



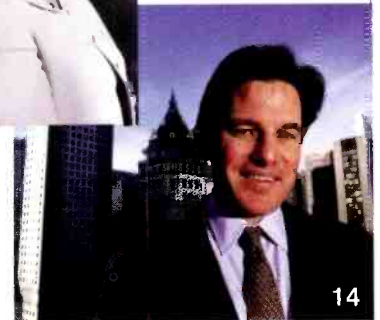
# Inside



**4 ISSUES & ANSWERS** In a record year for revenue, several categories stand out. Shelter is where the heart—and the money—is. *People* rocks the magazine industry by getting to newsstands earlier. As boomers age, marketers turn to teen titles to woo a new generation. Value-added programs become a way of life for publishers. A shakeout in men's magazines. Tale of the tape: *Sports Illustrated* vs. *ESPN* magazine.



**14 FINANCE** Times are good for publishers looking to finance their projects. Private investors are finding "turbo-charged" revenue growth. And if you're big enough, there's even money on Wall Street. By Greg Farrell.



**36 EDITOR OF THE YEAR** As managing editor of *Fortune*, John Huey has livened up the button-down world of business by finding the soap opera in grey suits. He thrives on the tough story, generating heat—as well as some hot tempers, all the while remaining interested in the business side of publishing. By Judith Newman.

**44 EXECUTIVE OF THE YEAR** In a record year of profits at an already profitable *Glamour*, Mary Berner stands out among her peers. Instead of eschewing mass market appeal, she uses it as a selling point. A fashion/beauty book novice, she has established marketing partnerships with some of the biggest names in the business. By Noreen O'Leary.

**48 STARTUP OF THE YEAR** Skeptics said no one would want to read a magazine for plus-size women. But *Mode* co-publishers Nancy LeWinter and Julie Lewit-Nirenberg have shown that there is beauty and fashion beyond size 4. By Lisa Granatstein.

**52 THE LAST WORD** *Time* begat *People*, which begat *In Style* and *Teen People*. More magazines are creating spin-offs as a way to keep the franchise growing. What's next on the list? One fearless columnist makes some predictions. By Lewis Grossberger.



Cover Photography by Peter Murphy

# Men at their best?

Titles still trying to find the right mix for the Millennium Man

It's been a year of shake-ups for men's magazines. There have been several new entries, and three titles—*Esquire*, *Details* and *Men's Journal*—have new editors well into the process of refocusing their books. Everybody's hoping to find the right mix for the Millennium Man, the young part-dreamer-part-doer whose interests range from extreme sports and buxom beauties to gourmet food and financial planning.

Michael Caruso, ousted earlier in the year as editor of Disney's *Los Angeles*, took over at *Details*. With unlikely speed, Caruso altered everything from the logo to department titles—and upped its service quotient—in the first month. Caruso also employed a bit of “rocket science,” he jokes, choosing nearly



**Turlington in Esquire:**  
What do men really want?

naked women as cover subjects in an effort to boost sagging newsstand sales.

Caruso's approach is comparable to that of one of the new books in the field, Dennis Publishing's *Maxim*, which launched last April. The editors of *Maxim*, a U.S. version of a popular British book, have been rather

## Special delivery

Moving the newsstand sale date to Friday gives *People* a big lift

People who get *People* on Friday, according to at least one reader of the popular magazine, are the luckiest people in the world. Ann Moore, president of *People*, got that message from a reader when she moved up the magazine's newsstand delivery date from Monday to the start of the weekend. The caller “sang it, to the tune of ‘People who need people,’ wonderfully out of tune, into my answering machine,” recounts Moore. “I tried to save it, but it got erased. I wanted to play it at the next publishers’ meeting.”

Moore had good reason to be proud. After a year when she set out to “tackle the ugly job of rocking the magazine industry,” she proved that a generation of publishing habits could indeed be changed—with more than enough new revenue to offset internal grumbles and delivery resistance.

A Roper poll showing most people go to supermarkets over the weekend made Moore realize that they were out of sync with shoppers. After a test in one supermarket chain showed double-digit increases in newsstand

sales, they decided to go national. Even armed with those results, the change wasn't so simple to execute: The edit staff was told they would have to move their close back 24 hours. Teamsters contracts had to be renegotiated, and printing press managers had to reconfigure schedules. The roll-out began last fall; by mid-1998, *People* will be on virtually all newsstands Friday evening. *People* now sells about 1.4 million newsstand copies, 40 percent of its 3.2 million total circulation.

Despite the gains, other Time Inc. weeklies are unlikely to change delivery dates. “While it offers some exciting opportunities, it changes so many things,” says *Time*'s Diana Pearson. “We're not ready to do it.” But another mass circ weekly, *TV Guide*, was propelled by *People*'s success to test its own early delivery, says president and CEO David H. Steward. “The earlier you close, the better the chance you'll miss something. But if our customers tell us they want it earlier, we'll give it to them earlier.” —Patricia Orsini



# Taking it to the street

blunt in suggesting that young men are principally interested in, well, boobs and beer. "Some people say we aim for the lowest common denominator," says publisher Lance Ford. "I say we aim for the largest." Ford says *Maxim* was routinely putting scantily clad females on its covers months before *Details* began to do so. Of course, it's not exactly an original concept; Hugh Hefner's been doing it for more than 40 years.

*Maxim* (rate base 450,000), which has already weathered the replacement of its first editor-in-chief (a woman), this month doubled its frequency to monthly.

Terry McDonnell, who left Hearst's *Sports Afield* to take over at Wenner Media's *Men's Journal*, has added to the mix tons of wide-ranging service content, as well as writerly pieces on subjects other than the book's perceived obsession, the great outdoors.

Some would say new *Esquire* editor David Granger; who left his post as third-in-command at Condé Nast's *GQ*, has teetered on a fine line between provocative and preposterous in his effort to make the book relevant again. Early cover stories included a controversial piece that seemed to "out" actor Kevin Spacey and a package of articles celebrating supermodel Christy Turlington. But Granger may finally be turning the tide. His February cover story on O.J. Simpson was roundly praised and frequently quoted. "*Esquire* may actually be picking up speed," says an editor in the category.

For its part, fashion-focused *GQ* is still the category leader. Editor Art Cooper has maintained the status quo, tinkering just a bit with the front-of-the-book columns, and the numbers still square, with ad pages up 17.5 percent in 1997.

"*GQ* is still the best product in the category," says Michael Provus, a 25-year-old senior print specialist at Young & Rubicam. Of the newer books, Provus looks most favorably on the "quick reads," *Maxim* and independently published *P.O.V.*

Other key players include independently published, critically lauded *Outside* (circ. 544,510), the mega-service *Men's Health* from Rodale Press (circ. 1,511,345) and 3,169,697-circ. *Playboy*. The latter recently announced some minor editorial changes, including the addition of a regular personal-finance column. The book, hoping to maintain its appeal to young men, will continue to feature prominently nude women.

Rocket science, indeed. —Jeff Gremillion

**VANITY FAIR** There really is strength in numbers. What one Hollywood starlet could not accomplish (May cover girl Liv Tyler), a bevy of glamour girls did: the best-selling newsstand issue of 1997. The April issue sold 515,000 copies, compared with 277,000 for May.

**IN STYLE** Even with a higher newsstand price (\$3.95 vs. \$2.95), the September issue, featuring Demi Moore on the cover and "What's Sexy Now" inside, outsold March's Bette Midler on newsstands 883,000 to 546,000.

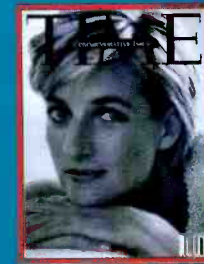
**TIME** With 1 million copies sold on newsstands in just one week, the Sept. 15 Diana commemorative issue was a runaway bestseller. However, June 30's cover story on tobacco companies settling a class-action lawsuit couldn't rack up the same interest: 106,700 copies sold.

**PEOPLE** Readers couldn't get enough of Diana. The Sept. 22 coverage of the princess' funeral and look back at her life sold 2.9 million copies on newsstands. Another tragedy, child abuse, was not embraced by *People* readers. The issue sold just 960,000 issues.

**TV GUIDE** It's no surprise that television's bible would do its best business at the start of the fall TV season. The Sept. 13 issue sold 4,459,997 copies, while Jennifer Aniston lost a few friends, selling only 2,871,789 newsstand copies of the July 26 issue.

**NEWSWEEK** Diana again: *Newsweek's* Sept. 15 issue sold 665,000 copies. Mammograms may have been a hotly debated topic among healthcare providers last Feb. 24, but readers picked up just 110,000 copies off newsstands.

## BEST



## WORST



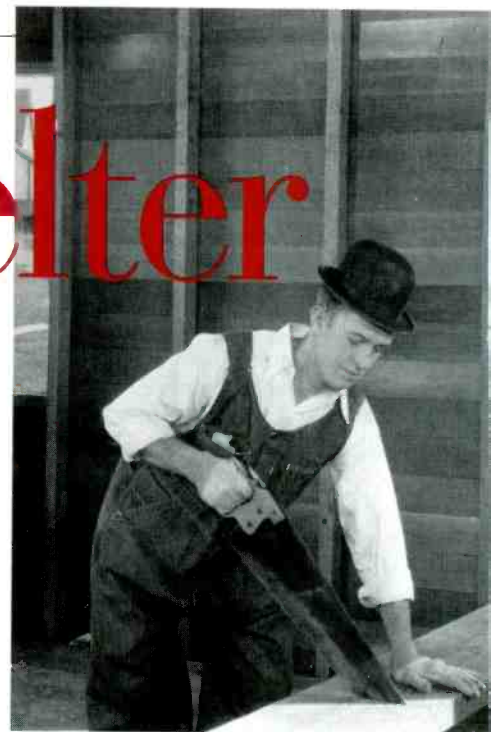
# Gimme shelter

Boomers are looking for ways to spend money, and home is where the heart is

It's an inevitable development for a radicchio generation of boomers who even find status in a lettuce leaf: America's most affluent, educated, stylistically savvy group of consumers have reached that point of their lives where interests focus on home and family. And their current obsession has become an emblem of identity.

"You now have a generation of people who want to express themselves through their homes," says Dominique Browning, editor of *Condé Nast House & Garden*. "They finally have enough money to make serious mistakes affecting one of the biggest investments they'll ever make. They're looking for information to avoid that."

There's no shortage of it out there. The shelter-book category has had one of its best years ever, boasting a 21.3 percent increase in ad revenue. The category's health is sup-



porting all sorts of new permutations. Readers can pick up how-to titles such as *Today's Homeowner* or horticulture books such as *Garden Design*. They can get quirky avant-garde advice from the editors at London-

## Crossover dreams

Magazines draw advertisers beyond their niche markets



Not too long ago, the possibility of flipping past an ad for Intel or Charles Schwab in a women's magazine was as remote as finding a spread for Rogaine. But now publishers of several special-interest books are developing new strategies to cash in on the growing trend of non-endemic advertising. They are broadening out beyond their niche market and winning over big-ticket advertisers that only a few years ago were deemed untouchable.

"It hasn't been easy," notes Beth Bren-

ner, publisher of *Condé Nast's Self*, a women's health and fitness book, which recently snagged a load of high-tech and financial ads. "Not all [women's mags] are getting them.

What makes us stand out is that in every issue you find beauty, body, tech and money pieces. There is editorial support for the ads." With an infusion of ad pages from Microsoft, Sharp and Smith Barney, *Self* ad pages jumped 17 percent in 1997, ending the year with an impressive 1,346 pages.

Over the past five years, Rodale Press' *Men's Health* has broadened its focus to reflect lifestyle as well as health issues. And here's the payoff: The title has recorded its best performance to date with 74 new accounts, including a slew of fashion ads from Carolina Herrera and Federated. Ad pages were up 10.8 percent in 1997 to 848 pages. The big change is also in its key categories, which five years ago was mostly automotive and pharmaceuticals

and is now mostly fashion, auto, fragrance and grooming. "Our strategy was to hire the best sales execs, empowering that talent and staying lean and fast," says *Men's Health* publisher Sean Flanagan. The book raised its rate base from 1.3 million to 1.45 million with its Jan./Feb. issue.

*Cooking Light* publisher Chris Allen attributes an editorial evolution and the magazine's reach, in both rate-base and size of readership, for popping up on advertisers' radars. But it didn't happen overnight. In 1993 and '94, "we began portraying the nonfood element of our book—the fitness, health and wellness areas—in a much more upfront and beautiful sense," Allen explains. "It put us on the map for mass or general women's [ad] campaigns more than ever before." Ad pages were up 21.3 percent to 879 pages compared to 1996, and its circulation rose by 6.9 percent to 1.4 million in the first half of 1997.

With a record year of ad pages behind them, publishers are excited about their prospects for grabbing a generous slice of the nonendemic pie. Even so, you need a set game plan. "Everyone is looking to the future," Brenner says. "But not everyone's poised to capture it." —Lisa Granatstein



**Safe at home: Boomers will spend \$167 billion on remodeling by 2001.**

as Microsoft, Intel and General Motors have taken notice of the new editorial sophistication of these titles. *Garden Design* offers the most dramatic evidence of this: Gone are the ads for bug spray and fertilizer. Planted among the lush pages are pitches from Chanel, Louis Vuitton and Chivas Regal.

*Today's Homeowner*, in particular, underscores how shelter books are changing. Formerly called *Home Mechanics*, the Times Mirror title had been a how-to magazine targeting men. In September 1996, the book was relaunched with an easy-to-understand emphasis on the practical aspects of home ownership. The change had immediate impact. Female readers now account for over 40 percent, compared to 18 percent previously. And according to *Today's Homeowner* publisher John Young, some 85 percent of the country's housing stock is 15 years old or more. That's a big opportunity for do-it-yourself books. Thanks to retail innovators such as Home Depot, Americans now view their homes as a work in progress: In 1996, the home-remodeling business was a \$130

billion field; by 2001, it will ring up \$167 billion in sales, according to projections.

A new entry from Time Inc. Ventures, *This Old House*, plays to fans of the PBS series with its lovingly photographed tools and high-price renovations. Launched in 1995, the magazine boasts a 525,000 rate base; revenue increased 118 percent over 1996.

While the demographic trends of those readers bode well, continued growth for the category is no sure thing. If there's a downturn in the economy, John Miller, svp, group publisher HFM Home Group, voices caution about the category's ability to continue to support additional magazines and cites Hearst Corp.'s recent decision to suspend publication of *Bob Vila's American Home*.

"We may be at the near saturation point," Miller says. "When we decided to get into the category, we saw the long-term opportunity. But it's a share battle. The newer books are taking business away from the more established titles. With Hearst pulling the plug on *Bob Vila*, I think we're starting to see some hesitation." — *Noreen O'Leary*

based *Wallpaper*. Most telling is the success of *Martha Stewart Living*, where boomers luxuriate in the kind of tasks once considered drudgery. Shelter books are no longer just glossy, coffee-table reads. Advertisers such

# Good sports

Women won't play games when it comes to fitness

**Women's sports** charged into the arena of women's magazines in 1997, but not in the way a lot of sports buffs thought. *Sports Illustrated* delayed its launch of *SI for Women*, and startup *Condé Nast Sports for Women* is backing away from spectator sports while adding fitness to its name.

Meantime, mainstream health and fitness magazines adopted sports as a way for women to keep fit rather than a way to keep score.

Sports are being treated as part of what publishers say is most important to their female market: integrating the physical and emotional facets of personal well-being. For this crowd, the concept of a sports magazine for women was on life support from the



start. "Women approach sports as a way to stay in shape and have fun, not as a spectator activity," said one publisher.

*Fitness* from Gruner + Jahr and *Health* from Time Inc. were the clear winners in 1997, boosting ad revenue about 40 percent each in 1997 and outpacing the 15-20 percent growth at established books *Self* and *Shape*.

The biggest player in the game is *Condé Nast's* 20-year-old *Self*, with nearly \$70 million in ad revenue, compared to less than half that at the other magazines.

"We are seeing more interest in sports activities, such as powerwalking, weight training, hiking, cycling and yoga, as ways

to become fit and healthy," says Rochelle Udell, *Self* editor-in-chief. "We also see women moving about from sport to sport." Last year, *Self's* Gear Guide, a stand-alone edit section that objectively rated sports gear, was so successful that the magazine will publish it twice this year.

*Health* is planning a "Women's Solutions" issue this summer, focusing on the benefits of regular physical activity, says publisher Mary Morgan.

In *Fitness* and *Shape*, the emphasis is still on sleek models working out with gym equipment, but now *Fitness* also touts snowshoeing and basketball drills, while *Shape* features stories on hockey camps and horseback riding. "For our readers, participating in [individual] sports is a reason to stay in shape," says Kathy Nenneker, associate publisher of Weider Publications' *Shape*.

In July, when it becomes *Condé Nast's Women's Sports and Fitness*, that magazine will stake its future on "sports-based fitness," says publisher Suzanne Grimes. She contends that today's active women are abandoning the gym for sports such as mountain biking, swimming and skiing. Perhaps. The larger question, say rival publishers, is whether busy readers can find the necessary time for such sports. Tennis, anyone? — *Joan Voight*

## ISSUES &amp; ANSWERS

# Teen spirit

Generation Y is making itself known in huge numbers

**The biggest mistake** advertisers can make, says Lori Burgess, publisher of *Seventeen* magazine, is thinking that today's teenagers are anything like they were a generation ago. "For one thing, going to your room is no longer a punishment," she says. "They have CD players, televisions, computers. That's not exile."

And who's going to make them go there, anyway? Two working parents and single-parent households are the norm for teens these days. As a result, "these kids are independent and used to making their own decisions," says Janine Misdorn, a partner with Sputnik, a market research company that forecasts for the youth market.

According to a Rand Youth Poll, female teens spend \$48.7 billion a year on food, entertainment, clothing, and health and

beauty items. A U.S. census reports shows that by 2010, the female teenage population will reach 16.6 million, larger than at any time since 1975.

These numbers have not been lost on magazine publishers. Four new titles have joined the teen category in the past year: In 1997, Weider Publications introduced *Jump*, and Bauer Publishing weighed in with *Twist*. This year, Petersen Publications launches *All About You*, which targets 12- to 15-year-olds and will appear 10 times a year. In January, the juggernaut that is *People* spun off its own title for the category: *Teen People*.

"The numbers are right to do this now," says Nora McAniff, publisher of both *People* and *Teen People*. "When you look at the demographic groups being underserved, this was definitely one of them."

To meet that demand, *Teen People* has started with a rate base of 500,000, with 10 issues scheduled for 1998.

Are there enough ads to go around? Given the new business many of these magazines have picked up over the past year, there could be a schedule for everyone.

"So many manufacturers are interested in the teen market now," says Alyce Alston, publisher of Gruner + Jahr's *YM*.

"The teen population is increasing, while the 25-44-year-old population is decreasing. If you're a Revlon, the obvious place to look for new consumers is in teen books."

What advertisers are discovering are not just huge numbers of readers, but huge numbers of *loyal* readers. A recent *YM* "Win It" contest, which readers entered to win anything from Calvin Klein jeans to a new shoe wardrobe, generated more than 600,000 responses.

Says Amy Wilkins, president of Petersen Youth Group: "There are marketers that know if you talk to kids now, you'll have them forever." —PO



# More for your money

Advertisers now expect value-added programs to be part of the package

**It's hard to remember** the days when selling ads in magazines was just about selling ads. These days, the process is a complex negotiation—and ad space isn't the only prize on the table. Innovative and involved "value-added" programs—customized promotional events and marketing efforts magazines bankroll and coordinate on behalf of advertisers—are as essential to the business as paper and ink.

"Value-added is now a firmly entrenched part of doing business in this industry," says Chris Miller, the MPA's executive vp of marketing. "It was just tacked on to an ad sale. But now it's embedded in magazines' understanding of advertisers' goals."

Common value-added programs include mall fashion shows, lavish parties for advertisers' clients and retail operatives, custom-publishing projects, and co-sponsorship arrangements for sporting and cultural events. "This stuff is way beyond just sending a mailing to some of your readers who happen to also be your clients," says Miller.

The value-added notion first became viable about 10 years ago, just after the first publisher went off the rate card. Discussions of bonuses for advertisers, such as access to a magazine's database for direct-mail efforts, became part of the process. Over the years, the importance of value-added has increased exponentially.

"Magazines have allowed themselves to be put in the position of granting us more and more," says Lisa Denzer, a strategist for Min-

MONEY continued on page 12

# "Growing Up,

# I never thought I'd be in Playboy"



*Leslie Borrok likes to keep her finger on the pulse of contemporary life. And as Advertising Director for Polygram Records, that includes just about everything in entertainment.*

*Which is why she's both a Playboy reader and an advertiser. Playboy readers are serious music lovers with adventurous tastes - everything from rock to jazz, world music to classical.*

*Last year, Playboy readers bought nearly 50 million tapes, CD's and records. And Playboy reaches 1.8 million heavy buyers of recorded music. That's more than any other men's monthly magazine.*

*So if you're looking to produce a bit of your own, advertise where the bits are made. Playboy.*



**The Power Of Playboy**

WWW.PLAYBOY.COM

*Leslie Borrok  
Director, Advertising  
Polygram*

SOURCE - 1998 Fall MRI  
©1998 Playboy



Christopher Johns caught the messenger of extinction, a *Culex* mosquito, administering a lethal dose





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*A photographer can lift an image from mere documentation to one that shows us something as it's never been seen before.*

*A mind is engaged.*

*A heart is touched.*

*A lasting impression is made.*

*Where some turn away, our*

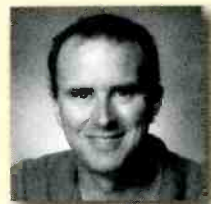
*photographers take an unblinking look at life. National*

*Geographic presents an honest view of the world that evokes*

*more trust and loyalty than any*

*other magazine. National*

*Geographic: More than 45 million take it personally.*



**Christopher Johns**  
*Photographer*

*"More and more I'm drawn to the themes of nature, to issues of the environment. I look for relevance.*

*For a picture that makes a difference in people's thinking and in their lives"*

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GEOGRAPHIC**

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[www.nationalgeographic.com](http://www.nationalgeographic.com)

of Avian Malaria to Hawaii's vanishing "iwi.

*The* **DIARY** of a **PLANET**

**MONEY** continued from page 8  
neapolis-based Fallon McElligott. "We're going to keep asking for more until they say no."

Publishers, not surprisingly, have a slightly different take. "Advertisers have become more sophisticated in that they want to appropriate a bit of what we stand for as a magazine," says Mitchell Fox, publisher of



Brand names: Risko and Lexus

Condé Nast's *Vanity Fair*. "This is a classic co-branding effort that advertisers want to initiate."

For its part, *VF*'s recent value-added events for advertisers do seem to reflect—even enhance—the

magazine's glamorous reputation. Last year, *VF* hosted a film festival in Nantucket. In one single-advertiser promotion, *VF* lined up artist Robert Risko to design a four-page ad for Toyota's Lexus luxury car; in conjunction, *VF*

and Lexus hosted a four-city Risko retrospective to which *VF* subscribers whose demographics matched Lexus' customer profile were invited.

Other memorable ad-sale tie-ins last year incorporated the marketing objectives of a third brand, suggesting the kind of stops being pulled out in the name of value-added. As part of a deal with Lee Jeans, Condé Nast's *Details* and *Mademoiselle* served up MTV on-air personalities for a big promotional event at the "Magic" fashion show in Las Vegas.

Which books win with value-added? Some say that older magazines with well-established brand identities—roughly the equivalent of fairy dust advertisers rent to sprinkle on themselves—will benefit, as smaller, newer titles with less potent brand identity suffer. Others say the question that matters most is, "What have you done for me lately?" Says one: "We have no problem going to these publishers and saying, 'work with us on this or we'll go elsewhere.'" —JG

## Tale of the Tape:

### CATEGORY

Age  
Residence  
Bloodline  
  
Appearances  
Cost  
President/publisher  
  
Ad pages  
  
Ad rates  
Top advertisers  
Ad agency  
Circulation weight  
Audience reach  
Target demos  
Avg. reader age  
Avg. HH income  
Editor  
Editors/reporters  
Top writers  
Swimsuit issue



## Sports Illustrated

44  
Time & Life Building, midtown  
Time Inc., out of founder Henry Luce and guiding editor André Laguerre  
Weekly  
\$3.50 newsstand, \$40 basic sub  
Michael Klingensmith, from *Entertainment Weekly*  
2,905 sold in '97, \$549 million revenue  
638 in 1Q '98, \$124 million revenue  
\$170,000 for 4-color full page  
GM, Ford, Chrysler, Phillip Morris  
Fallon McElligott  
3.15 million rate base  
"24 million adults"  
Men and women, all ages  
41.5, U.S. adults  
\$55,620  
Bill Colson  
250 across the U.S.  
Rick Reilly, Gary Smith, Leigh Montville  
Feb. 18



## vs. ESPN Magazine

Newborn on March 11, 1998  
19 E. 34th St., near Herald Square  
ESPN, born 1979, out of Disney (80%)  
Distributed by Hearst (20%)  
20 times in '98, biweekly in '99  
\$2.99 newsstand, \$26 basic sub  
Michael Rooney, ex-*Field & Stream*, *Discover*, launch of *Men's Health*  
Not ready to disclose ad page numbers or revenue at press time  
\$21,700 for 4-color full page (March '98)  
Not ready to disclose  
Wieden & Kennedy  
350,000 launch, 700,000 goal for Jan. '99  
"2.5 million projected"  
Young men, 18-34  
29.0, projected  
\$48,759, projected  
John Papanek  
65 in New York  
Steve Wulf, Tom Friend, Tony Kornheiser  
"We will not be doing one."

A black and white photograph of two dogs, likely pit bulls, sitting on a concrete surface. Both dogs are wearing a simple, conical party hat with a white, fringed edge. The dog on the left is white with some dark markings on its face, while the dog on the right is dark-colored with white markings on its chest. The background is dark and out of focus.

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YEARS AS THE  
#1 BUSINESS  
MAGAZINE.**

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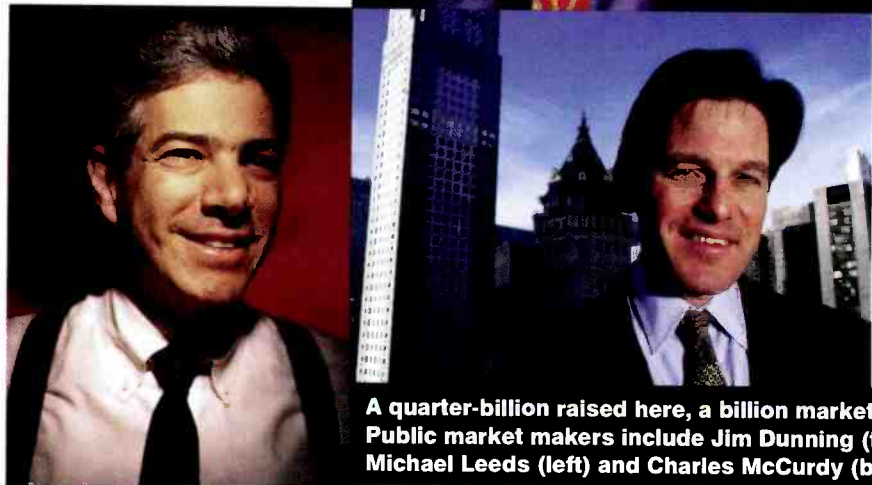
## FINANCE

MAGAZINE REPORT

# Dollar days

For midsize publishers, private capital and the booming stock market beckon

By Greg Farrell



A quarter-billion raised here, a billion market cap there: Public market makers include Jim Dunning (top), Michael Leeds (left) and Charles McCurdy (bottom).

**S**top the presses: Money is flowing back into a broad range of magazines. Once disdained as slow-footed relics of the pre-television, pre-computer era, magazines have turned into a hot sector for a buoyant Wall Street and a select group of private equity firms and lenders that have discovered the potential in slick titles.

"There have been more deals in the past year than in the past five years combined," says Jeff Sine, a managing director and head of the media group at Morgan Stanley Dean Witter. "There has been a pronounced change in the business, mostly

in recognition of the franchise value of these properties." Sine cites advances in such areas as line extensions, zoned editions and direct marketing for pushing up the value of magazine groups. With these sorts of maneuvers, aggressive publishers can "take a business that was growing at the rate of the economy and turbo-charge revenue growth," he notes.

And growth begets investors. Over the last decade, large private equity and specialist investment banking firms such as Veronis, Suhler & Associates, Kohlberg Kravis Roberts & Co. and Boston Ventures have acquired and sold magazines, usually at huge profits. Now Wall Street is getting into the act. In 1997, both Petersen Publishing and CMP Media went public, hiring blue-chip banks to help them raise \$260 million

Source: ABC Fax 12/31/97; PIB Jan.-Dec. 1997  
Photo: Steve Belkowitz © 1998 Time Inc.

*After the year we had, we're walking tall*  
**InStyle**

*C*irculation over one million.

Ad pages up 73%.

80% increase in rate base since launch.

To advertise in *InStyle* call Louis Cona at 212.522.4634

**InStyle**

Celebrity + Lifestyle + Beauty + Fashion

## FINANCE

between their two deals. This year, the Japanese technology giant Softbank plans a possible \$460 million public offering of its Ziff-Davis unit, which, like CMP, is a leading producer of computer magazines and trade shows. Penton Publishing,

which puts out some 40 specialized business magazines, is expected to be spun off from its parent, Pittway Corp. And perhaps the hottest magazine property of the 1990s—the phenomenon that is *Martha Stewart Living*—is seen as a candidate for a high-profile public offering of its full range of Martha properties. Meanwhile, several other midsize publishing groups, led by magazine veterans who have gone out on their own, are in the hunt for more titles and more capital.

Beyond Wall Street, many leveraged buyout firms and venture funds have also caught the magazine bug. “The private market is frothy,” says James Dunning Jr., chairman and chief executive of The Petersen Companies Inc. “There’s a lot of money chasing few opportunities. People like to invest in media, and magazines are considered sexy.” And because the biggest names in magazines are either private (Condé Nast and Hearst) or part of a much larger media enterprise (Time Inc. within Time Warner, Meredith with its broadcast siblings, Hachette within a diversified French company), the newer crop of publishers is seen as the best way to get a piece of a “pure” magazine investment. (See chart, page 18.)

“This is a good time for financing,” agrees S. Christopher Meigher III, chairman and chief executive of Meigher Communications. “It’s a robust market sector. There’s a lot of money, but it’s smarter money, and it’s seeking a larger payback in terms of investment.”

It wasn’t always this way, as Meigher well knows. The former Time Inc. executive started his magazine stable—which now includes *Garden Design*, *Savueur*, *Quest*, *Friends* and *SmartHealth*—in 1992, at the tail end of the last recession. “People were so negatively conditioned against the downturn in advertising that they avoided consumer magazines,” he recalls. Further dampening the market was the dawn of the Internet and online delivery of text and images. With magazine circulation levels flat and paper and postage costs spiraling upward, there was a general belief among marketers and even publishers that print’s best days were behind it.

No longer. Meigher’s first round of financing came from the venture arm of Alex. Brown & Sons. “We were lucky,” he concedes. “We showed that targeted magazines could grow at double-digit rates. And manufacturers and marketers began to believe.” The initial strong reception for his titles helped him complete a second round of financing, led by First Union Capital Markets Corp.; Meigher is now seeking additional backers to continue his expansion.

For publishers the size of Meigher—with revenues well

under \$100 million—capital must come from private investors who are willing to bankroll the risks of such outfits. Larger, more established companies such as Petersen and CMP have the scale and market position to tap into the deeper, and relatively cheaper, trough of public money.

In CMP’s case, the choice was simple. The Manhasset, N.Y.-based publisher of computer titles was controlled by its founder, the Leeds family. “For years, we were a private company that relied on internal financing,” says Michael Leeds, president and chief executive. “But as we approached \$500 million [in revenues], we asked, What are the resources we will need to grow domestically and internationally, provide employees with stock ownership, and allow my parents to get their money out?”

Leeds considered three alternatives—debt, private investment and a public offering. “I didn’t want the company encumbered by a lot of debt, subject to bankers or private investors,” he explains. “Going public was the best opportunity for unencumbered funds to grow the company, and the best opportunity for our people to share in the growth of the company.”

After selecting Goldman, Sachs & Co. as lead underwriter, Leeds and his managers embarked on a grueling trip last summer, making 59 presentations in the U.S. and Europe over 10 days. The road show—the Wall Street term for a company arguing its case to large investors and brokers—was a success. In July, CMP sold 5.5 million shares in its initial offering, raking in \$120 million in fresh capital.

But public ownership is hardly “unencumbered,” as Leeds soon discovered. In its first quarter as a public company, CMP committed the sin of missing its target for earnings growth. As a result, Goldman’s media analyst lowered the firm’s strong recommendation of the stock, a signal that sent the share price tumbling from a high of about \$29 to the low teens. CMP’s stock has since recovered to the low 20s.

For Leeds, whose idea of recreation is extreme skiing, such hazards of gyrating share prices and analyst downgrades are worth taking. “I recognize we have a responsibility, and they have a responsibility to their people,” he says of the lowered rating by Goldman. But he insists his company is not held captive by the movement of its stock price. If there was a silver lining to the episode, Leeds confesses, he learned the critical importance of hitting growth targets as a public company.

For Jim Dunning, the risks and rewards of meeting earnings goals have been made clear to him through several deals. The president of *Rolling Stone* in the late 1970s, Dunning went on to do corporate finance for Thomson McKinnon, run two large Yellow Pages directory companies, and engineer the sale of SRDS, a media information and database concern (owned by VNU USA, parent of Adweek Magazines).

In 1996, Dunning moved back into magazine publishing, joining with Willis Stein & Partners, a Chicago-based LBO firm, to buy Petersen Publishing from its founder. The \$463-million deal was attractive on both sides. The 71-year-old Robert Petersen, the West Coast publishing magnate whose titles celebrated the



# We're 5!



Nickelodeon Magazine is celebrating **five** fantastic years of award-winning editorial for **6 to 14** year olds.

During the past five years, our rate base has grown to **800,000** kids that's a **433%** increase since our launch! More than **6 million** kids\* read Nickelodeon Magazine every month, and our special June/July "Birthday Celebration" issue will deliver a **75,000** rate base bonus to advertisers.

Be a part of the birthday excitement by decorating a commemorative birthday plate. Your creation may be selected to be featured in Nickelodeon Magazine and an upcoming ad in this publication.

Contact Peggy Mansfield, Publisher, at **212/258-8572** to get entry details and learn more about advertising opportunities in Nickelodeon Magazine.

Be a part of Nickelodeon Magazine's **fifth** birthday celebration and give yourself a hand!

## FINANCE

car culture, was looking to cash out; Dunning and Willis Stein were seeking a property they could develop and ultimately take public.

The Petersen IPO was a textbook case of current publishing economics.

For the initial acquisition, Dunning and Willis Stein raised \$165 million to take their equity stakes, borrowing another \$300 million from banks and insurance companies to close the deal. The next step was to access the public debt market to replace some of the initial borrowings, with the sale of \$100 million worth of notes yielding 11.125 percent.

To go public, Dunning knew Petersen would need a team of seasoned managers and clear strategies to rein in costs while adding revenues. He hired D. Claeys Bahrenburg, former president of Hearst Corp.'s magazine group, as vice chairman, and Neal Vitale, a senior Cahners Publishing executive, as president and chief operating officer. To entice Wall Street, Dunning promised strong cash-flow improvement—at least double the \$27 million the company had achieved in 1996. (He did even better, reaching \$62 million in 1997.)

After interviews with 15 investment banks, the new Petersen owners picked Morgan Stanley Dean Witter and Donaldson, Lufkin & Jenrette as co-leads on an IPO. The top executives at Petersen then went on a 51-stop road show last fall, taking them through 31 cities, including Paris and

London, over 11 business days and two weekends. The result: Petersen sold 8 million shares at \$17.50 each, raising \$140 million. Demand was so great that the banks were able to sell nearly a million more shares than originally planned.

"When they bought it for \$465 million, people thought that was pricey," says Morgan Stanley's Sine of the reaction to the Willis Stein buyout. "What they weren't counting on was the ability of the management group to affect cost changes, for paper, staff efficiencies, MIS systems, and combining books [*Sassy* was folded into *Teen*, for example]. The second step was to get the revenue side working at as high a level as the cost side. That was the story we sold to the market. The results speak for themselves."

Since its initial offering five months ago, Petersen shares have risen 30 percent, to around \$25 per share. But Dunning cautions that such gains are not automatic. "The process [of going public] can be so overwhelming to your top executives that your business had better be on autopilot, or you can be dumping your results," he notes. And the extra work doesn't stop with the road show. Life as a public company means the burden of filing quarterly reports and enduring lengthy analyst meetings and calls. For those who can't deliver consistent results, public stock "is an expensive burden to carry," Dunning says. "The weight of disgruntled stockholders is awesome—and can result in a management change."

Still, the availability and rewards of public capital are

# The Magazine Marketplace

A roundup of select public and private publishing groups

Company / headquarters	Leading titles	Principal owners	Status	1997 revenue	%gain v'96	1997 EBITDA*	Market cap <sup>§</sup>
The Petersen Companies Los Angeles	Motor Trend, Teen, Hot Rod, Sport, Guns & Ammo, 10 other core titles	Willis Stein & Partners (37%) Robert Petersen (19%) BankAmerica unit (13%) Managers (11%)	Public IPO at \$17.50 sh.	\$ 247	9%	\$ 63	\$838
CMP Media Manhasset, NY	Information Week, Windows, Computer Reseller News	Leeds family (75%) T. Rowe Price, Stein Roe, Seligman (all 5%+)	Public IPO at \$22 sh.	474	13%	48	557
Primedia Inc. New York	Seventeen, New York, Soap Opera Digest	KKR (75%) Primedia managers (13%)	Public IPO \$12 sh.	^ 718	13%	158	1,813
Martha Stewart Living Omnimedia, New York	Martha Stewart Living	Martha Stewart (80%) Time Inc. (18%)	Private	° 120	na	20-25	--
Miller Publishing Group Los Angeles	Spln, Vibe, Where, former NY Times mags	Robert Miller Freeman Spogli & Co.	Private	‡ 100	20	na	--
Meigher Communications New York	Saveur, Garden Design, Quest, SmartHealth	Chris Meigher and managers Allen & Co., AT&T Ventures	Private	50	35	na	--
Capital Publishing New York	Worth, Civilization, American Benefactor	Fidelity Investments W. Randall Jones	Private	35	5	na	--

Sources: company filings, news accounts, magazine investors; dollar figures in millions. Financials are Adweek estimates for private companies. <sup>§</sup>As of 2-24-98 stock price. na=not available  
\*Earnings before interest, taxes, depreciation from continuing operations. ^ Magazine division; market cap for all of Primedia. ° includes other media properties. ‡ pro forma estimate



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## Where the money comes from

**What kind of financing** is appropriate for what kind of publisher? "If you're building your business, you probably don't want to be public," says Paul Hale, managing director of Veronis, Suhler & Associates, an investment bank that specializes in media properties. For startups, Hale notes, the standard game is to find a venture capital investor who's not interested in immediate or secure returns, but who will eventually look for a big payoff, north of an annualized 40 percent reward. This world, primarily a club of specialist investors, family and friends, is "a place where you can go to get financing for a property that doesn't have the cash flow to handle debt," Hale explains.

Once the business is up and running and generating cash, then a publisher can change horses, finding lenders and investors to supplant the original backers. The LBO and private equity firms don't come cheap: Historically, such investors have sought annualized returns in the 30-40 percent range. In recent years, with more competition and lower interest rates, the average targeted return has hovered around 25 percent. At this point, the company has sufficient cash flow to take on somewhat expensive debt, while the LBO firm can position the enterprise for yet another round of financing, either in the public markets or in a sale to another investor.

There are several big players in the private equity sector, some of which are dedicated to media properties and others that will look at specific deals. The names include Veronis Suhler, which has launched two sizable media funds and plans to raise \$1 billion for a third buyout vehicle (its magazine holdings include *Chemical Week*); Boston Ventures, former owner of *Billboard* Publications, now a co-owner of the *National Enquirer* and *Star* tabloids and trade publishers Shore-Varrone; Kohlberg Kravis Roberts & Co., which owns 75 percent of Primedia, publisher of *Seventeen*, *New York*, *Automobile* and many other titles; Forstmann, Little & Co., which sold Ziff Publishing to Softbank; Chicago-based Willis Stein & Partners, which helped take Petersen Publishing public; Freeman Spogli, Los Angeles, which is backing Miller Publishing (*Spin*, *Vibe*); Hellman Friedman of San Francisco, investor in AdvanStar; First Union Capital Corp., Charlotte, N.C., investor in Meigher Communications; Thomas Lee Associates, Boston, which bought TransWestern, the largest independent yellow pages publisher; a venture capital group within Donaldson Lufkin Jenrette that has invested in "pennysaver" publications; and Providence Ventures of Rhode Island, an early investor in *Wired* magazine. No word yet if any of them is funding a magazine to cover the magazine financing business. —GF

enticing. "There are very favorable terms in the stock market," says Joe Zimmel, Goldman's managing director of its communications, media and entertainment group. "There's a relative shortage of investment assets. The supply-demand equation is such that it's a good time to be selling stock." His colleague Alan Axelrod, who heads the publishing sector within Goldman's communications group, points out the advantage of single-media companies: "There are very few pure plays in publishing. And institutional investors like pure plays."

**A**n abundant supply of capital is only one reason for the sudden popularity of publishing in investment circles. Another factor is that publishers have added extra dimensions to their sales pitches. Anyone who simply publishes magazines is stuck in the past. The new strategy, pioneered by the likes of Don Logan at Time Inc., is about creating many products and extending strong magazine brands into new franchises. It's no longer enough to collect \$29 per year from a subscriber or \$30,000 for an ad page; investors demand that publishers look for cross-selling opportunities and strategic partnerships. If a publisher can entice subscribers to buy an additional \$30-40 of merchandise or services through the magazine and related promotions, or can hatch programs with marketers that throw off extra cash, that's the kind of growth story investors like.

The ability to generate more revenues, at higher profit levels, is reflected in the prices investors will now pay. About six years ago, recounts a Time Inc. veteran, publishing groups were generally valued at eight times net income. Today, the multiple is up to 11 times earnings or even higher. And where operating profit margins of 10-15 percent used to be acceptable, the market now requires margins of close to 20 percent for consumer books and above 20 percent for trade books.

The insistence on strong margins and profits has its harsh side. According to some observers, the lack of predictable profits and a sharp focus has dogged another media company, Primedia Inc. which went public in 1995 and has seen its stock mired around its offering price ever since.

Formerly known as K-III Communications, Primedia is mainly owned by LBO titans Kohlberg, Kravis & Roberts. The Primedia magazine group, with some 130 consumer and trade titles, is an acquisition machine that accounts for more than half of total sales. (The balance of its \$1.5 billion in revenues comes from educational media, most prominently Channel One, and business and consumer directories.) Because of the company's diversity, it doesn't fit neatly into the same "pure" magazine category as Petersen or CMP. (CMP, for its part, also benefits from its focus on technology, which gives it a healthy ad base.) The resultant blurry picture has yet to win over investors.

The rap is an unfair one, says Charles McCurdy, president of Primedia. "It may be that other companies are talking more" about magazine cross-promotion and other revenue enhancements, McCurdy says. "But the critical activity is

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## FINANCE

developing a special marketing relationship." As an example, McCurdy points out that Primedia's *American Baby* magazine, with circulation of more than 1 million, has become the basis for a syndicated TV show, coupled with sampling programs, that can introduce new parents to a variety of products from the magazine's advertisers. "It's an all-around relationship they're developing within that category," he says.

Merrill Lynch's Lauren Rich Fine, a leading publishing analyst, agrees that Primedia's supposed lack of focus and title extensions is inaccurate. She suggests Primedia has been punished because it's more highly leveraged than its peers. "It isn't about being profitable," she says. "I don't mind a cash-flow story. But we're in a cycle of the market where earnings are important. The peer group is earnings."

If that's the case, better days and valuations could lie ahead for Primedia, which has carried a massive \$1.5 billion debt burden. In early February, the company announced KKR had invested another \$200 million in the company to buy new common stock. McCurdy says the infusion of capital will allow Primedia to refinance some of its preferred stock and notes, strengthening its capital structure and fueling more acquisitions. (The ability to acquire other magazines with stock, in what are essentially tax-free deals, is a huge advantage for public companies.) Since the KKR infusion, Primedia stock has in fact risen, from \$12 in late January to \$14 a month later.

Many publishers wish they had the headaches of how to push the stock of a billion-dollar company. In the category of up-and-comers are such names as Meigher, Miller Publishing Group (owners of *Spin*, *Vibe* and most of the former New York Times Co. magazines) and Capital Publishing (*Worth*, *American Benefactor*, *Civilization*). According to Wilma Jordan, president of The Jordan Edmiston Group, a consulting firm

and investment bank for magazines, a publisher should have at least \$150 million in revenues, or more than \$20 million in profits, before a public offering can be considered. That's one reason why Miller and Meigher in particular are looking to add more titles to their stables.

Capital's owner, on the other hand, looks ready to exit the magazine field. Fidelity Investments, the mammoth mutual fund house, started investing in publishing a few years ago, acquiring dozens of community newspapers around its Boston base. The company also backed former *Esquire* publisher Randy Jones in his launch of *Worth* magazine, followed by two other titles. But unlike the buyout funds and investment banks, Fidelity is not cut out for the rigors of tending to magazine properties. Jones could not be reached for comment on his search for new investors.

One deal sure to get attention on Wall Street would be a public offering of Martha Stewart Living Omnimedia. The company seems to have the heft necessary to consider an IPO. Besides its flagship magazine, it offers Martha Stewart herself in many money-spinning ways: on television and radio, through regular books and a syndicated newspaper column, and with branded merchandise at Kmart, in a Martha by Mail catalog and upscale paints produced by Sherwin-Williams.

Sharon Patrick, president of MSL Omnimedia, declines to discuss her company's financial prospects. But she does agree that the barriers that once prevented companies like Stewart's from going public have been lowered significantly. "The classic constraints to growth have come down," says Patrick, who headed McKinsey & Co.'s media practice in the 1980s before moving to Cablevision to turn around its Rainbow programming unit. "Print and information can go on the Internet. There's a lot more opportunity for cross-promotion. The ability to move internationally is easier than 10 years ago."

With wider opportunities for magazines to grow, "more money has become more available" from investors, notes Patrick. And with a celebrity name like Martha Stewart, the value of a company can perhaps be pushed higher than its bottom-line results would indicate. "In building a brand, the brand provides a premium which doesn't get recognized in day-to-day cash flow," says Patrick. "But the market will reward that. They'll give you something for that magic. There's a halo effect, as with Ralph Lauren."

Whether that halo rubs off on Martha Stewart this year remains to be seen. In a recent *New York Times* profile of Omnimedia, sources claimed the company had revenues of \$120 million and operating profits of \$20-25 million—numbers that fit an IPO profile. But cashing in on such figures still requires equal doses of guts, performance and a vibrant economy. "Investors are traders," says Petersen's Dunning. "Capital is mercenary, cold, unfeeling and results-oriented, whether it's private, institutional or public." For publishers used to the grind of selling ad schedules, that may not be such a tough proposition. ■

**"There's a lot of money, but it's smarter money, and it's seeking a larger pay-back in terms of investment."**

—Chris Meigher  
Meigher Communications



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Magazines keep on selling products, magazines keep on building brands, and magazines keep on growing - because the case for magazines keeps getting stronger. If you would like a copy of the Foote Cone & Belding study on reach, the latest study on reader involvement, or the MPA research on targeting, call or write Christine Miller, Executive Vice President, Magazine Publishers of America, 919 3rd Ave., New York, N.Y. 10022 (Tel. 212-872-3720).

**MPA**  
MAGAZINE PUBLISHERS OF AMERICA

# The LIST

Men, women and hip-hop kids  
all win in a year of soaring profits

**Boy, was this hard.** In a record year of profits for so many magazines, we couldn't possibly include every title with double-digit revenue increases. Still, it doesn't make us long for the days when just staying even was the norm. This was an exciting year, with some old names back on the list and others that had been just below the cut finally making it to the top 10.

In its most profitable year since 1982, *Time* saw newsstand sales increase 40 percent. With a 22 percent increase in revenue, *Time* is the category leader, hands-down, and No. 1 on our hot list.

For the third year, there seems to be no stopping *Martha Stewart Living*—like Martha's Omnimedia, the book keeps growing and growing. It repeats at No. 2, showing a 40.2 percent increase in ad pages.

Two titles from last year's up-and-comers list jump to the big time: *In Style* and *Vibe* generated a lot of buzz and big numbers. Time Inc.'s *In Style*, spun off from *People* just three years ago, continues its incredible pace, posting a 105 percent increase in ad revenue. For its part, *Vibe* has touched a nerve with the hip-hop crowd, gaining 35.3 percent in revenue.

The men's category saw single-

digit growth in ad pages, with some titles losing ground in '97, but *GQ* continues to impress advertisers with its mix of fashion and features. It was up 17.5 percent in ad pages; 23.1 percent in revenue. And big-circ title *Men's Health* (1.3 million in '97) grabs a spot on the list with a gain of 248 ad pages over 1996.

"*Cooking Light* is sizzling," says DDB Needham media manager Carol McDonald. We couldn't have said it any better. In a competitive category, 10-year-old *CL* beat out more-established titles, getting higher than average share of the ad revenue pie. Their unique mix of beauty, fitness and food put *CL* on a lot of advertisers' radar. "It's the year we've been waiting for," says publisher Chris Allen.

New kid on the block *Marie Claire* grabs the spotlight in the women's category, a hot book by many media buyers' standards. *W*, which celebrated its 25th anniversary in 1997, carried a record 1,885 ad pages. And *Outside*, a gutsy title with editorial to match rounds out this year's list.

The past year was great, but what lies ahead? The answer could be on our "Up and Comers" list, page 30. —Patricia Orsini

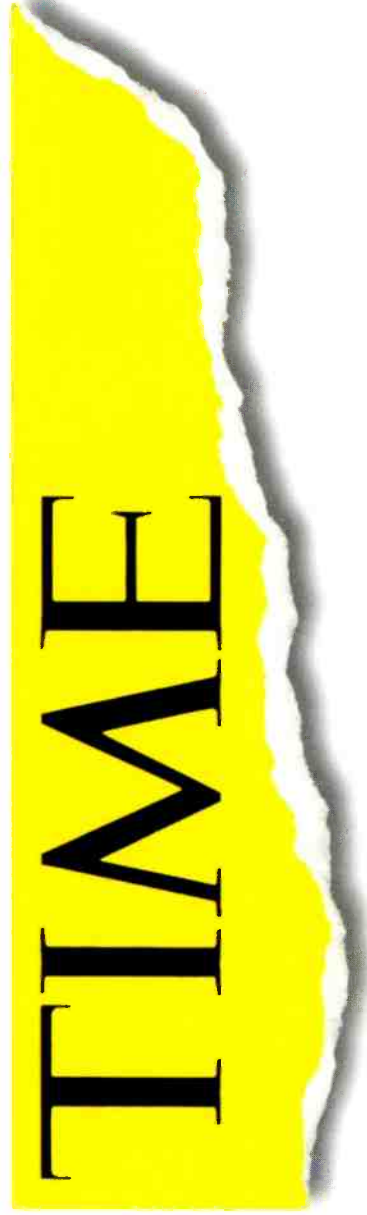
## How Hot?

The Adweek list of 1997's hottest is based on several factors. In order of importance, they are: ad page and revenue gains, as tracked by Competitive Media Reporting for Publishers Information Bureau; performance within a magazine's competitive category; circulation gains; interviews with media buyers and consultants, and our own editors' judgment. Performance is tracked over three years, with greatest weight given to the most recent year.

For the "hottest" list that follows, only magazines with at least 10 issues last year and \$30 million in PIB ad revenue were considered. On page 30 is our list of up-and-coming titles; they must have published 12 issues over the past two years with revenues tracked by PIB.

# ADWEEK 10 hottest magazines of '97

1



Revenue Up:  
**\$93.6 million**  
21.3%  
Ad Pages Up:  
**16.2%**  
Circulation:  
**+1.3%**

2



Revenue Up:  
**\$45.4 million**  
69.2%  
Ad Pages Up:  
**40.2%**  
Circulation:  
**+15.5%**

3

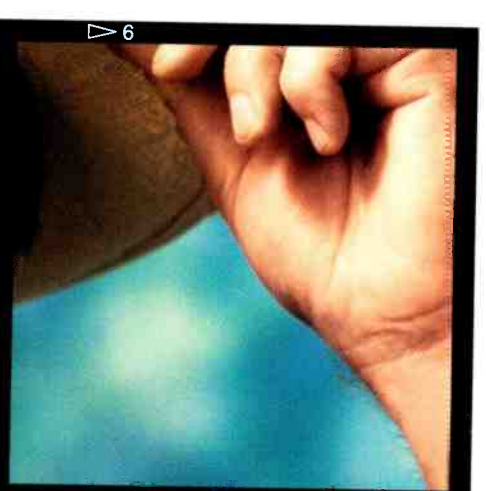
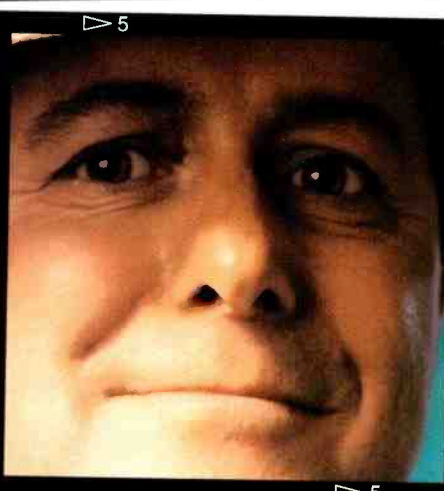
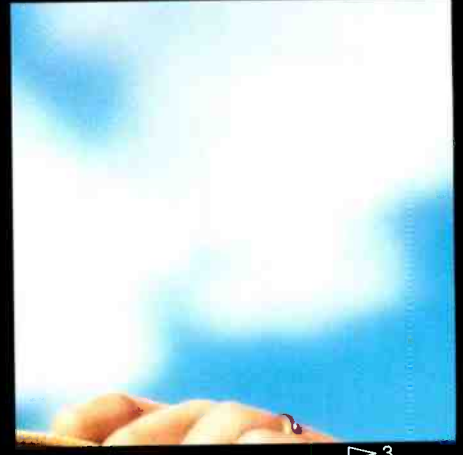


Revenue Up:  
**\$14.2 million**  
23.1%  
Ad Pages Up:  
**17.5%**  
Circulation:  
**+3.9%**

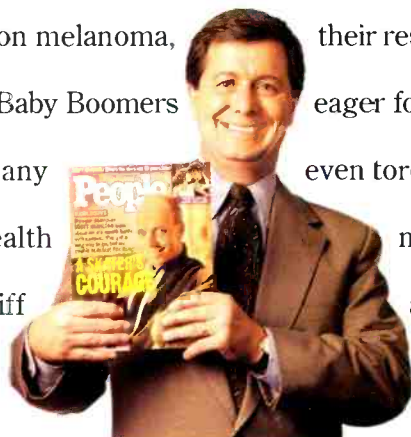


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# the **10** hot up-and-comers

- |    |   |   |   |
|----|---|---|---|
| 1  | <h2 style="margin: 0;">Fitness</h2>   | <b>Revenue Up:</b><br><b>\$6.2 million</b><br><b>Ad Pages Up:</b><br><b>22.6%</b><br><b>Circulation:</b><br><b>+18.8%</b> | <p>The Gruner + Jahr woman's title muscles out the competition in a hot category. Ad revenues have doubled over three years, with newsstand sales up strongly.</p>                      |
| 2  | <small>CONDÉ NAST</small><br><h2 style="margin: 0;">House &amp; Garden</h2>       | <b>Revenue Up:</b><br><b>\$6.8 million</b><br><b>Ad Pages Up:</b><br><b>52.1%</b><br><b>Circulation:</b><br><b>+20.6%</b> | <p>Revived Condé Nast title comes back to life in first full year since relaunch. Lavish photography, wish-book homes give this shelter book its edge in crowded field.</p>             |
| 3  | <h2 style="margin: 0;">FAST COMPANY</h2>  | <b>Revenue Up:</b><br><b>\$4.0 million</b><br><b>Ad Pages Up:</b><br><b>76.7%</b><br><b>Circulation:</b><br><b>+85.0%</b> | <p>This is not your father's business book: <i>Fast Company</i> lives up to its initial "new era" promise with hefty gains in ad pages rate base; biz rivals have taken note.</p>       |
| 4  |  | <b>Revenue Up:</b><br><b>\$5.4 million</b><br><b>Ad Pages Up:</b><br><b>47.3%</b><br><b>Circulation:</b><br><b>+45.1%</b> | <p><i>Martha</i> for men: <i>This Old House</i> lovingly depicts and describes saws to paving stones. Idea pitched to Time Ventures Inc., which knows a good thing when it sees it.</p> |
| 5  | <h2 style="margin: 0;">THE SOURCE</h2>  | <b>Revenue Up:</b><br><b>\$5.4 million</b><br><b>Ad Pages Up:</b><br><b>32.0%</b><br><b>Circulation:</b><br><b>+21.0%</b> | <p>Hip-hop replaces rock 'n' roll on the newsstands: <i>The Source</i> targets males 14-24, outselling bigger music titles. Urban mag adds politics, pop culture to streetwise mix.</p> |
| 6  | <h2 style="margin: 0;">SAVEUR</h2>  | <b>Revenue Up:</b><br><b>\$4.0 million</b><br><b>Ad Pages Up:</b><br><b>27.9%</b><br><b>Circulation:</b><br><b>+21.3%</b> | <p>Armful of National Magazine Awards, continued momentum in ad pages and premium paid circ make <i>Saveur</i> flavor of choice for many upscale taste marketers.</p>                   |
| 7  | <h2 style="margin: 0;">YAHOO!</h2><br><small>Internet Life</small>                | <b>Revenue Up:</b><br><b>\$4.9 million</b><br><b>Ad Pages Up:</b><br><b>66.9%</b><br><b>Circulation:</b><br><b>+85.9%</b> | <p>The Web is hot and so are <i>Yahoo! Internet Life's</i> demos: median age 31, HHI \$66,000. Many other Internet mags went under last year; this one has formula to stick.</p>        |
| 8  | <h2 style="margin: 0;">DEPARTURES</h2>  | <b>Revenue Up:</b><br><b>\$6.6 million</b><br><b>Ad Pages Up:</b><br><b>27.1%</b><br><b>Circulation:</b><br><b>+4.6%*</b> | <p>A controlled circ book (for AmEx Platinum cardholders) that looks and sells like slick consumer title. <i>Departures</i> file gives marketers great sales leads.</p>                 |
| 9  | <small>Individual</small><br><h2 style="margin: 0;">INVESTOR</h2>                 | <b>Revenue Up:</b><br><b>\$6.0 million</b><br><b>Ad Pages Up:</b><br><b>1.8%</b><br><b>Circulation:</b><br><b>+31.9%</b>  | <p>In raging bull market, continued focus of <i>Individual Investor</i> on small-cap stock-picking and in-house analysis has paid off with handsome ad and circ gains.</p>              |
| 10 | <h2 style="margin: 0;">GARDEN</h2><br><small>D E S I G N</small>                  | <b>Revenue Up:</b><br><b>\$2.7 million</b><br><b>Ad Pages Up:</b><br><b>19.1%</b><br><b>Circulation:</b><br><b>+19.3%</b> | <p>Other thoroughbred in Meigher stable captures baby boomers' tending to their backyard assets. <i>Garden Design</i>, like <i>Saveur</i>, upped frequency to eight times.</p>          |

# THE BIG BOOKS

MAGAZINE REPORT

## Top 60 Magazines in Ad Revenue

Rank	Publication	1997 ad revenue	% change
1	People	\$ 588.5	12.0
2	Sports Illustrated	548.6	5.0
3	Time	533.2	21.3
4	Parade *	517.2	4.7
5	TV Guide	469.3	16.4
6	Newsweek	408.5	6.4
7	Better Homes and Gardens	377.5	12.5
8	PC Magazine	333.5	4.9
9	Business Week	329.7	10.3
10	USA Weekend *	263.0	15.0
11	Forbes	243.8	9.6
12	U.S. News & World Report	239.2	5.1
13	Woman's Day	228.4	5.3
14	Fortune	225.9	13.6
15	Good Housekeeping	219.2	18.6
16	Reader's Digest	212.3	5.3
17	Family Circle	205.9	17.4
18	Cosmopolitan	188.5	20.6
19	Ladies' Home Journal	183.9	15.3
20	New York Times Magazine *	153.9	8.1
21	Vogue	149.0	12.1
22	Entertainment Weekly	146.0	17.2
23	Glamour	137.4	17.7
24	Money	132.6	13.1
25	Rolling Stone	121.6	13.1
26	Southern Living	120.8	7.0
27	Golf Digest	120.2	18.7
28	McCall's	118.3	14.9
29	Redbook	113.2	13.4
30	Martha Stewart Living	111.0	69.2
31	PC Computing	110.4	11.9
32	Car and Driver	108.1	10.3
33	Elle	100.4	19.4
34	Parents	97.6	8.8
35	Vanity Fair	95.5	13.1
36	The New Yorker	94.1	11.1
37	Inc.	90.3	16.2
38	Country Living	89.0	17.9
39	Bride's	83.4	10.6
40	Golf Magazine	78.7	10.9
41	Windows Magazine	77.7	10.0
42	W	77.4	22.2
43	Travel & Leisure	76.7	16.2
44	Gentlemen's Quarterly	75.9	23.1
45	Seventeen	75.3	22.5
46	Modern Bride	75.0	18.6
47	Road & Track	73.8	20.4
48	Harper's Bazaar	73.5	3.4
49	Parenting	69.8	14.4
50	Self	69.4	19.2
51	National Geographic °	66.9	10.3
52	Mademoiselle	63.1	11.0
53	House Beautiful	62.7	14.5
54	Motor Trend	62.5	30.1
55	Sunset	61.2	14.5
56	Modern Maturity °	60.6	1.9
57	Prevention	59.0	11.6
58	Condé Nast Traveler	58.5	17.0
59	Popular Photography	57.7	17.3
60	Architectural Digest	55.3	16.0
Total 221 PIB ranked titles		\$ 13,714.3	12.7

## Top 60 Magazines in Paid Circulation

	Average total paid '97	% change vs. '96	
1	Modern Maturity °	20,390,755	-0.7
2	Reader's Digest	15,038,708	-0.2
3	TV Guide	13,103,187	0.7
4	National Geographic °	9,012,074	-0.1
5	Better Homes and Garden	7,605,187	0.0
6	Family Circle	5,107,477	-2.5
7	Good Housekeeping	4,739,592	-4.3
8	Ladies' Home Journal	4,590,155	1.0
9	Women's Day	4,461,023	3.3
10	McCall's	4,216,145	-1.7
11	Time	4,155,806	1.3
12	People Weekly	3,608,111	4.6
13	Prevention	3,310,278	0.0
14	Sports Illustrated	3,223,810	1.6
15	Newsweek	3,177,407	-0.5
16	Playboy	3,169,697	-2.1
17	Redbook	2,889,466	-1.3
18	Cosmopolitan	2,701,916	8.7
19	Seventeen	2,567,613	5.1
20	Southern Living	2,474,463	-0.6
21	Martha Stewart Living	2,339,799	15.5
22	U.S. News & World Report	2,224,003	-1.6
23	YM	2,221,937	3.2
24	Glamour	2,115,642	0.0
25	Smithsonian °	2,065,432	-1.4
26	Money	1,935,402	-2.9
27	Teen	1,842,186	38.7
28	Ebony	1,819,431	0.9
29	Field & Stream	1,751,772	0.1
30	Parents	1,745,292	0.5
31	Country Living	1,697,742	1.4
32	Life	1,568,565	-2.0
33	Popular Science	1,558,655	-13.1
34	Golf Digest	1,529,671	0.9
35	Men's Health	1,511,345	10.0
36	Woman's World	1,505,637	0.1
37	Sunset	1,471,825	2.8
38	Popular Mechanics	1,425,692	-0.2
39	First For Women	1,408,419	5.8
40	Cooking Light	1,387,037	0.6
41	Outdoor Life	1,377,139	1.8
42	Golf Magazine	1,339,970	3.6
43	Entertainment Weekly	1,315,550	2.8
44	Boys' Life	1,310,841	3.4
45	Consumers Digest	1,260,139	0.1
46	Rolling Stone	1,250,129	-3.7
47	Discover	1,215,198	-1.1
48	New Woman	1,177,730	-3.6
49	Car and Driver	1,176,665	4.9
50	PC Magazine	1,176,351	2.2
51	Mademoiselle	1,169,766	-3.0
52	Vogue	1,126,193	-5.4
53	PC World	1,124,589	3.0
54	Parenting	1,118,069	5.3
55	Soap Opera Digest	1,107,276	-24.6
56	Self	1,102,858	-4.9
57	US	1,100,074	1.5
58	Vanity Fair	1,096,168	-1.8
59	Country Home	1,087,613	4.2
60	Kiplinger's Personal Finance	1,069,054	-6.9

Source: PIB/CMR. Ad revenues in millions. \*Sunday magazine. °Association magazine

Source: Audit Bureau of Circulations. Figures for second half of year. °Association magazine

# BUYERS & SELLERS

## Top Publishing Companies

	1997 ad revenues (\$ millions)	% change vs. 1996	1997 Ad pages	% change vs. 1996
1 Time Inc.	2,668.3	14.4	26,577	10.3
2 Condé Nast/Advance Pub.	1,086.1	14.9	24,353	10.7
3 Hearst Magazines	1,006.7	16.4	14,476	8.5
4 Hachette Filipacchi	873.8	9.4	19,281	2.0
5 Meredith Corp.	715.2	12.4	7,483	5.1
6 Gruner + Jahr	531.5	15.6	6,197	4.4
7 Parade Publications	516.5	4.5	681	4.8
8 Ziff-Davis	495.9	6.2	11,818	0.1
9 News America Corp.	469.3	16.4	3,305	8.8
10 Newsweek Inc.	408.5	6.4	2,647	4.5
11 McGraw-Hill	329.7	10.3	4,114	5.9
12 Times Mirror	319.3	9.7	10,534	0.4
13 Primedia	315.9	16.1	9,189	5.0
14 New York Times Co.	296.0	11.9	5,964	4.0
15 Reader's Digest	281.9	7.9	3,031	4.6
16 U.S. News/The Atlantic	264.1	6.5	3,454	10.4
17 Gannett	263.0	15.0	674	11.9
18 Forbes Inc.	250.8	8.5	5,041	-0.2
19 Rodale Press	196.9	10.0	4,959	1.9
20 Wenner Media	188.1	16.7	3,439	2.4
21 Miller Publishing	142.8	17.1	5,024	5.9
22 Petersen Publishing	140.3	23.8	3,945	4.8
23 Walt Disney/Fairchild	139.3	14.5	3,135	5.1
24 American Express Pub.	136.8	22.4	2,973	16.3
25 Pace Communications	132.3	13.2	3,268	4.9
26 CMP Media	122.7	7.4	5,196	-9.0
27 Goldhirsh Group	90.3	16.2	1,472	6.7
28 Weider Publications	86.7	17.6	3,363	1.6
29 National Geographic Society	79.8	12.8	752	16.3
30 Johnson Publishing	69.5	7.5	1,852	-0.4
31 Playboy Enterprises	55.1	14.9	638	8.2
32 American Airlines Pub.	53.1	5.7	3,269	5.7
33 Essence Communications	51.8	6.4	1,840	1.6
34 MacDonald Communications	42.7	5.8	894	-0.2
35 General Media Publishing	28.7	-14.7	609	-17.5
36 Meigher Communications	16.9	66.0	927	23.8

Source: PIB/Competitive Media Reporting

## Top Advertising Categories

	1997 spending (\$ millions)	% change vs. 1996	1996 rank
1 Automotive	1,821.6	22.5	1
2 Direct response	1,458.2	9.8	2
3 Toiletries & cosmetics	1,139.7	12.3	4
4 Computers, office equipment	1,095.9	5.5	3
5 Business & consumer services	1,070.4	12.3	5
6 Drugs & remedies	935.2	20.7	6
7 Apparel, footwear & accessories	791.2	12.1	8
8 Food & food products	739.5	3.7	7
9 Travel, hotels & resorts	610.8	8.8	9
10 Retail	470.7	24.2	10
11 Publishing & media	422.2	14.2	11
12 Cigarettes, tobacco	315.8	-7.2	12
13 Jewelry, opticals & cameras	312.2	10.8	13
14 Electronic entertainment equipment	274.6	34.4	16
15 Sporting goods, toys & games	245.2	-10.0	14
16 Liquor	214.4	11.9	17
17 Insurance & real estate	208.6	-1.1	15
18 Household equipment & supplies	202.0	9.5	18
19 Household furnishings	200.8	20.4	19
20 Building materials & fixtures	183.9	21.8	20
<b>Top 20 total</b>	<b>12,712.7</b>		

Source: PIB/Competitive Media Reporting

## Top Magazine Spending by Company

	1997 ad spending (\$ millions)	1997 ad pages
1 General Motors Corp.	603.5	7,032
2 Procter & Gamble Co.	374.1	4,232
3 Philip Morris Cos. Inc.	363.3	3,782
4 Chrysler Corp.	355.0	4,920
5 Ford Motor Corp.	288.6	4,040
6 Time Warner Inc.	183.3	2,078
7 Toyota Motor Co.	152.3	1,797
8 Johnson & Johnson	145.8	1,815
9 Unilever PLC	133.3	1,743
10 Sony Corp.	124.3	2,008
11 Bradford Exchange	120.8	887
12 Glaxo Wellcome PLC	118.1	1,219
13 Roll International Corp.	113.0	625
14 Bristol-Myers Squibb Corp.	106.1	1,181
15 L'Oréal SA	104.5	1,576
16 Merck & Co. Inc.	96.4	987
17 Pfizer Inc.	94.5	968
18 National Syndications Inc.	93.1	978
19 Walt Disney Co.	91.0	1,041
20 Diageo PLC *	90.5	1,367
<b>Top 20 Total</b>	<b>3,751.4</b>	<b>44,274</b>
<b>All PIB companies total</b>	<b>13,717.6</b>	<b>236,905</b>

\*Formed in 1997 merger of Guinness and Grand Metropolitan



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# Change of fortune

By livening up CEOs and  
nailing down tough stories,  
John Huey rides high

By Judith Newman

“S  
o here’s my list of people who should have been dead a long time ago but aren’t,” says John Huey. “Want to hear it?” Well, who wouldn’t? Huey, *Fortune*’s managing editor and *Adweek*’s Editor of the Year, is nothing if not charismatic, and after a couple of margaritas at his favorite West Side chips-and-dip joint, I would have been content to hear him read the U.S. tax code. “No. 1, there’s Jerry Lee Lewis,” Huey begins, in his baritone drawl. “No. 2, Dennis Hopper—he’s the only cast member from

Photography by Peter Murphy

editor of the year





*Rebel Without a Cause* who's still alive. How? No one knows. No. 3: Keith Richards. No. 4 used to be Jerry Garcia, but unfortunately he's become ineligible for the list. So now No. 4 is Boy George. He was a junkie, he went through an AIDS epidemic sleeping with everyone who moved, and he's on the comeback trail."

Huey beams with satisfaction. It may be no surprise the 49-year-old feels an affinity with those who have worked hard, played hard and screwed up—yet not only survived but thrived. In his own career he has succeeded, failed publicly and come back with grace. And like his pantheon of rebels with nine lives, Huey sees himself as a perennial outsider who has mysteriously been allowed on the inside track. He's never been a schmoozing presence in New York media circles; he'd rather be tooling the swamps of South Carolina in his 10-year-old McKeeCraft or cheering on his beloved Atlanta Braves. Not that he's not ambitious; Huey is ambition in aw-shucks garb. But he manages to keep a certain distance, steering clear of the fears and uncertainties that envelop others of his stature at Time Warner.

Consequently, Huey doesn't fret too much about public opinion. "You wanna talk to people I know?" he asks. "Well, here are some people who love me. And here are some who hate my guts." Helpful guy, that Huey—like the Eagle Scout he once was.

**I**n fact, it's his ability to be, by turns, Eagle Scout and bad boy that has served *Fortune* well since Huey moved from senior editor to the top slot, managing editor, in February 1995. The Scout's honor code gets him high marks when courting CEOs and impressing media buyers; the bad-boy impulses are used to slash away at rivals and nail down hard stories. These qualities may serve *Money*, another Time Inc. franchise, equally well in the near future. In a tail-wagging-the-dog maneuver, Huey, who edits a magazine with less than half of *Money's* circulation, was put in charge of the lumbering personal finance book late last year, after *Fortune* set its own records for ad revenues and profits.

As colleagues describe him, Huey is a motivator who knows how to rally the troops; a sharp business dealmaker who isn't above courting advertisers personally; and an effective politician who, with the solid support and friendship of Time Inc. editor-in-chief Norman Pearlstine, leaps, Kneivel-like, over political obstacles at the publishing giant. For all his awareness of the bottom line, he is also an award-winning journalist who still writes provocative pieces for the magazine—and who doesn't worry overmuch about giving the powerful a hotfoot when necessary.

Over the past year, *Fortune* raised eyebrows—and tempers—with a number of news-making stories. The most notable efforts included Joseph Nocera's scrutiny of the chronically underperforming Dow Jones & Co. (owner of Huey and

Huey has courted controversy with his covers, calling Darla Moore a babe and talking about Charlotte Beers' fashion sense, not business sense



Huey's featuring more women on Fortune covers.

Pearlstine's former employer, *The Wall Street Journal*) and its chief executive, Peter Kann; a lengthy dissection of the lagging performance and turnover at Fidelity Investments, the country's largest purveyor of mutual funds; and Betsy Morris' April profile of Lou Gerstner, which painted the IBM leader as a tough SOB who nevertheless was saving his company. Huey knew that the Dow Jones and Fidelity pieces would create firestorms. But Gerstner's fury remains, says Huey, "a complete mystery." Gerstner has forbidden IBM employees from speaking to the magazine and has pulled IBM's ads from the book, costing as much as \$5 million to date. (One *Fortune* staffer speculates that Gerstner, an avid golfer, was livid over the article's portrayal of his boorish behavior on the links. "We don't discuss any individuals or publications with any other publications," says an IBM representative.)

As a result, a magazine that under former editors Marshall Loeb and Walter Kiechel was becoming as tepid as Farina is now generating heat. Thanks to the stable of excellent writers Huey has brought in—including Nocera, Morris, Nina Munk,

tech columnist Stewart Alsop and the pseudonymous humorist Stanley Bing—the magazine is both more sophisticated and more accessible. In his first year, Huey ordered a clean, bold redesign to signal the changes under way. He hired WBMG, magazinedom's premier design studio, to recreate the front of the book and add impact to the feature well.

"John felt that the way the magazine was organized, there was no place to put the kind of stories he wanted to do that were not straight business information," says designer Walter Bernard. The result: often surprising, original photography and artwork that rivals the slickest consumer titles. Huey has a fondness for playful photo essays. In 1997, for instance, he commissioned a wonderful series on chief executives and their dogs; another piece featured the garages where businesses, from Walt Disney's studio to Steve Jobs' Apple, were founded. For a cover story on Scott McNealy, Sun Microsystems' leader and prominent Microsoft nemesis, Huey got the tech whiz to dress as a caped crusader, with a cartoon-panel series inside charting the Adventures of Java Man.

*Fortune* has not forgotten its core audience of rising managers who demand their quota of practical information and biz self-help stories. But Huey has aired out the mustiness. By including everything from more personal finance to glitzy profiles to extensive reporting on hot industries like Silicon Valley, Huey has broadened the definition of what a *Fortune* business story is. He has brought back the heritage of *Fortune* as a narrator of modern capitalism, in all its excesses and drama and visual splendor. (The back page of the magazine is now devoted to classic archive photos, from the likes of Otto Hagel and Margaret Bourke-White.) He is thinking ahead, sometimes way ahead, which allows the bimonthly to be more topical and influential than before he became ME. "These days," says Herb Kelleher, Southwest Airlines chairman, "if I had to choose between brushing my teeth and reading *Fortune*, I would throw away my toothbrush."

Kelleher may be ready to brave plaque because Huey sees the soap opera in gray suits. Business is not only "dry and buttoned-up and crisp," Huey continues. "Of course at one level that's true. But on another level, it's not. So we have to get to that other level, the one that's all about the passion and greed and joy and aspiration and jealousy and retribution. And we've got to get at it in a way that doesn't reflect some kind of hype."

Certainly not hyped is the magazine's rosy financial picture. While by no means equaling *Forbes* in reported advertising pages, the gains in *Fortune* in 1997 were impressive. "It was a great year in publishing, period, but it was without a doubt a record year for *Fortune* magazine," says *Fortune* publisher Jolene Sykes. "Did we have more ad pages than the other guys? No. But we had the highest revenues, and higher revenue gains than the other guys." (*Fortune* contends that revenues attributed to *Forbes* spinoffs *ASAP* and *FYI* should not count in its total.) And while newsstand sales for *Forbes* and *Business Week* were down in 1997, according to ABC, *Fortune's* average

newsstand sales for the second half of '97 were 63,674, up 11 percent. Since Huey took over the magazine three years ago, newsstand sales have climbed 30 percent.

"Before the redesign, the magazine didn't have a focus," says Chris Phillips, senior vice present for media at KDM International, whose clients, such as Credit Suisse and J.P. Morgan, have beefed up their advertising in *Fortune*. "With Huey, the magazine found focus. We see it, and our clients see it."

"We've seen our numbers increase, and we feel positive about the changes in the book," adds Bob Bernstein, senior marketing director for Seagram Co, who warmed to Huey when the editor personally wooed him. ("That doesn't happen too often, as you can imagine," Bernstein adds.) "Huey's brought a certain human element to the magazine. It doesn't need to be staid and all about numbers. It includes things that are more in tune with personal lives of executives and people who follow the business world. It's developed a personality."

**O**f course, there are detractors who say *Fortune* has developed a little too much of a personality, like the party guest with the lampshade on his head. "They're becoming more of a gossipy, celebrity-driven publication," says *Forbes* editor James Michaels, the crusty 76-year-old who shows no signs of slowing down his fierce rivalry with *Fortune* after nearly 40 years at the helm. "They're moving quite decisively away from the serious business subjects."

Huey dismisses the charge. "We do more lengthy, heavy-weight analysis of issues than any other business magazine," he argues. Given the increased fascination with corporate life, should Huey really have to apologize for making a frequent cover boy of, say, Bill Gates—who is to business moguls what Leonardo DiCaprio is to 12-year-old girls? "Look," continues Huey, "he's the richest man in the world. He's the most powerful guy in business. Everyone's afraid of him. Everyone's fascinated with him. We don't just put him on the cover because he's Princess Di."

In a refreshingly open feud, Michaels and Huey take an ill-disguised glee in baiting each other. According to Michaels, *Fortune* has been moving "decisively downscale" and has become less competitive with *Forbes*, whose tub-thumping of its *Forbes* 400 annual issue has made it the book of record for billionaires. "That's ridiculous, and provably wrong," counters Huey. "The only thing about *Fortune's* demographics that have gone down is our age, because we've become the baby boomers' business magazine. But this audience is also getting much richer, which explains the big influx of luxury goods advertising we've seen in the last couple of years."

Huey's rant continues—"Wow! They finally discovered Silicon Valley in 1997?" he says of *Forbes'* opening an office there—but some cooler heads than his agree with him on the shift in the business category. "I'd hate to be in *Forbes'* shoes

right now," says Howell Raines, editorial page editor of *The New York Times* and a longtime friend of Huey's. "I think John's made *Fortune* a must-read magazine for people in that world, and people not in that world. And, you know, *Forbes'* ideological anchor makes it difficult for them to respond to a magazine that's as fast on its feet as *Fortune*."

But Huey's tendency to relish a good fight has caused critics to say he has used the magazine to settle old scores. In early 1996, *Fortune* did a go-for-the-jugular profile of Steve Forbes during his presidential campaign, bringing to national attention his refusal to reveal his tax returns. More irritating to *Forbes*, the article claimed the publishing scion personally vetted some stories about a few of his favorite captains of industry and *Forbes* advertisers. Huey has had an ongoing contretemps with Dow Jones, his old employer; they've been lobbing salvos at each other since Joe Nocera's February 1997 article about the company's financial malaise. Dow Jones and *Journal* sources do not dispute the story, which was the first to openly cite discord among the family ranks that control much of Dow Jones' stock and revealed overtures made by investors like Michael Price. For the record, a Dow Jones corporate official will only say, coolly, "We have enormous respect for Joe Nocera." But behind closed doors, *Journal* staffers say Huey has made no secret of his animosity for Dow Jones chieftain Peter Kann and particularly for Kann's wife, Karen Elliott House, who is president of the company's international publications and allegedly undermined Pearlstine's authority at every turn. "It's about his loyalty to Pearlstine," says one *Journal* insider. "It's like, you can be a friend to Kann or a friend of Norm Pearlstine, but not both."

Huey vehemently denies having any agenda. "Why should I? I worked there for 14 years, did very well, and then quit to pursue something else." He defends the importance of the Dow Jones story, adding that the *Journal* did a "horrible job" of covering news at its own parent company. "By contrast, Time Inc.'s coverage of Time Warner is a paragon of virtue, and yet we're always singled out for this or that conflict of interest. Sometimes I think they [the *Journal*] think God decreed only they can write tough business stories about companies. Well, He didn't."

Whatever else God may have decreed, it wasn't the future success of John Wesley Huey Jr. Growing up in a pleasant suburb of Atlanta, the only son of John, a dog trainer, and Helen, a homemaker, Huey was hardly a golden boy. "He didn't study much, but he did well in school," recalls his mother. "And he loved to talk. He was always getting in trouble in school for talking too much."

Although he did earn enough merit badges to become an Eagle Scout, he spent most of his time in high school as "a borderline juvenile delinquent," as he puts it. "I was the kind of guy who rode around in noisy cars, smoking cigarettes and hanging out at the Zesto drive-in on Friday night." He gave little thought to being a writer; he wanted to sing and fronted a succession of

bands during high school, "none of them memorable."

"When I first met John, he wore a goatee. He had this whole Southern hipster thing going," says *Esquire* writer Tom Junod, who lives in Atlanta. "There are lots of guys like him who grew up down here: white boys who want to be black blues musicians." That desire to be a singer hasn't entirely gone away. Huey has sung backup with The Rock Bottom Remainers, a group of literary rocker-wannabes that includes Huey's friend, the writer Roy Blount Jr., David Barry and Amy Tan. "My teenage son was impressed," says Huey. Friends say that if you catch him in the right mood, he can do a mean James Brown.

After graduating from the University of Georgia in 1970 and a stint in the U.S. Navy, Huey eventually landed at the *Atlanta Journal-Constitution*, mostly as a crime reporter. "He was extraordinarily precocious," recalls Howell Raines, who, as political editor at the *Journal-Constitution* in the early '70s, remembers sending the new kid to cover a clueless college professor who was running an inept campaign for Congress. (Professor Gingrich lost that race, but eventually learned to run better ones.) "And you can't underestimate his tenacity. Until John came along, no one in Atlanta could crack Coca-Cola as a corporate culture. But he did, and those stories shook and dazzled Wall Street." Huey's early connection to Coke paid off handsomely years later, as he was able to capitalize on his relationship with the company's celebrated CEO, the late Roberto Goizeta, to get deep in the belly of one of the great business growth stories of the 1990s.

**M**uch has been made of Huey's genius for getting crusty titans of industry to peek out from their lairs. "I love dealing with him," says Intel's Andy Grove. "In my view, he's a journalist's journalist. He's not tough, or easy. He's always learning, with no airs." When Grove was stricken with prostate cancer, he felt comfortable enough with Huey to suggest *Fortune* tell the story. The article was nominated for an ASME award.

Some say *Fortune's* access in the business community has increased markedly because of Huey's capacity for befriending the executives he deals with. Huey demurs. "Look, that's what I'm paid to do—be plugged in," he says. "And some of these guys and I do have relationships. But 'friends?' I wouldn't go that far. It's not like, 'Oh, wow, these guys really love to be with me!' I'm sure when I'm not in this job, they won't return my phone calls. But that's OK. I get it."

In 1975, Huey joined *The Wall Street Journal* in its Dallas bureau. Four years later, he returned to Atlanta as the paper's youngest bureau chief. It was there he met Pearlstine, then national editor of the *Journal*. "He had a great nose for news and reporting, and was a gifted writer in ways I'm not," says Pearlstine today. "But what I found really interesting about him was that he was also interested in the business side and

the marketing of publications." When Pearlstine moved to Brussels in 1982 to found the *Journal's* European edition, he asked Huey to join him as managing editor, even though Pearlstine had doubts about his leadership and management skills. But Huey acquitted himself well—although those who worked for Huey in Brussels recall he was not the easiest character to work with. "On the one hand, you always knew where you stood with him. If he loved something you did, he really loved it," says one former staffer. "On the other hand, if he didn't like something, he could be brutal."

Not to mention tactless. To his great credit or detriment,

depending on where you stand, Huey has never learned the value of political correctness in the workplace. For example, his decision to put Ogilvy & Mather chief executive officer Charlotte Beers on the cover of *Fortune*—not for her achievement in the advertising industry but as part of a package on fashion in business—was not, he admits, one of his better ideas. While freely acknowledging Huey isn't exactly a sensitive new age guy, women at *Fortune* say they feel they're working in a meritocracy. "There was a woman editor here awhile back who was talking about the lack of sexism at *Fortune*. She said, 'We'd hire an orangutan if it could write.' And I think that's how John feels," says one longtime editor. "Writing is either good or bad in his mind. So the chance for politics, sexual or otherwise, to play a role is diminished here."

**H**uey never really felt at home in Brussels. He was eager to get back to his native Atlanta. In 1984 he did—about the same time his second wife, Sue, was diagnosed with breast cancer. She died a few years later. "I was damaged goods for a long time after that," Huey says quietly. Her death also left Huey a fatalist. "I think it just made me more accepting of events as they unfold. Less afraid of risk. More appreciative of good fortune. Softer. Tougher."

Huey wanted to stay in Atlanta, partly to be near Jake, now 17, the son from his first marriage. But he also felt he wanted to fulfill a lifelong dream: running a magazine about Southern business. He took a sabbatical from the *Journal* to develop a prototype for a new Dow Jones title called *Southstreet*. The proposal was never funded—another reason *Journal* staffers give for why he might carry a grudge. It was now 1988, and "John was my first choice to be front page editor of the *Journal* before Jim Stewart," says Pearlstine, referring to the Pulitzer-prize winner now on staff at *The New Yorker*. "But John was unwilling to leave Atlanta at that time." After 14 years at the *Journal*, Huey had turned down the job everyone wanted. It was time to move on.

Enter Time Inc. and its chairman, Don Logan. Huey was recruited to be an editor for *Fortune*, but as soon as he got there, he began campaigning for the company to open its coffers and fund his startup magazine. "Huey was relentless, and the political climate at that time was particularly dicey," recalls one insider. Eventually, Logan decided the magazine was a go. It was called *Southpoint*. Its premise was the unifier of the New South was not its common culture but commerce.

There was one catch: The premise was untrue. And even if a germ of a good idea was evident, the magazine's audience couldn't care less. "Oh, God, *Southpoint*," Huey groans. "What wasn't a problem there?" As doomed as *Southpoint* was from its inception, staffers insist the magazine showed what an extraordinary editor Huey could be. "He had these incredible powers of motivation—if he wanted me to do a story, he would

The issue featuring  
**African American**  
business stars was one of  
the best newsstand sellers  
in 1997; IBM's Gerstner  
hasn't spoken to  
a **Fortune** reporter  
since his profile ran



Newsstand sales are up 30 percent under Huey.

“What I found interesting about John was that he was interested in the business side of publications.”

—Norm Pearlstine

**Longtime companion: Pearlstine hired Huey at the *Wall Street Journal* and then wooed him to *Fortune*.**



sell me,” Junod says. The National Magazine Award winner believes Huey profoundly influenced his writing. “He really helped me learn to pace, how to tell a story.”

To this day, Huey elicits an unusual degree of respect from his editors and writers. Although he does like having people around who will “laugh at his jokes,” as one ex-staffer says, he doesn’t surround himself with wussies. When I ask deputy managing Rik Kirkland to give me a story about Huey, he shoots back, “How about something that makes me look good because I’ve saved his ass?” Huey is the first to agree. “This guy could be the editor: Some of my predecessors tried to hold him down because they saw him as a threat.”

Huey’s managerial savvy was not lost on the brass at Time Inc., who cut off *Southpoint* after nine issues, then brought him back to *Fortune* in 1990 as a senior editor. After about six months, he went on sabbatical to write Sam Walton’s best-selling autobiography, *Made In America*—an experience both gratifying and painful, since Walton was dying of cancer. The process was a painful reminder of Huey’s wife’s death several years earlier. When he finished the book, Huey returned to *Fortune* and to Logan. “Think about this for a second,” says Rex Granham, a Huey friend who is ABC’s London bureau chief. “Logan is the guy who blew up John’s dream, yet John still has a superb relationship with him. What does that tell you?”

After a few years, Huey was named executive editor of *For-*

*tune*; within two months after Pearlstine became editor-in-chief of Time Inc. in 1995, Huey got the top slot. Some say he was still angry and disappointed his magazine had failed, and his thwarted desire was somehow reflected in the ensuing hirings and firings. Others say a shakeup was inevitable and overdue. Huey himself puts it this way: “It’s obvious no one gives me anything because they want me to preserve it and keep it the same. It’s not what I do.”

Intent on boosting newsstand sales and buzz, Huey has courted controversy with his covers. He knew full well that when he put investor extraordinaire and Rainwater chief executive Darla Moore on the Sept. 8, 1997 cover and called her “The Toughest Babe In Business,” he was inviting hisses. “I called her before I did it,” Huey says. “This is a smart woman. She was fine with being called a babe.” Adds Junod: “I saw one of his first covers, and it said in huge letters, ‘Lawyers from Hell.’ I thought, ‘That’s John.’”

The best-selling issues are somewhat predictable efforts: The twice-a-year *Investor’s Guides*, which sell about 130,000 copies apiece on newsstands, But Huey’s sleeper best-seller in 1997 was a cover on African-American business stars that sold more than 60,000 copies at newsstand. Huey claims he never looks at the magazine’s market research to devise his editorial concepts. “Readers don’t know what they want until they see it,” he says.

About two million *Money* readers will see what Huey thinks in the next few months. Last December, Huey was tapped by Pearlstine to revive the title, displacing longtime editor Frank Lalli. Huey’s name won’t appear on the masthead, but he hired the new managing editor, 33-year-old Robert Safian, whom he recruited a year ago from rival *Smart Money* to breathe life into *Fortune*’s personal-finance section. Safian will report to Huey instead of to Pearlstine, a significant signal of editorial clout on Huey’s part. “This is what John’s always wanted,” says a longtime Huey observer.

For now, Huey has little to report about his plans for *Money*. “I hate talking about what I might do, instead of what I have done,” he says. He notes he’s there to “help out” and “fast-track” Safian’s ideas through Time channels.

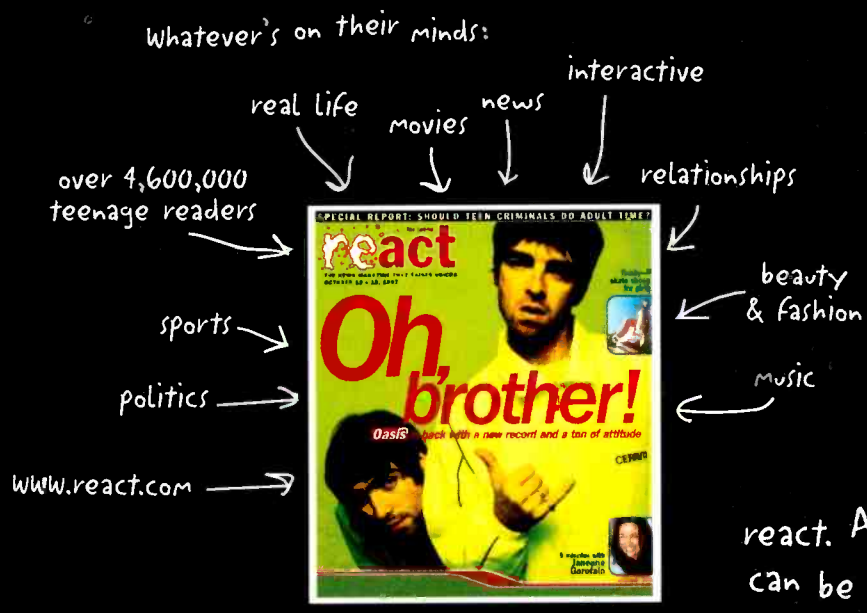
However high his ascent at Time Inc. goes, Huey ultimately wants to return to the South. He commuted from Atlanta to New York for three years before his new wife, Kate, and their now 4-year-old son, Cole, had enough. Reluctantly, he moved everyone to a comfortable, spacious house in Bronxville, N.Y. But as arguably the most powerful managing editor at Time Inc., Huey has his sights set on other goals—a dream befitting a man who, in his heart of hearts, wanted to be Chuck Berry. “When he retires, John’s going to be a radio DJ,” says Kate Huey. “There’s this station in South Carolina called The Breeze—it’s all old rock ‘n’ roll, old blues. As soon as we get there, he switches it on, and he’s in another world.”

“Let’s just say,” says Huey, grinning, “you’ll never find me at a Renaissance Weekend.”



The World According to Valerie LaManna, Junior, West River High

"Parents tell us we're too young to handle relationships, and then they get divorced."



react. As close as you can be to a teenager.

# Mass appeal

Mary Berner  
has made established,  
big-circ **Glamour** new again  
By Noreen O'Leary

**J**ust how competitive is Mary Berner? Consider the *Glamour* publisher as she shrugs off serious business headaches and leaves the office for a little fun. During a sales meeting last fall, Berner's employees were let loose on a 90-minute scavenger hunt to find some pretty strange stuff—even by New York City standards. While her staffers rushed around town to impress the boss, Berner's team aced the contest easily. Find a male stripper? No problem. Chippendale's may be closed, but Berner paid a Lower East Side transvestite \$20 to show off his goods as he posed for a picture with her group. It was a little tougher to find a Chinese food that does double duty as a non-edible product. Berner offered her wedding ring to various store owners as security against

Photography by Mo Daoud

executive of the year





borrowing a resident cat, finally getting the proprietors at John's Pizza to take the bait. But the cat didn't. Not to be deterred, the staff jumped into the Condé Nast limo, off to Chinatown to buy a live rat, which Berner put in a Chinese takeout container.

It's hardly the antics of the *Glamour* ingenue reader she looks to be—and exactly the creativity and resourcefulness of the magazine publisher she is. A year ago, few would have guessed *Glamour* could become one of the industry's hottest books. In recent years, the magazine has posted anemic growth at best, lost share at worst. In a high-profile category characterized by niche targeting and new, young editors spouting the latest thing, *Glamour* could not leverage buzz. Editor-in-chief Ruth Whitney is one of the most well-regarded journalists in the business, but she's been at the helm of the 59-year-old magazine for half of its life. The magazine's stats don't exactly scream trendiness, either: With more than 12 million readers, it is the biggest title in the category and by definition a mass circulation book. So in November 1995, when Berner, then-publisher of *TV Guide* and a fashion magazine novice, joined *Glamour* in that role, her competitors didn't exactly break into a cold sweat.

No doubt that's changing. In 1997, *Glamour* beat out all of its rivals, as well as every title on Condé Nast's roster in reported page gains. Ad pages climbed 16.4 percent, the magazine's biggest increase in 16 years. Twenty percent of that rise came from new business—and new categories. Advertising from health marketers, not typically found in fashion/beauty books, grew 101 percent and is now *Glamour's* third-largest category. The magazine enjoys a healthy mix of advertisers, ranging from Neutrogena to Chanel to Intel.

"Mary's outperformed beyond our wildest dreams," sums up Steven Florio, Condé Nast Publications president and chief executive officer. "It's a record year. She's bonded wonderfully with Ruth. She's the best publisher *Glamour's* ever had."

That's something Florio cares a great deal about. *Glamour* is Condé Nast's most profitable title.

Publishers at other fashion books may have second-guessed Berner's nonfashion resume, but it's that training that Berner largely credits with *Glamour's* success last year. Coming out of Rupert Murdoch's scrappy, bottom-line-driven News Corp. culture, she has little patience for the effete traditions of the fashion/beauty book business. Current and former colleagues praise her razor-sharp analytical skills, decisiveness and marketing instincts, saying the only thing more intimidating than the speed at which Berner talks is the probability that her mind is moving even faster. "Mary comes up with 8,000 ideas a day, 4,000 of which I tell her she probably can't do. But she never stops trying," says Florio.

It didn't take a lot of brainstorming for her to see that the new emphasis at the magazine should emerge from the obvious. While many in the fashion business would eschew a "mass" characterization, Berner—who learned something about the power of numbers while running *TV Guide*—walked into *Glamour* and seized its circulation as a true competitive advantage.

"We did away with everything not reflective of our size," says Berner. "Other books in the category don't have our circulation or image. We knew we had to use that in a way that is very strategic and smartly tactical. When you're the category leader, it makes no sense to take your cues from the people behind you."

Fashion books typically coordinate a promotion within a few markets or in a small number of stores. Berner is the first to up the ante and create full national retail partnerships for advertisers, setting up alliances with all the stores in chains such as Bloomingdale's, Dillard's and Eckerd's. "*Glamour* is developing relationships with advertisers that actively impacts business at the store level, and Mary goes beyond that," says Sheri Baron, president of the Gotham Agency, which boasts clients such as Maybelline and Yardley of London. "She's always trying to create new opportunities for us."

While other category books see value in trendiness, Berner finds those kinds of opportunities in *Glamour's* established traditions. Diet Coke just signed up for a second annual sponsorship, pledging more than \$1 million to underwrite the magazine's Women of the Year awards. *Glamour* is looking to create similar linkups for other special issues, such as its annual Top 10 College issue. "We think like brand managers around here," says creative services director Elizabeth Tighe.

*Glamour* is also one of the first magazines to create a point-of-purchase link between advertisers' messages in the magazine and retail behavior. That is proving to be a powerful point of difference to customers. "Most magazines give you merchandising while they market themselves," says Nina Altschiller, general manager, marketing communications, Wool Bureau. "The difference with Mary and her team is they are concerned with our marketing problems. They went out of their way to make us visible beyond just our symbol, and then they gave us quantifiable evidence that they moved product bearing the wool symbol."

**T**he 38-year-old Berner is *Glamour's* first female publisher—not that gender has anything to do with it. "I had to fill the job. I called a headhunter and asked 'Who is the best publisher in America?'" recalls Florio. "He said Mary Berner. I had already interviewed 25 people for the job. Within five minutes of talking to her, I knew she was the one."

Berner seems to have that effect on her bosses. When she was 29, she got a call from a headhunter for a sales job at *TV Guide*; within six months she was named associate publisher. Earlier, at 26, she was made publisher of *Success*.

"Mary Berner is pretty much exactly what you see; there's no hidden agenda," says former *TV Guide* editor Anthea Disney, now chairman, CEO, News America Publishing Group. "She's incredibly smart, very results-driven; tough, but never obnoxious. She's just totally focused on getting the job done."

To get the job done, Berner can be demanding.

"I play hardball about the standards around here, about what

is unacceptable," Berner admits without apology. "We've gotten rid of people who are above average. That's not good enough."

Once a month, she has a full-day staff meeting, once a week two-hour groupings—work sessions that continued even during her maternity leave last year when top managers would camp out in Berner's Manhattan apartment. "Each meeting will generate three to four pages of single-spaced minutes, things like 'Get an answer on this situation, get something else done, go to the next step on another thing,'" says Anne Zehren, associate publisher, marketing. "When she asks you to take on a task she means it, and you don't dare come to the next meeting unprepared."

"She's determined and gutsy," says editor-in-chief Whitney. But what impresses her is Berner's confidence. Whitney describes how right after Berner joined Condé Nast she was invited to the Costume Institute Ball. Whitney suggested Berner buy herself a gown for the event. So Berner went to Bergdorf's and did so. The day of the party the store lost it. But, Berner didn't panic. She dug into her closet and pulled out a white top and black skirt. It was her debut among many of the intimidating Condé Nast glitterati, and she carried it off in her informal outfit, with great poise. "She was quite a performance in calm," says Whitney.

Her confidence in managing people is also apparent. When longtime colleague Eva Dillon announced her decision to leave *TV Guide* for Meredith's *Country America*, Berner reminded her: "You're never going to have another boss like me." Dillon moved on anyway. Eighteen months and a couple more positions later, Dillon got a call from the new *Glamour* publisher asking, "Had enough yet?" It didn't take much convincing. Dillon came on board as advertising director. "When you're in a job like this, you get calls all the time for other positions," says Dillon. "The way I feel about working with Mary, the answer is always: No way."

Dillon's become a good friend, as has Anthea Disney. For all of her tough, no-nonsense management style, Berner engenders such loyalty among colleagues. Coming from big-book backgrounds such as *TV Guide*, *Family Circle*, *Newsweek*, *Reader's Digest* and *People*, Berner's crew have established themselves as a tight, unlikely group in the size 4 world of Condé Nast fashionistas. They skip see-and-be-seen publishing power lunching spots in favor of Patrick Conway's, an Irish dive near Grand Central Station where they roll up their boucle sleeves and hash out problems over burgers and fries. ("It's not quite '44' but we do have our own table over there," laughs Zehren, referring to the posh eatery in the Royalton Hotel that serves as the unofficial Condé Nast canteen.)

One of Berner's most loyal colleagues is Dorothy Watford, the publisher's assistant of 15 years who has known her longer than anyone at *Glamour*. Watford met the younger woman in one of Berner's first jobs, at *Working Woman*, where Watford was temping as a Kelly Girl. They've been together ever since. Berner has brought her children over for barbecues, where she nudges Watford when introduced as the boss, asking to be known as a "friend" instead. When Watford's brother died

recently, Berner hopped a plane to Savannah, Ga., to be with the family at his funeral.

Other staffers relate similar courtesies and awe at Berner's ability to manage such details in the face of a large job, an investment-banker husband and rearing of three children under the age of six. (It was only after the birth of her last child that Berner got a live-in nanny who works only during the day.) She arranges her breakfast meetings around taking her children to school; if she has a free lunch hour, she often runs out to share a meal with one of them. Berner keeps up with extracurricular activities like reading—up to four books a week—and serving as a class mother, where she organizes fund-raising activities.

Several years ago, Berner began volunteering at St. Pius School for Girls in the South Bronx; she maintains that relationship today. Before *Glamour*'s October sales meeting erupted into the scavenger hunt free-for-all, Berner's troops spent the day at St. Pius holding workshops on self-esteem. She's also created a lecture series at the school, where successful Hispanic and black women, such as senior Maxwell House executive Ann Fudge, talk to the girls.

"How she juggles it all is beyond me," says Disney. "She's just incredibly disciplined with her time. She comes into the office in the morning and the work's all stacked waiting to go. There's no chit-chat or time wasted. She makes sure she doesn't take it home with her."

"Mary Berner has real balance in her life," concurs Florio. "I get calls from my publishers all the time on weekends. Never from Mary."

Observers who are impressed with the ease, energy and self-control with which Berner tackles her various responsibilities say it's almost instinctual with her. "I think she learned how to manage her time at an early age," says a friend. "She grew up in a big Irish Catholic family of achievers, successful people who set out to get a lot done in the day."

That family is a primary focus in Berner's life. Her father is a partner in a Chicago corporate law firm, her mother went back to school to get a master's degree in social work, which she's actively involved in. When she travels on business to Chicago, Berner brings one of her children so they can spend a few days with their grandparents while she works.

"Mary's clear in her priorities. She has a lot emotional security and financial security," says a friend. "The reason she works is because she is highly motivated to do so. That may be why she's so successful."

About that success, there's little doubt. Florio says he's already asked her to consider other positions in the company, jobs she's declined to pursue. That should make *Glamour*'s Madison Avenue constituents happy.

"Since Mary joined the magazine, the change over there has been nothing short of cataclysmic," says the Gotham Agency's Baron. "You get the sense from them that they have to earn the respect of their advertisers every day." ■

# This year's model

After sizing up the competition, co-publishers find a niche for *Mode* By Lisa Granatstein

**T**alk about your power breakfast. Two years ago, at the prodding of a mutual friend, publishing pros Nancy Nadler LeWinter, 48, and Julie Lewit-Nirenberg, 53, got acquainted. As the two talked shop over pancakes and omelettes, they found they had much in common. Both were veterans of top-drawer fashion and beauty books and were used to running their own show. LeWinter's c.v. includes stints as U.S. launch director for *Marie Claire*, business and ad director for *Glamour* and

Photography by Mo Daoud

startup of the year

**Winning team:  
Julie Lewit-Nirenberg and  
Nancy Nadler Lewinter.**



*Vogue*, respectively, and first female publisher of *Esquire*; Lewit-Nirenberg had been publisher of *Mademoiselle* and founding publisher of *New York Woman* and *Mirabella*.

They discussed people they both knew, compared war stories and battle scars: Three years ago, Lewit-Nirenberg joined the ranks of *Mademoiselle's* purged execs, while in 1993, LeWinter toughed it out at *Esquire* before being shifted over to Hearst's corporate side.

They also talked about what they had read in that day's newspaper, an article about a clothing designer offering a full-figured line. And during that serendipitous conversation, they shared an epiphany: Here was a niche just begging for a book. The seeds for *Mode* were sown with that first meeting.

"We wanted to start a magazine that wasn't only about a new size category," says LeWinter, seated with Lewit-Nirenberg in their midtown Manhattan office. "It's also about a new sensibility, one that makes fashion a pleasure instead of a pain."

*Adweek's* Startup of the Year actually had a modest beginning. LeWinter and Lewit-Nirenberg first perceived *Mode* as a custom publication, pitching it to a major retailer who in turn begged off for a year. But the duo knew they had a gem—their gut and their research had told them so. They also knew that if they agreed to wait, someone else would cash in.

"From the very start we knew we could put out a quality magazine," LeWinter recalls. What they could not predict, however, was that their brainchild would strike such a resounding chord with readers, taking in a whopping 15,000 letters and emails in the past year alone. "It's really been overwhelming," LeWinter says. Until *Mode's* launch, in February 1997, conventional wisdom held that readers who wore size 14 to 24 wouldn't buy a book that mirrored their image, despite the fact that 65 million women fit this category.

But cynics need only read *Mode's* mail. An ecstatic Texan wrote to say she drove three hours to Dallas and spent more than \$2,000 on Eileen Fisher, Emanuel Ungaro and Dana Buchman outfits. "Thank you," she penned, "for helping me find style." A reader from New York City indicated how thrilled she was to find a model wearing a dress she had recently bought but was too self-conscious to wear. "Lo and behold!" she exclaimed. "There she was, inspiring me to go out and strut what I've got with pride!"

A hot idea and infectious enthusiasm are not enough to get you published, however. LeWinter and Lewit-Nirenberg needed an investor. They had one conversation with Hearst, and then approached a mutual acquaintance, Stanley Harris, whose company, Stanley Harris Publications, oversees some 400 small niche titles, including *XXL* and *Guitar World*. In June 1996, Harris bought a 50 percent stake in the magazine for an undisclosed sum. The duo split the difference. They agreed Harris would handle *Mode's* distribution and manufacturing and the co-publishers would take care of its creative and business needs.

As the two began to shop the book around to advertisers, they found its formula easy to explain. "Normally, advertisers' eyes roll into the back of their heads," Lewit-Nirenberg says, "and they say 'who needs another fashion magazine?'"

"But with *Mode* you didn't have to get past the first sentence," LeWinter says, jumping in. "It was, 'Yeah, I get it!'" Saks Fifth Avenue, Lane Bryant, Revlon, Clairol and Elisabeth, Liz Claiborne's plus-size line, would be among the first to climb on board.

**F**ast forward to *Mode's* first anniversary issue, now on newsstands. By all indications the magazine is thriving. Its rate base has shot up 24 percent to 330,000 since its launch as a quarterly and there are plans to increase the circulation to 375,000 this fall. Ad pages are healthy, too. *Mode* averages 70 pages per issue, peaking last fall with just over 100. (Ad rates are \$13,050 for black and white and \$18,000 for full color.) Major retailers such as Nordstrom and Neiman Marcus are buying pages, as are designers Dana Buchman and Givenchy. The book even cracked the automotive category, snagging a full schedule with GM Saturn last fall. And Kellogg's Special K just signed on for April's issue. "That's a good sign," says Ellen Oppenheim, media director for Foote, Cone & Belding in New York. "It means they are attracting advertisers beyond core categories. And a sign of the health of a magazine is the breadth of categories represented." Fueled by their success, LeWinter and Lewit-Nirenberg scrapped plans to go bimonthly this year. Instead, they will go full throttle with 10 issues, and then monthly in 1999.

*Mode's* office has also grown. Since Lewit-Nirenberg, LeWinter and three others moved into their fifth-floor quarters in June 1996, the magazine has mushroomed to 29 staffers and expanded to three floors. The co-publishers are office-mates, sharing a space that combines LeWinter's penchant for Armani, country-French decor and antique pine with Lewit-Nirenberg's yen for Chanel, abstract art and modern glass. "It's amazing that it all worked so well together and that we do, too," LeWinter says.

About half the book is devoted to fashion, with lavish layouts, tips on sprucing up your wardrobe and pages devoted to Web sites, catalogues and shops to help readers find the fashions displayed in *Mode*. The magazine also uses a unique styling method it calls "body styling."

"We look at the clothing trends and then translate it for women's bodies that are real bodies," says editor-in-chief A.G. Britton. So if, say, straight pants don't work on your body, *Mode* will find pants that do. "It's a complete departure from other fashion magazines that look at clothes first and bodies second," she adds.

The book's other half is split between beauty and features, with a healthy dose of stories on celebrities. While this formula may sound familiar, the substance is anything but. Everyone in *Mode* is smiling. No heroin chic here. And dieting? "Never!" Lewit-Nirenberg says firmly. "That goes to preaching and being judgmental. Why should we be the arbiters of what you should be? Make that decision for yourself."

Still, not all readers agree with their philosophy. In February's issue of *Self*, editor-in-chief Rochelle Udell wrote "Good-

bye, Fat Head," an article detailing her struggle with weight control. In it, she explains how as a size 14, she couldn't get past *Mode's* cover. "If I could look in the mirror, see a fat me and feel good about myself, I would gladly live fat. But I can't," she wrote. "The magazine gave me permission to be a size 14 and I didn't want it."

"You give yourself permission," LeWinter counters. "If you're looking to a magazine to tell you what and who you should be, then you've got a problem." And, she continues, "there will always be women who have problems looking at themselves. But there will be a whole lot more that say, 'Maybe I look great today or maybe I should lose five pounds, but for right now this is the magazine that gives me an attainable fantasy.'"

And it seems as though women are increasingly buying into that philosophy. "We couldn't have done this magazine five years ago," Lewit-Nirenberg says. "There is a not-so-quiet revolution out there that's saying not everybody wants to be, likes to be, or can be a size 4."

Even teen fashion books are getting in on the act. Last year, *Seventeen* featured plus-size prom dresses and back-to-school clothing. January's issue offered a slew of articles on the subject and two fashion spreads filled with shapely models. "We've become enlightened to a certain extent," notes *Seventeen* editor-in-chief Meredith Berlin. "What we think is beautiful is changing, but it's also about money, playing to a market and where you'll be able to sell your stuff."

**I**n the past five years, the plus-size segment of shoppers increased their clothing purchases by 43 percent, compared with 36 percent for the total women's market, according to the Wool Bureau. And during that period, an estimated 200 large-size vendors grew to more than 2,000.

"There is enough in the market out there to create a fashion magazine that is *Mode*," says Michele Weston, the magazine's fashion and style director. "The design has changed, the mindset has changed and the commitment to this customer has changed." Now, women size 14 to 24 can easily find Ellen Tracy, Versace and Anne Klein II in department stores, where before they either found nothing or poorly made clothing hidden behind the linens.

"We were reluctant to offer someone sizes in that category," explains Neiman Marcus vice president divisional merchandise manager Stacy Staiger. "The quality didn't measure up to the standards we had for product." But times have changed. Just over two years ago, Neiman Marcus began to offer plus-size clothing in a handful of its stores; now Women's Studio, its plus-size department, is available in 20 of its 30 locations. Conveniently, the magazine is available to pitch its wares. "It's the most upscale magazine that is focused on this customer," Staiger notes.

Though *Mode* is not the only game in town for full-figured women—the category includes health and lifestyle books like *Belle*, which is geared toward women of color, and *BBW* (Big

Beautiful Woman) for supersizes—it is the category's slickest mainstream fashion book. But the cost of a subscription doesn't come cheap. *Mode* is set at \$18 for 10 issues. Why? "Because we're worth it!" Lewit-Nirenberg deadpans. Perhaps it's also because you'll never see ads for sex aids, diet gimmicks or dating services. "It's the price we pay to keep it a class act."

To ensure that *Mode* remains a class act and continues to grow, the two publishers shifted gears last fall. Freedom Communications, a California-based media company, bought Harris' 50 percent investment for an unspecified sum. As a relatively new area for the 75-year-old newspaper company (and more recently television), Freedom has a growing stable of magazine partnerships, including *P.O.V.*, *Home Theater* and *Entertainment@Home*. "We don't do cold startups," says Sam Wolgemuth, president of Freedom Magazines. "We look for terrific magazine situations where the fundamental premise has been proved in the marketplace. *Mode* looked like a winner from the moment I heard about it."

Plans for the magazine include upping the circulation and expanding to other mediums. Last December, *Mode* sent out 270,000 mailers and added 12,000 new subscribers in seven days. And now that the book is linked with Freedom, LeWinter and Lewit-Nirenberg can explore opportunities in television, syndicated newspaper columns and the Internet.

There is also talk of a possible fashion trade show in November. In the meantime, *Mode* is already on the brand-wagon, licensing its name with Butterick Patterns. Last January, *Mode* was a sponsor of a symposium on full-size bias in the fashion industry, with major industry panelists such as Anne Klein president Colombe Nicholas and designer Caroline Simonelli. And the co-publishers have begun firming up plans for a special back-to-school issue for teens, in part because of the book's characteristically strong, emotional reader response.

On the newsstand, *Mode's* shapely models are even catching glances from men. "They're hot as hell," insists one enthusiastic male, eyeing the 14 curvy models on February's cover. "It's refreshing to see voluptuous, beautiful women on the covers and not those with an emaciated pallor."

In its Winter issue, *Mode* asked readers to answer a detailed questionnaire on where they shopped and to send in receipts of recent beauty purchases. The goal was to determine its readers' brand preferences and prove to unconvinced advertisers that its readers shopped. They weren't expecting a great response; ideally, they hoped to get 500 questionnaires returned. To their shock, they got more than 4,000 completed surveys and *actual* receipts. "This is what happens," Lewit-Nirenberg says, waving a wad of receipts, "when a magazine taps into its readers. That's what good publishing is all about. And when you become part of that connection [like we have], that's when it soars."

"We get readers saying 'You've vindicated and validated me,'" LeWinter adds. "And in another way, they've in fact vindicated and validated Julie and me as being more than just marketers, but also creators." ■



# Spinning out of control

Teen People, SI for Kids...  
can Chocolate Cigar Aficionado  
be far behind?

By Lewis Grossberger

Like a Ferris wheel that has slipped its moorings and is careering down a mountainside, spewing screaming passengers every which way, The Great Magazine Spinoff shows no signs of abating. Postal workers are terrified, newsstands everywhere are slowly sinking into the pavement under the weight of new launches and excited but slightly alarmed magazine executives are pleading with young Americans to reproduce more rapidly to provide enough readers for all the new "brand extensions," as the execs like to call these mutant offspring of their best-selling titles.

Of course, you've already heard about (though not necessarily read) *Teen People*, *People in Español*, *Time Digital*, *Time for Kids*, *Sports Illustrated for Kids*, *Martha Stewart Living Weddings*, *Travel & Leisure Golf*, etc., etc., etc.

These are not enough.

We are a nation happy only with excess and whatever works. We want a few million imitations of it. More spinoffs! We must have more! Fortunately for all of us, 3,872,309 new titles happen to be in the planning stages. Here are just a few of them.

Perhaps the spinoff getting the most industry buzz is *Chocolate Cigar Aficionado*, which will launch early in the fall. This book is aimed at an untapped demographic: people who want to smoke cigars but can't because their parents won't let them.

"Yes, the typical chocolate cigar consumer is a child," says Kendall Plister, publisher of CCA, "but not just any child. These are successful, aggressive, powerful, dynamic achievers who have climbed to the top of the playground ladder, yet who need something in their mouth at all times." The first cover will feature pop-star Madonna's daughter, Lourdes, "puffing" on the Cocoa Cohiba from Godiva.

Undeterred by the low circulation and uninspiring ad sales of *George*, John Kennedy Jr. has announced the startup of *Albert*, a magazine aimed at supermodels who are interested in physics. "We don't see this as a niche publication," says

Kennedy. "Our research shows a growing interest in science among the model community." Kennedy has already signed Kate Moss to write a monthly column on what makeup to wear while studying quarks, and Linda Evangelista will offer advice to scientists with personal problems. Christy Turlington will grace the first cover in an Einstein wig.

Still in the rumor stage but already causing tremendous excitement among the literati is *New Yorker Classic* from Condé Nast. The magazine will be just like *The New Yorker*—that is, the pre-Tina Brown version. All the writers who quit or were fired when Brown came in will be back, and those who have died will also contribute—thanks to special computer programs that apply their styles to current subjects. The initial issue features a 16,000-word piece by John McPhee on sponges and

James Thurber on the Monica Lewinsky scandal.

*Martha Stewart Dying* will offer tips on sprucing up the inside of your coffin with homey little touches so as to provide a more pleasant environment for the deceased and soon-to-be deceased. Typical articles include "A Fleece Lining Keeps the Defunct Outdoorsman Snug and Comfy" and "Floating Caskets for the Yacht Enthusiast."

*Sesame Street for Adults* will guide "big people back to a once-familiar world they miss terribly," according to editor Marlin Fishwood. "Basically we're going to run the same pieces we run in *Sesame Street* but with bigger words."

*Foreign Affairs Style* already has advertisers knocking down its doors even though its first issue won't debut till 2007. Madeleine Albright's "Gaudy Jewelry" column is sure to be a hit with discerning readers, and Henry Kissinger is penning a six-parter titled, "U.S. Hegemony in a Post-Cold-War Environment Dominated by Multilateral Security Arrangements and Nubby Fabric."

One of the more intriguing though puzzling launches is *Ustlerhay* from Larry Flynt. Nobody at Flynt Publications seems exactly sure what market the uninhibited publisher is aiming for with a version of *Hustler* in pig Latin, but the first issue is fat with ads. "Larry's on some new medication," said an aide, who asked for anonymity, "and whenever that happens, things get a little strange."

I'd like to tell you about other launches but I have to go read some magazines. My apartment is getting a bit clogged. ■



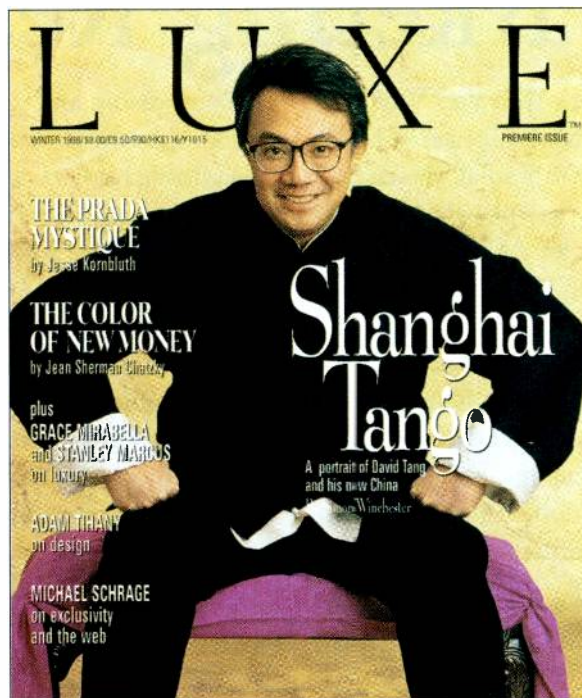
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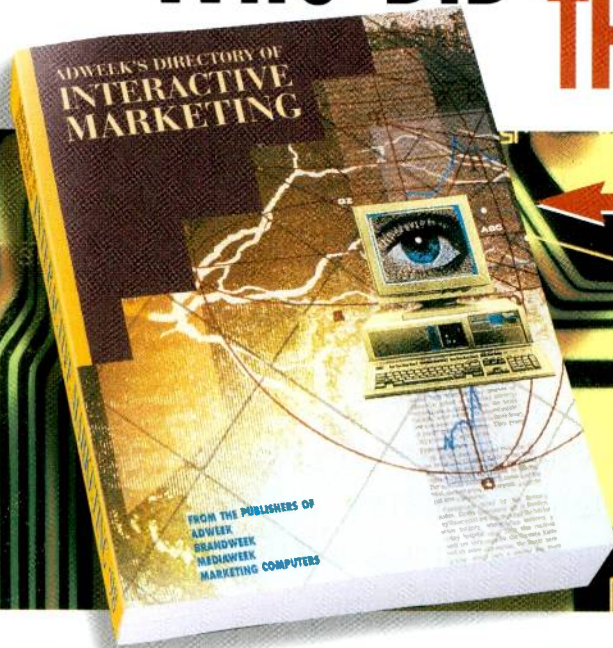
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# THAT WEB SITE?



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# TV SPORTS

By Langdon Brockinton

## Fox Scores Cable Deals

Regional sports channels said to net \$30M from new ad packages

**F**ox Sports Net has struck several new advertising deals said to be worth more than \$30 million. FSN, a group of 22 regional cable channels that reaches 58 million households, has new deals with Adidas, MCI, Volkswagen, Budget Rent-a-Car, Red Lobster and Nintendo for commercial time on local and regional telecasts of pro and college games. Most of the advertisers have bought time on all or almost all of the FSN regionals, and some have cut multi-year deals, said Lou Latorre, president of Fox/Liberty Cable Sales. He declined to discuss prices. Adidas has a multi-year deal to advertise on FSN's regional coverage of NBA games. Most of Nintendo's buy, meanwhile, is earmarked for NHL action. Several advertisers also bought time on such national FSN programming as *Fox Sports News*.

FSN also has begun pitching a 30-week package of Major League Baseball regional cable telecasts featuring 27 of MLB's 30 teams, said Randy Freer, the network's executive vp of sales. No deals have been finalized so far.

Advertisers also are being courted to sponsor the new "Fox Sports News Minute," a 30-second update of the three top sports stories of the day. A sponsor's 30-second ad would follow the news brief. The updates air at half-time on NBA telecasts and between the second and third periods of NHL telecasts. For MLB games, the briefs probably will air either after the third inning or during the seventh-



inning stretch. The Fox Sports News Minute also will join FSN's college football and basketball coverage beginning in August and November, respectively.

FSN, which began to take form in 1996 via the Fox Sports/Liberty Media merger, is being pitched to

national advertisers as an "unwired network" of regional channels with a viewership reach approaching that of ESPN. Late last year, the Cablevision/Rainbow regionals joined the FSN fold (in January, those outlets were re-branded as FSN holdings; for example, SportsChannel Chicago became Fox Sports Chicago.) FSN's channels now include several owned-and-operated regional networks (including Fox Sports Arizona, Fox Sports West, Fox Sports South and Fox Sports Midwest), various affiliated systems (including Home Team Sports and Midwest Sports Channel) and a number of carriage systems (including the Sunshine Network).

**The U.S. Army** has bought commercial time on ABC and ESPN's coverage of the 1998 World Cup, the military branch's first tie-in to soccer's quadrennial championships. "Soccer is rising in popularity with young people" in the U.S., noted Louise Eaton, media branch chief for the U.S. Army Recruiting Command. Another factor in the buy is the U.S. team's appearance in the tournament, which will take place in France

in June and July. "It's the national team—that ties into the patriotism, teamwork, leadership and pride of Army service," Eaton said.

The Army will air "multiple spots" on each ABC, ESPN and ESPN2 World Cup telecast. Eaton said; she would not discuss the budget. Because there are no in-game commercials on World Cup telecasts, the spots will run during pregame, halftime and postgame coverage. Like all World Cup advertisers, the Army will have its logo appear next to the onscreen game clock intermittently throughout the game.

Other ABC/ESPN World Cup advertisers include "gold" sponsors Anheuser-Busch, Nike, Canon and MasterCard. Honda and National Car Rental also recently struck deals with ABC to buy ad time.

**HBO** and the NFL have agreed to renew *Inside the NFL*, cable's longest-running series. The hour-long show, which premiered in 1977, features highlights and analysis of each week's games. After two years, the NFL has the option to extend the contract for another two years, said Ross Greenburg, senior vp and executive producer of HBO Sports.

**Adidas, MCI, Budget, Volkswagen, Nintendo, Red Lobster play ball with Fox Sports Net.**

**Fox Sports Southwest**, which this year holds all local TV rights to the Houston Astros, is looking to sell a package of games to an over-the-air station in the market. Paramount's UPN affiliate KTXH-TV, which aired Astros games last season, is said

to be interested.

Through a multiyear agreement with the Astros that begins this season, Fox Sports Southwest controls all the local TV rights. FSS will carry about 65 Astros games this season; the over-the-air carrier will get about 55 games. For the first time, FSS this season also may try to syndicate its telecasts to cable systems outside of Houston.

AND ON THE SIXTH AND SEVENTH DAYS, HE RESTED.

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# Local Media

NASHVILLE, TENN. • LOS ANGELES

TV STATIONS/CABLE TV  
Claude Brodesser

RADIO  
Rachel Fischer

PRINT/NEW MEDIA  
Dori Perrucci

## NASHVILLE/TV STATIONS

### WKRN-TV Hunts for Predators Games

•FIRST CAME WKRN-TV'S RATINGS GAINS in news. Then came its selection as the ABC affiliate for a national satellite broadcasting service. Now, Young Broadcasting's third-place ABC affiliate is likely to secure broadcast rights for 40 to 50 games of the National Hockey League's new franchise, the Predators. "I don't want to let the cat out of the bag, but WKRN is going to get it," one source close to the deal gushed last week.

Predators executives confirmed that discussions are under way with WKRN. But the same holds true for Florida-based Speer Communications' WB affiliate, WNAB-TV.

The team's broadcast rights are expected to be announced this summer, well before the first game in October. Meanwhile, Predators management, citing unfinished negotiations, declined to identify the aggregate value of the TV spots. A major talking point remains whether the Predators will retain control over ad sales or whether the team will cede control to the local TV station carrying the games. "We want to control the ads across the board," said Gerry Helper, the Predators' vp for communications and development. "We want to see a deal that allows us to offer sponsors one-stop shopping: TV ads, arena advertising, game programs."

That's exactly what WKRN wants. According to sources familiar with the station's plans, it wants the advantage of billing itself as the local sports station—without the hassle of selling an unknown team in a part of the country where hockey is not yet a popular sport.

"If a station gets the Predators, it's great, it boosts them into the next level of recognition," said Beth Graber, vp and media director, Sossaman, Bateman & Associates in Memphis. "But it's not right for all demographics." Hockey brings in a heavily young, male demo-

graphic, which is hard to find on the TV dial.

WKRN, while still in third place in news behind Landmark Communications' CBS affiliate, WTVF-TV, has seen considerable ratings improvement compared with the same time last year. Ratings were up in four of its five daily newscasts, according to Nielsen Media Research data furnished by buyers. "We don't conduct ourselves like a third-place station," contended Matthew Zelkind, news director for the station. Buyers acknowledged that Zelkind has taken an aggressive stance on spot-news coverage and has improved content. However,

they attribute part of the gain to set meters introduced by Nielsen last July.

Meanwhile, as part of a \$1 billion, 14-station deal, Sullivan Broadcasting's Nashville Fox affiliate, WZTV-TV, was acquired last week by Baltimore-based Sinclair Broadcasting. —CB

## NASHVILLE/NEWSPAPERS

### Becoming Aggressive Under Banner of Change

• LAST MONDAY, IT RAINED IN NASHVILLE. BUT *The Tennessean* hit a 98 percent on-time home delivery record by 5:30 a.m. The feat was made more remarkable considering that

## SCARBOROUGH MEDIA PROFILE: NASHVILLE

How Nashville adult consumers compare to those in the country's top 50 markets

	Top 50 Markets %	Nashville Market %	Nashville Market Index (100=average)
<b>MEDIA USAGE</b>			
Read any daily newspaper— 5-issue cume	58.7	46.4	79
Read any Sunday newspaper— 5-issue cume	68.5	55.5	81
Total radio average morning drive M-F	25.4	23.2	91
Total radio average evening drive M-F	18.2	15.6	86
Watched BET past 7 days	6.9	9.2	134
Watched CNN past 7 days	37.9	49.2	130
Watched ESPN 7 days	32.2	41.2	128
Watched Nickelodeon past 7 days	16.9	20.3	120
Watched TNN past 7 days	18.2	37.3	205
Watched TNT past 7 days	31.8	40.9	128
Watched The Weather Channel past 7 days	37.3	52.8	141
<b>DEMOGRAPHICS</b>			
Age 18-34	33.8	33.0	98
Age 35-54	40.0	39.7	99
Age 55+	27.9	27.3	98
Less than high school graduate	11.2	15.6	139
<b>HOME TECHNOLOGY</b>			
Connected to cable	69.8	66.4	95
Connected to satellite/microwave dish	6.0	14.4	241

Source: 1997 Scarborough Research—Top 50 Market Report

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The screenshot shows the MEDIAWEEK Online website layout. At the top left is the 'MEDIAWEEK Online' logo. Below it are three main navigation tabs: 'On The Cover', 'Headlines', and 'Creative'. The 'On The Cover' tab is active, displaying a thumbnail of the print magazine cover with the text 'Click to View also' and a list of links: 'ADWEEK', 'BRANDWEEK', and 'MC'. The 'Headlines' tab shows 'IQ Daily News Updates' with three news items: 'AT&T WorldNet Launches Golf Page', 'Microsoft Debuts Boston Sidewalk', and 'The Times@Toyota Site Re-Released'. Below this is an 'IQ News' section with a headline about the gaming industry. The 'Creative' tab shows 'Best Spots' (LIPTON BRISK ICED TEA) and 'Portfolio' (PFALTZGRAFF CASUAL DINNERWARE). On the right side, there are links for 'member login' and 'about membership'. At the bottom of the 'Headlines' section, there is a 'Newswires' section with links for 'Adweek', 'Mediaweek', and 'Brandweek'. A footer message reads: 'Welcome to the new Adweek Online Web site! Comments? Questions? Contact Bryan Gottlieb at info@adweek.com or 1-800-641-2030 / 212-536-5319.'

<http://www.mediaweek.com>

the daily also delivered copies to subscribers of the *Nashville Banner*, which had ceased publication the Friday before.

The *Banner*, whose daily circulation dropped to 39,839 last month, had operated in a joint operating agreement with the Gannett-owned *Tennessean* since 1937. The conservative *Banner's* afternoon status caused the paper, which stood at 63,000 a decade ago, to slide into an irreversible circulation decline, said publisher Irby C. Simpkins Jr. The *Tennessean's* circ stands at about 150,000. "As a company, we're very sad to see the *Banner* close down," said Pam Brown, marketing and advertising director for Castner Knott, a local furniture store and the city's largest newspaper client with an ad budget of \$5.8 million in 1997. "We've partnered with them for 100 of their 122 years, and their closing is a loss, both as an advertising vehicle and as a community voice."

Despite the buzz in the marketplace, said Brown, the liberal *Tennessean*, now Nashville's only daily, "is going to great lengths to make sure clients don't lose any circulation base." She's particularly pleased about the *Tennessean's* plan to launch an aggressive program this month to convert 60,000 week-



Farewell: *Banner's* final front page

end subscribers to daily subscribers. The plan, which is supported by a radio, TV and billboard promo campaign, offers weekend subscribers the daily paper free for 10 weeks. "A lot of our business comes to us on the weekend. Whether we lose sales remains to be seen," said Brown, "but we're encouraged by their efforts. Last week, everyone expected Gannett to raise their rates, but that hasn't happened and I don't have any particular concerns that it will."

Brown and other ad buyers have no reason to worry, said the *Tennessean's* advertis-

ing vp, Leslie Giallombardo. In fact, the property is going out of its way to give readers and advertisers more reason to become loyal to the *Tennessean*. Nineteen of the *Banner's* 80 journalists have been hired by the *Tennessean* to "enhance the paper's news product, particularly its local coverage, which will enhance opportunities for advertisers." —DP

## NASHVILLE/RADIO

### Outlets Turn to Rock To Get Hard Demos

• COUNTRY MUSIC CAPITAL NASHVILLE IS rockin' these days. The No. 44 market has recently added two new rock-based FM outlets, WNRQ and WNPL. Featuring the likes of syndicated semi-shock jocks "John Boy" (John Isley) and "Billy" (Billy James) in the morning, SFX Broadcasting's WNRQ is a classic rock outlet. WNPL-FM, a classic rock/adult contemporary blend, is owned by Dickey Bros. Broadcasting of Atlanta. Both formats went on the air last month.

Nashville radio's ramped-up interest in the rock category doesn't surprise SFX Nashville



group general manager John King, who said the city "is an awful lot like Austin, Texas," in its taste for progressive music, including rock. King's WNRO-FM has shaken up the market by revamping what used to be WLAC-FM, Sinclair's well-loved adult contemporary station. The purchase of the station is expected to go through at the same time that SFX becomes part of Capstar Broadcasting in late May.

WNRO employed the Seattle-based Research Group, King said, in studying the market and coming up with a new format. WNRO is trumpeting its status as a male-skewing, 25-to-44-year-old music haven on 30-second TV spots across various dayparts and a prolific outdoor campaign.

The investment from SFX in the new station is "strong," according to King. (SFX also owns the market's top two stations, WSIX and WRVW, after a string of recent purchases.) "We're not wanting" for cash to promote the new station, said King, who noted that a talent search is also under way for more jocks.

At newly launched WNPL-FM, meanwhile, a mixture of female-skewing adult contemporary songs and male-based classic rock are on the menu in a bid to attract women 18-49.

Soon SFX "will control the majority of

advertising dollars in Nashville," said Melony Wilson, Interep's director of sales in Nashville. "But on the other hand, SFX will definitely improve product...they will never [create] anything but winners." —RF

## LOS ANGELES/RADIO TV Cameos Give Elder Another Shot at Day Job

• WITH A RESTORED FOUR-HOUR TIME SLOT and a new TV gig, radio talk-show host Larry Elder is now feeling vindicated. Just months ago, the controversial radio talent, who preaches economic self-reliance for the African American community on Disney-owned KABC-AM, found himself victimized by a \$2 million to \$4 million advertising pullout.

Sponsors were rattled by the wrath of the liberal Talking Drum Community Forum, an anti-Elder South Central group that picketed the show. Worse, the station's then-management added new host Ed Tyll in the latter portion of Elder's 3-to-7 p.m. slot. Elder supporters, meanwhile, launched the Keep Larry Elder on the Air Committee, complete with a

\$300,000 media defense campaign.

Enter a new season and new station management. Under new KABC gm Bill Sommers (replacing Maureen Lesourd), Elder's four-hour time slot has been restored and his ersatz replacement let go. KABC executives, famously tight-lipped about station advertising, acknowledge only that some advertisers who left the station during the Elder boycott have recently returned to the KABC fold.

What has iced the cake for Elder is his TV gig. Last month, Elder's bits comprised part of Young Broadcasting's KCAL Channel 9's 3:30 p.m. weekday newscast. Elder is given five minutes in each broadcast to discuss his show's happenings.

For Elder's part, he's glad the storm of controversy that engulfed him has passed. "I knew, no matter what happened, that I would land on my feet financially and professionally. But I can't say I was happy about having my airtime cut. The current management has a whole different view of [my show]—and sponsors are trickling back."

Station representatives won't go that far, but they say they are pleased with the results of Elder's new TV tie-in, which has resulted in a flood of calls to the station. —RF ■

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## MOVERS

### NETWORK TV

ABC has named **David Downs** senior vp, network operations and development, a new post. Downs has been senior vp, programming for ABC Sports. In his new post, Downs will assist network president Preston Padden and executive vp Alex Wallau in management of day-to-day network operations. Among his duties will be to oversee and manage new business initiatives for the network.

### CABLE TV

**Mark Norman** has been promoted to vp of business operations for Cartoon Network. Norman, previously director of business operations for the net, will be responsible for long-range strategic planning and forecasting, including original programming, program acquisitions and on-air promotion.

### TV STATIONS

At NBC flagship WNBC in New York, **Julio Marengi** has been named local sales manager. Marengi joined the station's sales department in March 1996 and was promoted seven months later to national sales manager...KXTX-TV in Dallas has tapped **Melissa Embry** as business manager. She had been assistant business manager at the LIN Broadcasting-owned independent.

### PRINT

At *The North Jersey Herald & News*, **Peter Leddy** has been named publisher, a promotion from vp of finance. And **Kathleen Hivish** has been upped from advertising manager to vp

(continued on page 36)

# The Media Elite

Edited by Anne Torpey-Kemph

## SPOTLIGHT ON...

### Burton Jablin

Senior vp, programming and production  
Home & Garden Television



He's not breaking news any more, but Burton Jablin is breaking shows at breakneck speed. The steward of some 1,600 hours of programming to air on Home & Garden Television this year, Jablin keeps a development pace that few TV executives could compete with.

But then, the 37-year-old Jablin comes from a world where they eat pressure for breakfast—local TV news. Before joining HGTV in 1993, Jablin was executive producer of the 10 o'clock news at KTTV-TV, the Fox affiliate in Los Angeles. Jablin says he found the breaking-news environment exciting but began to dismay that he was ultimately chasing his competition on stories rather than serving viewers.

"I felt TV news was stale and alienated viewers to such an extent that it was depressing to come into work," says Jablin.

His move to the unlikely media hub of Knoxville, Tenn., to help launch HGTV probably seemed odd for a TV newsman, but Jablin said he was intrigued by the chance to have creative control, something that was missing in his old job.

"I really didn't know what I was getting into; it didn't occur to me that it was ludicrous to launch a cable network in eight

### Soup's Henson Was Hungry for Hoffman

It took a week, but in the end there was John Henson eating out of Dustin Hoffman's hand. It all started Feb. 17 when Henson, host of E!'s *Talk Soup*, staged a hunger strike to force the actor, an admitted *Soup* fanatic, to drop by the show, which parodies, satirizes and generally derides TV talk shows.

The Academy award-winning actor held out, even though he gets copies of *Soups* he misses. But hungry or not, Henson didn't waffle, drinking only juice and water along with giving daily updates on his food cravings. Finally Hoffman, who's up for another Oscar for his *Wag the Dog* performance, caved. On Feb. 25, the actor stopped by and taped a segment for the Emmy-winning show. As he stuffed a sandwich in Henson's mouth, he delivered a restraining order demanding that Henson have his cake and eat it too.

Henson hopes that Hoffman wasn't the only one moved by the stunt. After all, an actor is one thing, but Henson and his producers are always hungry for more viewers. —*Betsy Sharkey*



He's back on solids now that Dustin's done the show.

### Winning viewers with tips on topsoil and tiebacks

months," Jablin says of the Scripps-Howard-owned channel. But he turned on the creative juices and has turned out such high-concept shows as last year's critically acclaimed special, *At Home With Carol Burnett*, and the ongoing series *Victory Gardens*. In the five years since Jablin moved to Knoxville, his programming moves have helped put HGTV, which targets anyone with a home, apartment or garden, among the fastest-growing basic cable networks, with 37.8 million subscribers.

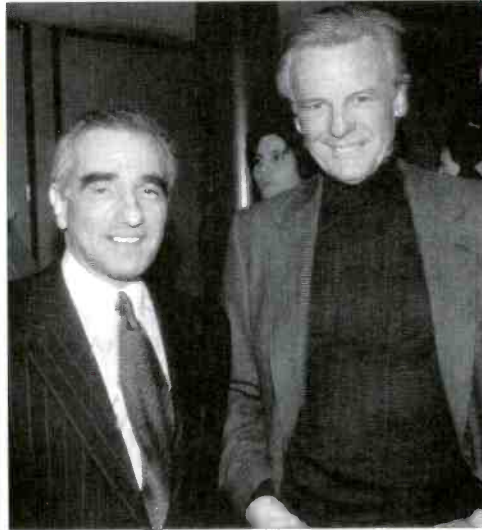
Looking forward, Jablin says his mandate is to produce a well-rated schedule for this year's upfront. He also hopes to develop more high-profile shows with engaging hosts.

"Strategically, we're looking for programming that expands the variety on the network," said Jablin. —*Jim Cooper*



# MEDIA DISH

► Nelson Aldrich Jr., editorial director of *Civilization*, joined film director Martin Scorsese at a reception at New York's Lincoln Center to celebrate Scorsese's guest editorship of the *Capital Publishing* title's Feb./March issue.



◀ At Radio City Music Hall in New York for the recent ESPY awards, Jeffrey Mahl (l.), senior vp, advertising sales, ESPN, with Phil Guarascio, vp, General Motors

▼ *Judge Judy* star Judy Sheindlin joined Worldvision exec Bert Coner at a recent party in New Orleans kicking off a yearlong celebration of Worldvision's 25th year in business.



▲ At Seattle's Gameworks for an *Entertainment Weekly*-sponsored launch party for the Raleigh Lauren fragrance Extreme Polo Sport (l. to r.): Elysa Yanowitz, regional manager, Cosmair; Daryl Ervman, national fashion director *EW*; Carlos Timiras, assistant vp marketing, Cosmair; Dick Roderick, vp sales, Cosmair; and Sheila Castle, market coordinator, Cosmair



◀ *In Style* recently toasted contributing editor Philip Bloch's new book *Elements of Style*, at L.A. restaurant 360. From left: Colin Cowie, contributing editor, *In Style*; Lisa Rinna, star of *Melrose Place*; Laurie Hudson, president Platinum Guild International; Penn Jones, national sales manager, *In Style*; and Chadda Lawhon, deputy editor, *In Style*



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# MOVERS



**Marengi takes WNBC local**



**FamilyFun ups Hallock**



**Nelson moves to EW**

(continued from page 34)  
 of marketing. The appointments mark the first personnel changes at the Passaic, N.J.-based daily since Macromedia Inc. bought it, along with 11 area weeklies, from Denver-based Media-News Group last November...At the Newspaper Association of America, **Georgia B. Smith** has been appointed director of federation services. Before joining NAA, Smith was vp of corporate development and marketing for a community hospital in Virginia. In addition, several appointments have been made at the Newspaper National Network, which operates under the NAA's auspices: **Jack Grandcolas**, who joined NNN in 1995 as West

Coast sales director from Scholastic, Inc., has been promoted to vp and director of West Coast sales operations; **Julie S. Newhall**, formerly the NAA's director of marketing communications, has been upped to director of communications; **Steve Sapp**, previously national advertising sales rep in *The Washington Post's* New York office, has joined as director of newspaper marketing; **Robert Shapiro**, formerly media manager at ad agency Jordan, McGrath, Case & Taylor, has joined as media director; and **Robert W. Watson**, formerly senior vp of marketing and communications at Age Wave Communications, has joined NNN as vp/marketing and media.

## Kennedy Takes Attendance at Media Confab

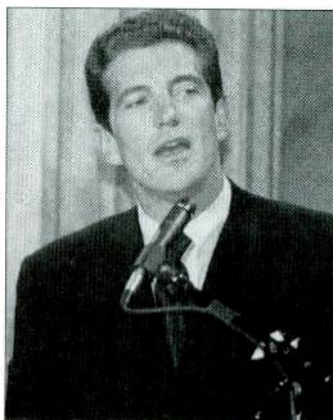
**J**ohn F. Kennedy Jr. really made waves at the recent 4A's conference in Anaheim, Calif. Besides earning tabloid ink for his Clinton-Lewinsky joke to attendees ("I used to crawl under that very same desk, and there's

hardly room for a 3-year-old"), the *George* editor-in-chief managed to disrupt (unintentionally) other sessions at the confab.

"Let's cut this meeting short so we'll have time to get good seats for John-John!" joked one female buyer during a panel session that preceded Kennedy's. The audience, filled with female media executives, cheered.

When Kennedy took the podium for his speech, audience members buzzed with speculation on his height (6 feet) and status of his marriage.

When the charismatic Kennedy was finished speaking, he promptly left the meeting hall—followed by most of the audience members, who seemed oblivious to the panel still in progress. —Rachel Fischer



**Crowd-pleaser Kennedy**

## Publishing Execs to Explore Himalayas

**S**ome of the mag industry's most adventurous sorts packed their parkas and left town yesterday for the Outward Bound "Invitational Expedition for Editors and Publishers." For trekkers on this 10th anniversary of the event, which aims to build relationships and generate public-service support for Outward Bound, the destination is Nepal

capital Kathmandu. Among those joining organizer Mike Perlis, president of TVSM, and co-hosts Don Welsh, *Arthur Frommer's Business Travel*, and John Mack Carter, Hearst Magazines, are Neil Vitale, Petersen Publishing; Randy Jones, *Worth*; and Nina Lawrence, *Modern Bride*.

*Mediaweek* will catch up with them upon their return March 7.



**Warning**

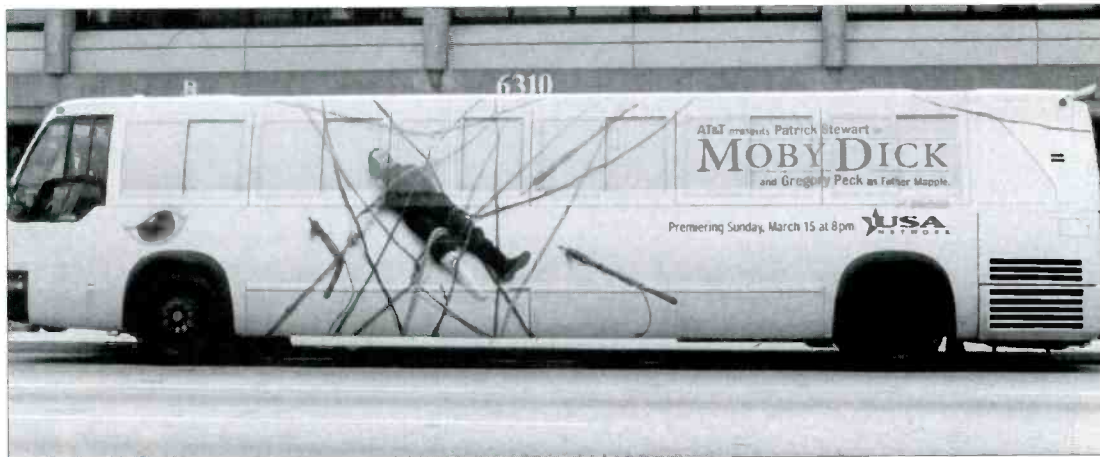
**Ignoring the Hispanic Marketplace in Miami-Ft. Lauderdale will be hazardous to your company's health!**

**UNIVISION 23**

**# 1 in prime time**

**# 1 in early news**

**Nominee for Best Performance on the Side of a Vehicle Painted to Look Like a Whale: Buses decked in whale-white, bearing the eerie image of a tied-down Patrick Stewart, are a big part of USA Network's multi-million-dollar marketing push behind its March 15-16 *Moby Dick* original movie, starring Stewart as Captain Ahab.**



## Seeing Into the Deep

Attaching a "crittercam" to a sperm whale is tricky business, but the results are worth it. The high-tech, flashlight-sized TV camera and recorder, recently perfected for deep sea dives, provides animal's-eye-views sure to amaze television viewers.

The device was touted last week on National Geographic Television's presentation of *Sea Monsters: Search for the Giant Squid* on NBC. For the undersea special, crittercam inventor Greg Marshall, a marine biologist and full-time National Geographic supervising producer, successfully attached his invention to the back dorsal fin of sperm whales to give viewers a virtual reality-like experience of riding with the marine mammals as they descend as far as 2,000 feet in search of their prey, the giant squid.

"When I first invented this concept, the question was if we were going to get good scientific information underwater, where it is simply impossible to observe these animals without disturbing their habitats," Marshall says. "What we're really doing is opening a whole new world of underwater study for scientists as well as TV viewers." —*Michael Freeman*



**No cameraman required: The strap-on "crittercam" lets animals shoot solo.**



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- 2- Best plan for a campaign spending between \$10 Million and \$25 Million
- 3- Best plan for a campaign spending between \$1 Million and \$10 Million
- 4- Best plan for a campaign spending \$1 Million or less
- 5- Best use of National Television and Cable
- 6- Best use of Local Television
- 7- Best use of Magazines
- 8- Best use of Radio
- 9- Best use of Newspapers
- 10- Best use of Out-of Home
- 11- Best use of New Media

## JUDGING CRITERIA

- innovative nature of the concept
- tactical approach
- creative and or innovative use of media
- effectiveness relative to the objective

## YOUR SECRETS ARE SAFE WITH US

Media plans often contain sensitive, competitive information but don't let that keep you from entering this competition. Our judges all sign confidentiality agreements and they are never assigned to product categories in which they compete professionally.

## WHO IS ELIGIBLE?

Any US advertising agency media department, media buying service or in-house advertising agency or media department may enter. To be eligible, your plan must be under execution between May 1, 1997 and April 30, 1998.

## ENTRY FEES

\$110 per entry. Checks or money orders should be made payable to MEDIAWEEK's Media Plan of the Year.

## HOW TO ENTER

Complete the official entry form below and attach it as a cover to your statement. Your statement should describe the nature of the plan, why you consider it creative, and how it achieved your clients' objectives. **Statements should not exceed 750 words in total and must be typed on a single page.** Feel free to discuss any background information/situation analysis relevant to set the stage for the program description.

## DOCUMENTATION

Please include documentation such as a copy of the media plan, examples of the execution and any client testimonials demonstrating the successful results of your plan. In order to properly categorize your entry, be sure to indicate the level of media spending on your entry. Confidential, proprietary information in the supporting documentation may be censored.

## QUESTIONS?

Please call Alexandra Scott-Hansen at MEDIAWEEK at (212) 536-6588 or email Alexandra at [ascott-hansen@adweek.com](mailto:ascott-hansen@adweek.com)

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STATE: \_\_\_\_\_ CITY: \_\_\_\_\_ ZIP: \_\_\_\_\_

PHONE: \_\_\_\_\_ FAX: \_\_\_\_\_

YOUR CLIENT: \_\_\_\_\_

BRAND: \_\_\_\_\_

BUDGET: \_\_\_\_\_

MEDIA USED WHEN WAS THE PLAN WAS IMPLEMENTED: \_\_\_\_\_

NAMES AND TITLES OF THOSE INVOLVED IN DEVELOPING THE PLAN:

\_\_\_\_\_  
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PLEASE PHOTOCOPY ENTRY FORM AND INCREASE SIZE TO YOUR CONVENIENCE.

**SEND ENTRIES TO:** Alexandra Scott-Hansen, MEDIAWEEK, 1515 Broadway, 12th Floor, New York, New York 10036

# In The New Media Environment, Things Aren't Necessarily What You Think They Are.

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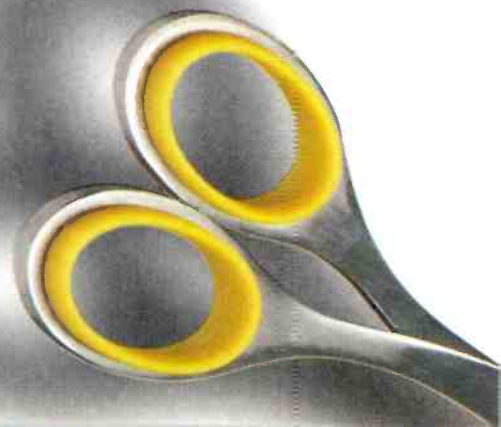
You've got to re-examine your perceptions in this new media landscape, because things are no longer what they once appeared to be.

The 1998 Cable Advertising Conference will bring you current with these new realities so you'll have the vision to make increasingly sound advertising decisions in the year ahead. Specifically designed for all levels of the media community: agency planners, buyers, researchers and client media management, this intensive half-day program offers insight and tools for making the best possible media investments.

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Speakers include: Leo Hindery, President & COO, Tele-Communications, Inc.; Nick Davatzes, President & CEO, A&E Television Networks; John Hendricks, Chairman & CEO, Discovery Communications; Steve Heyer, President & COO, Turner Broadcasting System; Jim Spaeth, President, ARF; Erwin Ephron, Partner, Ephron, Papazian & Ephron; Jayne Spittler, SVP-Director of Media Research, Leo Burnett; Rick Hamilton, CEO, Zenith Media and Barry Fischer, EVP-Research & Marketing, Turner Broadcasting System.

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**TCI's John Malone** has announced the name of the Internet company that will handle email and software issues for high-speed Internet access through his 11 million set-top boxes. The winner: @Home, which coincidentally enough, is majority owned by TCI. Cable honchos, it seems, are accustomed to owning both the wire and what goes over it. If bandwidth-hungry Web surfers don't like the kind of Internet their local cable company packages for them, well...they can always move. —Kevin Pearce

**@deadline**

**AltaVista Still Searching**

As **Digital Equipment Corp.**, Maynard, Mass., ordered a company-wide spending freeze last week on the heels of its acquisition by **Compaq**, Houston, DEC's search engine, **AltaVista**, continued to forge ahead on its expansion plans into new search features and consumer services like free email. It will remain largely unaffected by the spending freeze, according to the company. "Nothing's changed," said Abe Hirsch, director of business development, noting that AltaVista operates under a separate profit-and-loss within the company.

**No New Online Taxes**

Despite opposition from the nation's governors, President **Bill Clinton** last week endorsed the **Internet Tax Freedom Act**, legislation before Congress that would suspend the creation of new taxes for commerce transactions online. If the bill is defeated, governors would get their wish to levy online sales tax on Net merchants, a group that is only intermittently taxed.

**Fliers Buy Online**

Over the past nine months, airline ticket reservations topped out among Web commerce categories with a more than 300 percent growth cycle, according to online market researchers **@Plan**, Stamford, Conn. @Plan also reports that top sites for new online users are **ABC.com**, **Autoweb**, and **RollingStone.com**.

**Phone Wars II: Coming to a Web Site Near**

The phone wars, which have been fought on television with billion-dollar advertising warchests, are brewing anew on a different battleground: the Internet.

Late last month, Sprint, Kansas City, quietly introduced a new long distance calling plan on [www.sprint.com](http://www.sprint.com). The plan, Sprint Sense AnyTime, was launched without assistance from longtime celebrity spokeswoman Candice Bergen and will get scant marketing support other than a gradual rollout of direct mailings to Sprint's heaviest spenders.

The stealthy product intro comes amid increasing competition by telcos and a new competitor, America Online, to recruit Net surfers into long distance phone customers.

Since AOL began promoting its branded long distance service (provided via long distance reseller, Tel-Save Holdings Inc., New Hope, Pa.) two months ago, the online behemoth has signed up 200,000 subscribers, according to Yankee Group, Boston. The long-term arrangement is worth more than \$100 million to AOL.

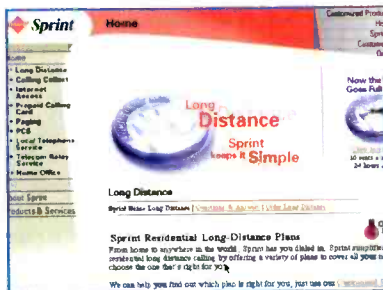
Next will be AT&T, which plans to unveil later this year two Web-spawned telecommunications offerings: One Rate Online, a flat dime-a-minute calling plan billed directly over the

Internet to customers' credit cards, and WorldNet Voice. The latter is an Internet telephony plan, which routes AT&T WorldNet customers' long-distance phone calls over AT&T's Internet network.

Like the telecom skirmishes of the pre-Net era, price has been the initial marketing battle cry. But that will change, predicted Boyd Peterson, a Yankee Group telecom analyst. "Price is the lure leading you into the offer," Boyd said, adding that recruiting customers via the Web is a pure technology play to woo the coveted heavy spending com-

municators into ordering more and more services. The key, of course, is to convince customers to pile up telecom and Internet services from the same company on one credit card and ultimately reduce telcos' biggest headache: high customer churn rates.

To further cement loyalty among consumers, AT&T and MCI have announced expanded customer service and direct-billing via their sites; Sprint has similar plans. The goal of the long distance titans is to use their Web sites as a means to not only distribute product and grow their subscriber base, but also to communicate more cheaply with consumers and potential recruits. ■



Opening salvo: Sprint Sense Anytime on the Web quietly offers 10-cents-a-minute, day or night.

# bits

► **New Century Network**, the online network boasting 140 newspaper sites, has changed its strategy, dropping its content development effort, NewsWorks, a consumer gateway to the sites. The company said it would focus exclusively on selling advertising across the network.

► **Matt Drudge**, the controversial Internet gossip columnist and self-described Inside-the-Beltway-muckraker, has been signed by the **Fox News Channel** to host his own show. The name and date of the show have yet to be determined. The 31-year-old Drudge produces the politically-flavored news site, **The Drudge Report**.

► Last week, financial data provider **Standard & Poor's**, New York, launched its first consumer-oriented online service, called **S&P Personal Wealth**. The new site customizes users' financial profiles and offers relevant investment advice. **Ikonic**, San Francisco, developed the site.

► **Imgis**, the Cupertino, Calif.-based ad management software developer, has signed new customers for its AdForce product: publisher **Hachette Filipacchi**, London-based **FortuneCity** and **AdAuction.com**.

► Internet advertising rates, as measured by cost per thousand (CPM), have stabilized after a steady 10-month decrease, according to **AdKnowledge**. The Palo Alto, Calif.-based company states that February's average CPM has been \$37.36. Last year, after peaking in April at \$39.94, the average fell to \$37.21, the study, **Online Advertising Report**, concluded. The statistics were gathered from 1,056 sites.

## InterActive8 Wins De Beers, Magnet Resigns Account

**BY ADRIENNE MAND**—A game of Web shop "hot potato" has arisen over the interactive account for De Beers U.S.A.

The gem clearinghouse's traditional agency, J. Walter Thompson, New York, last month quietly reassigned Web site design duties to InterActive8, New York. But last week, De Beers' former interactive agency, Magnet Interactive Communications, announced it had resigned that assignment along with Mattel's Matchbox Toys account. A Magnet official said last week they were unaware InterActive8 got the business.

"We've been re-evaluating our relationship with Magnet for several months," said Anne Ritchie, account supervisor at JWT for De Beers. JWT, N.Y., which has been outsourcing Web work, had made several suggestions to the Washington, D.C.-based firm about how to service the account. However, Magnet was "either unwilling or unable to meet that criteria."

Basel R. Dalloul, chairman and chief executive officer of Magnet, said the agency resigned both accounts because the clients were more interested in maintaining Web sites than pursuing other marketing strategies.

"Job shop work is not something Magnet wants to be involved with anymore," Dalloul said. Though Magnet has more than 130 people in its D.C. office, he added, "We're not going to go and use our resources where they're not best used." He described the res-

ignation as a business decision: "Is the benefit justifying the cost of doing business with those clients? In this case it's not."

A representative from Mattel said they were satisfied with Magnet's work and that the firm would remain on for the next 60 days as the toymaker conducts an interactive agency review.

Magnet's other kid-centered clients include Kellogg's cereals and Binney & Smith's Crayola Crayons. Dalloul said the company's roster will not be hurt by the resignation of the marquee brands and noted that

Magnet previously resigned accounts for American Greetings and Harvard Business School. "A lot of people probably cringe at the notion," he said, but the relationship has to be "mutually benefi-

cial to the client and to Magnet."

Resigning El Segundo, Calif.-based Mattel is a curious move by Magnet because of the company's purported expansion plans. Sources said the company hopes to open a West Coast office to service the Torrance, Calif.-based Nissan North America account.

Starting this spring, the De Beers Web site ([www.adiamondisforever.com](http://www.adiamondisforever.com)) will be hosted by InterActive8, whose clients include M&M/Mars, AT&T WorldNet and *The New York Times*. ■



MAGNET INTERACTIVE COMMUNICATIONS



Magnet's Dalloul says the site work for De Beers was not "mutually beneficial."

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# bits

► **Lycos**, the search engine that has been aggressively forming partnerships and content deals to expand its service, last week announced a deal with **The Electronic Newsstand** ([www.eneews.com](http://www.eneews.com)), an online magazine subscription retailer. The agreement calls for Lycos to incorporate subscription sales onto its site. In return, Lycos receives a guaranteed base payment of \$10.5 million.

► **CBS SportsLine** came in third place at the **XXVIII Olympic Winter Games**, according to audience measurement results from **Relevant Knowledge**, Atlanta. Over the 16 days of the Games in Nagano, Japan, CBS SportsLine saw its average traffic jump a whopping 245 percent, but overall it fell behind **ESPN SportZone** and the official, **IBM**-produced Olympics site ([nagano.olympic.org](http://nagano.olympic.org)) with 1.48 million unique visitors.

► Cable network **A&E Television** last week launched several sites for cable modem users. The two sites center around U.S. President Teddy Roosevelt and baseball star Jackie Robinson. They were created by New York-based new media shop **Interactive8**.

► **ADSmart**, an Andover, Mass.-based Internet advertising network that aims to link advertisers and agencies with targeted Web sites and audiences, has pared down its member sites to six key affinity groups as part of a new strategy. The current 45 sites, with a reach of 7.1 million viewers a month, are now grouped into the categories Generation-X, college, sports, travel, technology and finance/investing. The network previously consisted of 80 sites.

► **Elemental Interactive Design + Development**, Atlanta, launched a redesign of **Turner Network Television's** Web site ([www.tnt.turner.com](http://www.tnt.turner.com)) on Thursday. The site features all of the network's programs.

► **Studio Archetype**, a design firm based in San Francisco, has announced plans to open offices in Brazil and Australia. The shop has developed Web sites for clients **IBM**, **American Express** and **UPS**, among others.

► **The Internet Advertising Bureau**, New York, has re-elected ESPN Internet ventures senior vice president **Rich LeFurgy** as its chairman. Turner Interactive's **Richy Glassberg** was elected vice chairman and Lot 19's **Kate Everett Thorp** was chosen as secretary. The nearly two-year-old organization boasts more than 175 members.

## MSN's Underwire Loses Support, Will Shut Down

**BY ANYA SACHAROW**—As Microsoft continues to dismantle original content programmed and developed for the Microsoft Network, the latest casualty in the reorganization is its women's show **UnderWire**. Sources said that the year-old program would gradually be phased out.

Marty Taucher, a senior group marketing manager for Microsoft's Interactive Media Group, said the program's future has not yet been determined.

"It's not clear yet," he said. "MSN has been evolving a lot. Shows are coming up and down."

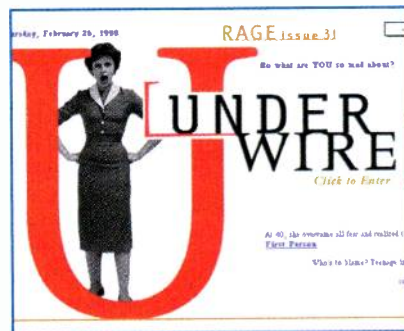
Taucher was not aware of any new specific programming that was going to be added to the network.

In addition, original shows the network had commissioned for development, such as MGM Interactive's **Paul Is Dead**, have been returned to their content creators.

"We did have a relationship with MGM Interactive for **Paul Is Dead** in develop-

ment," said Ed Graczyk, lead product manager of the Microsoft Network. "It never went into production. It ties back to how the programming started evolving."

Another MSN production, the online travel destination **Mungo Park**, is up for sale, according to sources; its final original episode went online last month. MSN officials have indicated they will develop more programming and services that are task-oriented, rather than pure entertainment.



Like many "programs" of Microsoft's IMG Division, **Underwire** is a victim of changing priorities.

UnderWire was brought onto the Internet last October, joining its counterpart behind the MSN subscriber firewall. The site, or "program" as Microsoft calls it, deals with social issues, relationships, fitness, sex and politics. A number of women's oriented sites such as **Women.com Networks' Women's Wire**, **Hearst Corp.'s HomeArts** and **iVillage's Women's Network** are also targeting women through similar sites. ■

## I/Pro Pushes Its System as Ad Accounting Standard

**BY LAURA RICH**—Internet Profiles Corp., or I/Pro, the online measurement firm which once counted A.C. Nielsen as an investor, hopes to impose an advertising industry standard that conforms with a software product it sells to ad agencies.

At the behest of I/Pro, some of these agencies, including **Thunder House** and **Western International Media**, last week sent a letter to Web publishers requesting they conform to a standard inherent in **Dispatch**, a software program that automates elements of online media buying and tracking. "We want to make sure sites come into one common standard," said **Tig Tillinghast** of the Redwood City, Calif.-based I/Pro.

Currently, sites file traffic, rates and other advertiser information according to various formats created in-house. Agencies then complete the arduous task of compiling them into a comparable database. I/Pro hopes sites will begin filing according to the way **Dispatch** files are set up.

Meanwhile, Palo Alto, Calif.-based

**AdKnowledge** recently released a similar product, called **MarketMatch Pro**, which is used by all **Bozell** advertising agencies, **Interpublic Group of Cos.** agencies and **Young & Rubicam**. **AdKnowledge's** **David Zinman**, director of product management, said there are no plans to ask sites to conform to the **MarketMatch** format. "One company cannot move a market," he said.

Most observers expect industry-wide acceptance to come only from a standard recommended by a disinterested third party, but recent attempts have been unsuccessful.

However the problem is solved, it's clear an answer is desired by agency executives who have complained that amassing the sites' information is a labor- and cost-intensive task.

**Lynn Bolger**, senior vice president, Web media director at **Ammirati Puris Lintas** in New York, will advocate the I/Pro position. "There's more to a reporting standard than will be addressed by an I/Pro request," she said, "but it's a productive first step." ■

# IQ movers

BoxTop Interactive, the Los Angeles-based new media shop, has named **Ken Papagan** senior vice president, interactive television. He previously ran his own consulting firm, Delmar Media, Los Angeles. . . **Shannon Donnelly**, formerly a producer at Columbia TriStar Interactive in Los Angeles, has joined E-Ticket, Pasadena, Calif., as vice president of product development. . . At Quote.com, Mountain View, Calif., **Scott Dornblaser** was named Western region advertising sales executive. He had been an account manager for Wired Digital, San Francisco; **Owen Weed** joined the online financial information firm as national advertising sales executive from a similar position at H.J. Myers Investment Brokerage, San Francisco; and **Dyana Nafissi**, formerly community manager at iVillage, New York, was named account executive, Eastern region advertising sales at Quote.com.

**Renee Franceschi** has been promoted to advertising traffic manager, from executive assistant. . . Two executives from Modem Media's Westport, Conn., headquarters have relocated to the new media agency's Chicago office: **Charles Marelli** becomes the office's associate creative director and **Dan Beder** was named associate account director. On the West Coast, **Joseph Salvati** was named executive producer at Modem's newly launched San Francisco office. He was a senior producer in the Westport shop. . . **Kenneth Crutchfield** has been named director of strategic planning and development at US Interactive, Malvern, Pa. Most recently, he was director of electronic commerce for Dun & Bradstreet, New York. . . **Paul T. Sheils**, former vice president of Dow Jones Interactive Publishing, has joined health information site Medscape as the New York firm's president and chief executive officer.

# Not Quite a Powerhouse Yet, @Home Moonlights as Lab

**BY LAURA RICH**—@Home Network, the high-speed cable access Internet service slowly spreading across the country, may one day be Internet advertising's biggest outlet. But for now, the service has taken on a surprising identity: the world's most elaborate marketing testbed.

Though the nascent @Home reached only 50,000 households by year-end and has yet to sniff a profit, its ability to carry more advanced technology like broadband video, along with its penetration of suburban homes, has made it an appealing focus group setting for advertisers such as packaged goods marketers Lipton and Clorox, financial firm Charles Schwab and online matchmaking service Match.com.

@Home officials are only too happy to embrace the idea. "We're the church of what's next," claims Susan Bratton, director of advertising programs at the Redwood City, Calif.-based company.

Indeed, @Home offers advertisers a playing field between the Internet's wide reach but lower functionality and digital TV's grand, interactive promises but microscopic delivery of audiences.

The @Home network is sprinkled with banners at an average file size of 60K (most Web banners are 10K) and video is a common feature on the service. Its household penetration may not reach 1 million until 2000, according to analysts, compared with Web sites like Yahoo that monthly see 27 million visitors, but its

users fit the average cable profile: a more mainstream, suburban, upper middle-class American that appeals to a wider range of advertisers.

Bratton says that while the service still reaches these people, the most effective campaigns have been those that exploit @Home's broadband capabilities.

One such advertiser, Match.com, ran a static image campaign on @Home earlier last year that resulted in about three new registrants over a six-month period, according to Bratton. She adds that after

@Home created a video campaign for the online matchmaking service, Match.com's click-through rate jumped to 26 percent and it registered 23 users in eight days. It subsequently took elements of this campaign to the Web and has reported increases in click-through there, too.

Next month, Oakland, Calif.-based Clorox plans to use @Home in its second online campaign for Brita, its water filter brand. (Last year, after launching its site, Clorox ran a brief banner campaign on the Web to drive traffic to [www.brita.com](http://www.brita.com).)

In March, the company will test e-commerce for the first time through a campaign on @Home that will examine whether consumers will purchase the Brita filters over the Net. It will also allow Clorox to determine how much online commerce might cut into sales in the brick-and-mortar world.

—with Bernhard Warner



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## Yahoo and MSNBC Get Gist

Yahoo, in partnership with New York-based Gist Communications, will today announce Yahoo! TV Coverage (tv.yahoo.com), personalized listings geared to users' zip codes and interests.

Previously, Yahoo provided TV listings in partnership with *TV Guide's* web site. The listings will be co-branded between Yahoo!, Santa Clara, Calif., and Gist.

Why the switch? "We try to provide extensive content for our users, mainly because we think it enhances the sites," said Marti Berg, a producer in Yahoo!'s entertainment group. Gist provides listings for 11,000 cable channels and 35,000 zip codes, far more than *TV Guide*, she said. Gist will provide editorial reviews and articles such as daily recommendations; *TV Guide* had provided listings, but not additional content.

MSNBC on the Internet is also forming a partnership with Gist for co-branded listings that will be personalized by zip code.

Gist shares advertising revenue with its partners and sells ads directly on its own site [www.gist.com](http://www.gist.com). —*Anya Sacharow*

## Quote.com Will Syndicate Free, Ad-sponsored Charts

**BY BERNHARD WARNER**— Quote.com, Mountain View, Calif., is planting an ad-sponsored version of its live stock quote charts on a variety of independent financial sites.

Quote.com, which derives about 50 percent of its revenue from the sale of financial tools and business information to other sites, plans to use such sponsorship deals to reduce or even eliminate the requisite subscription fees a client would otherwise incur.

As part of the deal, charter sponsors such as BarnesandNoble.com and Packard Bell will get a three-month run of banners affixed to live Java-enabled quote charts on the Individual Investor Online site (iionline.com), beginning today. More advertisers and third party sites are expected to sign up in the coming weeks, the company said.

The sponsorship fee—approximately \$50,000—will serve as a subsidy to keep "Live Charts" free to the site's visitors.

"What works best is finding a way for the user to get the information they need and getting somebody else to pay for that," said Quote.com chief executive officer Chris Cooper.

For the syndication of ad-sponsored live charts on other financial sites, Quote.com needed to secure consumer advertisers because finance-related advertisers risked a conflict with the host site, Cooper added.

Quote.com's ad sales team will place banner ads on the financial sites, with the sites getting a cut of the ad revenue.

A recently as a year ago, financial sites such as Quote.com and *The Street.com* subsisted primarily by selling ad space to financial institutions. But by the fall of 1997, Quote.com was seeing some success selling advertising space on its site to a broader variety of consumer advertisers including *The Gap*, *Delta Air Lines* and *CDNow*, all of which were interested in getting their brands in front of consumers with disposable income. ■



Quote.com's \$50,000 sponsorships will keep charts free for sites that run them.

## Hi-Tech Hi-Fashion: The Next Swoosh?



ROBERT LORENZ



ROBERT LORENZ

**BY LAURA RICH**—W-W-W-dot-style? Moschino, considered one of the more whimsical lines in high fashion, is into its second season of URL-decorated designs. On racks in Saks Fifth Avenue and its own Madison Ave boutique hang t-shirts, windbreakers and dresses sporting Internet icons. "We appeal to the creative, free-spirited customer," explained Shan

Reddy, operations manager at the Moschino boutique. Though the cyber-styled apparel has been selling, buyers apparently haven't spent much time at the computer: headquarters has yet to actually launch a site, and no one is complaining. "Right now, it's under construction," explains a company spokeswoman. "Basically, that's all I can really tell you about it." ■



# Notes from Digital Lit

## Can online literary 'zines get surfers to read? *By Anya Sacharow*

Editors at culture-oriented Feed constantly integrate reader feed-back into the site's online offerings; they've also hired a rep firm to help sell advertising.

Technology, it's been argued, is destroying our minds and lowering our attention span for reading. But don't tell that to the editors of the online political 'zine Slate, or the documentary-oriented Word, the literary site Salon, or the cultural criti-site Feed. They may not be Tolstoy, but these constantly adapting, continually redesigning online literary magazines are determined to invent a new intellectual experience. Now, as they head into their second and third years online, they face an even greater challenge: inventing a way to survive in the electronic marketplace.

"To be competitive they need to align themselves with bigger online properties to get an audience who doesn't know about them," says Darleen Scherer, a media buyer at i-traffic. "They

might align themselves with service providers or search engines as shared content. Even though content and design can't be neglected, they need strategic alliances to survive and get other advertisers on their site."

So far, few of these independent-minded publications have sought out this type of partnership. But Feed, which launched in 1995 and is one of the older publications online, has been making some bottom-line moves of late. The site raised a round of financing last fall; it has also recently hired San Francisco-based rep firm Cyber Reps to help sell ads.

"I read Feed," offers Ken Locker, executive producer of online programming at MGM Interactive, adding that the 'zine takes advantage of the medium. "Feed has dealt well with interface issues



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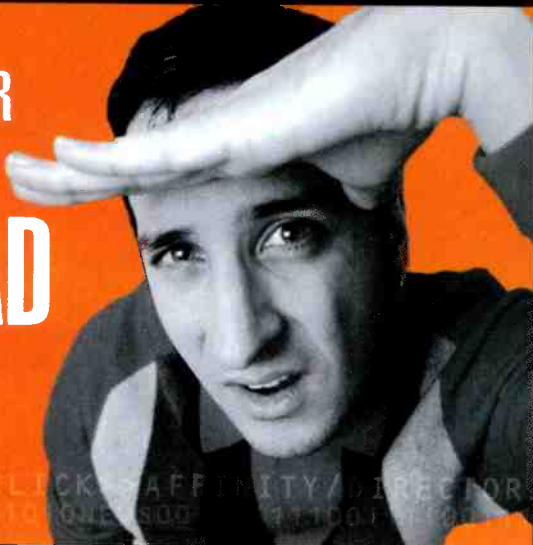
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through threaded conversations.”

The magazine places readers’ comments in the margins of its articles, implying the commentary is as important as the articles. This technique is not just posturing, according to Steven Johnson, co-founder of Feed. “The amount of text that people will read on screen is proportionate to the accessibility of a feedback area,” he says. “That’s why instead of sending readers off we reprint the best-of quotes in the margins.”

Of course, whether people read online at all is still debatable, according to Jakob Nielsen, who has researched online reading habits at Sun Microsystems. Almost 80 percent of people tested at Sun’s lab scan Web pages as opposed to read them. “No matter what you show them, people don’t read online,” Nielsen says.

While Nielsen argues for breaking up text, he says design can only go so far. Sun’s user feedback indicated that people don’t want to be lost in Web designs where they don’t know where a site is taking them next. “Elaborate environments might eventually be the right choice,” Nielsen says. “But in the short term they’re confusing.”

This might not be good news for the three-year-old Word site, where every story is created as its own environment and incorporated into an “ambiance.” Some Word content—such as Virtual Paradise, a selection of geographically diverse Web pages accompanied by different music—has been designed as purely non-textual. Sometimes, says Marisa Bowe, editor-in-chief of Word, people just want something to stare at. Not all Web users have been entranced by Word’s visual orientation. “When Word first came out it had an interesting design,” Locker says. “But it got stale quickly. Technology is a means and not an end. Design for design’s sake is pretty insubstantial.”

That type of reader response has kept digital editors on their toes. Nearly all of the ’zines, for example,

now offer some sort of daily update.

“When we started we saw it as fine if we didn’t do something for two weeks, a biweekly pacing,” says Johnson. “The Web was an academic research tool as much as a mass medium thing. When Suck came out the idea of daily posting was new. We rolled out daily early last year in response to that.”

Word also chose a daily format. “Navigation and scheduling has changed a lot” since the early days, says Bowe. “We’ve built a schedule that has a consistent thing every day of the week so there’s a reason to come back every day.” Bowe adds that all the sites are struggling with interface design so that users can see what’s on the site without

being overwhelmed: “We had major arguments about whether to have a table of contents.”

These destinations are all also figuring out what to do to create “community,” though Nielsen says the word community is “highly overrated.” He prefers “user contributed content.”

Feed’s method—integrating feedback into its site rather than relegating the community to a different area—is viewed by Nielsen as an extremely successful model. Nerve, a new site devoted to high-brow but titillating

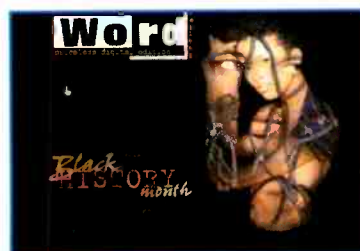
writing and photography on sex, is creating a community area with New York-based online community Echo, which will cost subscribers \$3.95 a month.

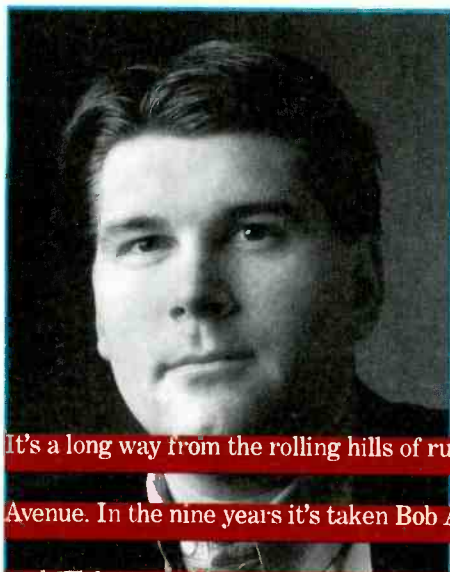
Another trend among the digital lit crowd is the emergence of projects that are more data than narrative-driven. Word is working on a giant conspiracy theory project called The Paranoid Family Tree. Nerve will launch Nerve Link, an index of sex-related sites, with San Francisco-based Access Softtek. And Slate says one of its most popular areas is Today’s Papers, a daily media round-up.

Perhaps even the Web’s cognoscenti really want the Internet to be a big database after all. “The greatest design element of Slate is a button that says ‘print here,’ so you can take it home and read it,” Locker observes. It seems Anna Karenina isn’t quite in danger of extinction yet. ■

“No matter what you show them, people don’t read online,” says noted Sun researcher Jakob Nielsen.

High-brow sex site Nerve and the literary word are working on big data projects.





# CONNECTING MODEM

By Adrienne Mand

It's a long way from the rolling hills of rural Boiling Springs, Pa., to a pentagon-shaped conference room overlooking Park Avenue. In the nine years it's taken Bob Allen, 30, to make the transition from his hometown to New York, his career has evolved from working in sales and marketing at Modem Media to serving as president of the interactive marketing agency

that earned \$36 million in revenues last year. And while he's witnessed sweeping advances in new media since its inception, the most tangible change for Allen is personal.

"People actually listen to me now," he says with a laugh.

They'll be even more attentive in the next few months as the company decides what its relationship will be with New York interactive agency Poppe Tyson, now a holding of True North Communications, which also owns Modem Media. "There's a lot to be said for a one-brand, synergistic strategy," he said of Poppe, though both companies have denied they will merge.

Allen's star has been on the rise

since he spearheaded the effort to land AT&T's interactive agency of record assignment in 1995, a job Modem won over several large traditional shops. "It was David vs. the Goliaths," he recalls.

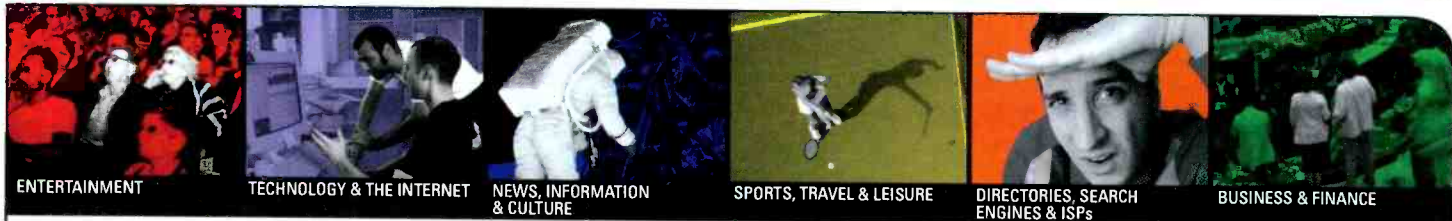
Though AT&T remains Modem's most important client by far, JC Penney, Compaq Computers and Excite are also on the roster.

The Internet was not always part of Allen's plans. He studied English at Gettysburg College, where he graduated in 1989, and spent a summer working in a distribution facility for IBM—his father's employer—shipping Prodigy. He learned enough about the product to answer a classified ad for a job at Modem Media, where his first

assignments involved teaching retailers the value of computerized catalogs.

Now his days begin at 6:30 a.m. and run until 10 or 11 each night. In addition to working at Modem's headquarters in Westport, Conn., he commutes to its New York office, which opened a few weeks ago.

He sees Modem as an integral player in linking businesses with their customers online and making the medium relevant to consumers. "We have just seen the tip of the iceberg," he says. "We have a mainstreaming effect on the Internet. It's not just high-tech people using it. It's my parents who went out last week and bought their first computer." ■



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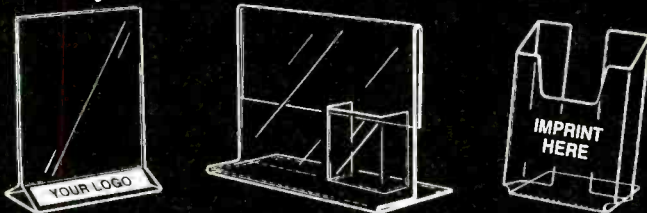
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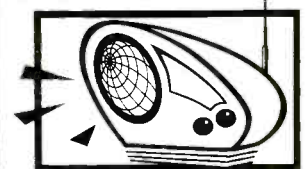
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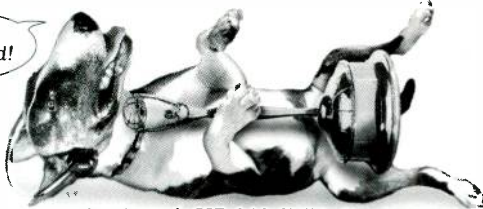
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**1-800-7-ADWEEK**

**OFFERS & OPPORTUNITIES**

**OFFICE SPACE**

**Office Space near Flatiron**  
Ideal for work group of 6-12 people—ad agency, design or PR firm—or individuals. Skylights, copier, broadcast fax. Share conference room with us. Professional but not stuffy work environment. Call 685-2682, x. 225.

**NOTICE**

**ATTN: FREELANCERS**

ADWEEK can offer you the exposure you need in our **Services & Resources** section. If you need to get your service out to the people who matter, you need to advertise now. Call for info 1-800-7-ADWEEK.

Classified Advertising Call M. Morris at 1-800-7-ADWEEK

**EMPLOYMENT**

**JR. COPYWRITER**

Newport Beach Hispanic ad agency seeks a Jr. Copywriter with entry level to 2 years experience. Must be bilingual and bicultural. Competitive salary and excellent benefits package offered. Please fax resume to: (714) 851-5138

**Post Production Rep**

Small kick-\*\*\* post facility searching for a creative "bang-the-door-down" rep. We have Avid off-line, Softimage, Flint and Toons.

Fax resumes and salary requirements to: 212-334-4132, Attn: Ms Bernard

**REACH YOUR AD COMMUNITY**  
**ADWEEK MAGAZINES**

# EMPLOYMENT

## DIGITAL SOUND BROADCASTING

**OgilvyOne**  
worldwide

has excellent opportunities in their Media Dept for computer literate (Windows, Excel, Access, Powerpoint, Internet) professionals who possess excellent communication skills (oral & written), and the ability to prioritize work flow, juggle multiple projects and solve problems.

### DIRECT MAIL SPECIALIST

Responsibilities will include developing media strategies, writing direct mail media plans and conducting response analysis. Qualified candidate must be a strategic thinker with 3-5 years direct mail experience.

### INTERACTIVE MEDIA PLANNER

Requires strategic thinker with 2-3 years interactive planning experience.

### ASSISTANT MEDIA PLANNERS

Ground floor opportunity to learn media planning while assisting with projects and interfacing with media reps and clients.

### INTERACTIVE ANALYST

Entry-level position for web interested individual to track responses, maintain database, and generate analytical reports.

OgilvyOne offers a dynamic environment for growth and advancement, along with competitive salary and benefits. Send resume including salary history to: Human Resources-Dept LHA, OgilvyOne, 309 West 49th Street, 15 Floor, New York, NY 10019  
Equal Opportunity Employer-M/F/D/V

FOR THE 21ST CENTURY

Marketing, licensing, promotions and sales...they all play a pivotal role at WorldSpace, the Washington-based international company and global leader in digital audio broadcasting (DAB). Currently we are conducting a search for seasoned professionals who will assume highly-visible positions as we deliver crystal clear audio reception, unprecedented programming (100 + program stations) and personal mobility (new, portable receivers) to the emerging markets of the world (the Middle East, Africa, the Mediterranean Basin, Asia, Caribbean and Latin America).

### Market Research Manager

Work with the Marketing Development Director to support the international marketing efforts of WorldSpace. Responsibilities include: assessing customer needs; developing a full range of market studies; preparing/revising departmental business plans. Requires: BS/BA in Business, Economics or a similar discipline, MBA preferred; experience with building technology support data; knowledge of satellite broadcasting or consumer electronics industries; understanding of global marketing research tools; strong knowledge of statistics; and excellent communication skills. (Job Code: GA398MRM)

### Marketing Analyst

Working within the Sales and Marketing department, you will develop and implement research activities to evaluate existing and potential markets. Responsibilities include: collecting and analyzing data on customers and competitors, sales trends, advertising, business-to-business interactions, expenditures; preparing reports for the sales force; interpreting and charting of data from a wide variety of data sources. Requires: BS/BA in Finance, Business Management, Marketing, Computer Science, Information Systems or a related area; 2 years experience; programming experience in one or more of the following: Oracle, MS Access, Visual C++, SQL, JAVA programming, MapObjects, and ArcView. Excellent communication skills. (Job Code: GA398MA)

### Licensing & Merchandising Manager

Use your creativity to determine the best use of the WorldSpace logo to build a merchandising strategy. You will initiate programs to identify manufacturers, pricing, warehousing and distribution; manage the ordering process, stock/backstock and worldwide fulfillment; coordinate and support all retail promotions. Requires: BS/BA degree; 5+ years merchandising experience; and planning events and promotions. Vendor negotiation or vendor management experience is highly desired. (Job Code: LS398LMM)

### Broadcast & Sales Promotion Manager

The successful candidate will support all promotional activities relating to International Business Development. Coordinate promotional activities at high visibility functions and maintain contact with regional broadcasters and management. Requires: BS/BA degree; promotional experience; solid knowledge of international broadcast industry events. (Job Code: LS398SPM)

All of the above positions are based in **Washington, DC**, with the opportunity for international relocation. We offer competitive compensation and a complete benefits package. For consideration respond with cover letter, resume and salary requirements, indicating job code, to:



WORLDSPACE

Human Resources • Attn: HR/AW • 2400 N Street, NW • Washington, DC 20037  
Fax: (202) 969-6980 • E-mail: [jobsinfo@worldspace.com](mailto:jobsinfo@worldspace.com) • EOE  
For more information on WorldSpace, visit us at [www.worldspace.com](http://www.worldspace.com)

Classified Advertising  
1-800-7-ADWEEK

## TV AD SALES MANAGER

Martha Stewart Living TV is seeking an individual to develop sales proposals and assist in budget and up-front planning strategies. The successful candidate will support TV ad sales, price and track commercial inventory, manage all TV-related contracts and perform spreadsheet analysis as needed. Must be able to troubleshoot scheduling conflicts and reconcile contracts.

The successful candidate should have at least 2 years experience in TV sales analysis. Strong quantitative, interpersonal and computer skills required. Ad sales database experience and college degree preferred.

We offer a competitive salary and benefits package.

Please mail resume (salary requirements a MUST) to:

**Martha Stewart Living Omnimedia**  
20 W. 43rd St., 25th Floor, NY, NY 10036  
Attn: Human Resources-AS  
EOE

Bragman Nyman Cafarelli, a Beverly Hills public relations firm, is seeking qualified candidates for the following positions:

### ASSISTANT, EVENT MARKETING / PR

Able to handle multiple projects in a fast-paced environment. WP/heavy phones; strong writing, good communication skills a must. Some travel may be required. Positions available in Beverly Hills or New York.

### ASSISTANT, TELEVISION DEPT.

Able to handle multiple projects in a fast-paced environment. Proficient in WP. Strong writing, good communication skills required. Entertainment exp. a plus.

### ACCOUNT EXEC., EVENT MARKETING / PR

At least 3 yrs. of agency experience, strong writing and organizational skills, event experience and ability to handle multiple tasks. Positions available in Beverly Hills or New York.

Fax resume to (310) 274-7838 Attn: Human Resources  
No phone calls please

## HELP WANTED

## MARKETING SALES OPPORTUNITY

Be Part  
Of A Unique  
Corporate Culture!

We are expanding our existing team of dynamic, creative marketing executives. Our phenomenal growth and track record has created this opportunity for Thirteen/WNET, one of the major producing stations for PBS, and a nationally recognized innovator in television programming, production, and educational projects and services.

This is a unique opportunity for marketing professionals with an interest in creating media packages in a non-commercial broadcast environment. Candidates must possess:

- Talent to build our business on both local and national fronts
- Track record selling media-sponsored programming
- Strong agency/client relationships
- Excellent communication skills
- PASSION for public television

Please send your resume and salary history to: Mgr. Comp & Staffing, Thirteen/WNET, 356 W. 58th St., NY, NY 10019. FAX: 212-582-3297. Visit our website: www.wnet.org.

**Thirteen·wnet**

EOE M/F/D/V. No agencies. No calls.

Marketing

## A Commercial Product Powerhouse. A Once In A Lifetime Opportunity.

At **Fort James Corporation**, a leading international consumer and commercial products company, we produce the towels, tissue, napkins and dispensers used by hotels, restaurants, office buildings and institutions around the globe. As a Fortune 200 manufacturing and marketing powerhouse, we give our professionals the opportunity to challenge their skills in an organization that is setting new industry standards.

### SENIOR PRODUCT MANAGER PRODUCT MANAGER ASSOCIATE MARKETING MANAGER ASSISTANT PRODUCT MANAGER

As key members of the Commercial Products Marketing team, the selected candidates will enhance market share and profits by managing strategic planning, pricing, promotion, product development and distribution activities. To thrive in these positions, you must possess a college degree (MBA preferred for Product and Sr. Product Manager positions) and experience managing differentiated/value-added consumer packaged goods or commercial industry brands. Requires expertise in handling product development, packaging, pricing, promotion and distribution activities. Excellent leadership and communication skills are essential.

We offer a comprehensive benefits package, including medical, dental and life insurance, LTD, 401(k) and retirement plans. For consideration, please send resume and salary history to: **Fort James Corporation, Attn: PAB-03, P.O. Box 89, Deerfield, IL 60015-0089. FAX (847) 317-5482. EOE M/F/D/V.**

**FORT JAMES**

*Trusted products for everyday living*



MARKETING

## CLIENT SERVICE MANAGER

Fast-paced marketing firm is seeking an energetic individual to support service and sales functions to existing clients for the Media & Communications Group. Responsibilities include further developing client relationships and resolving service-related issues. Candidate should be able to manage multiple priorities, conduct analyses, coordinate internal projects and work in a team environment. Resp. also include support and training related to applications for our desktop marketing and segmentation systems. Limited travel req.

Background in marketing, market research, or GIS is required. Microsoft Office applications exp. as well as excellent interpersonal, organizational, analytical, and communication skills are critical. Electronic media industry experience a plus. BS/BA degree with 3-5 years exp. required. Great opp. for advancement.

Send resume with  
salary requirements to:

**Claritas Inc.-Dept. MCG/MBP**  
11 W. 42nd St.  
New York, NY 10036



Equal Opportunity Employer

## RESEARCH ANALYST

TV Guide magazine is looking for an energetic and marketing smart Research Analyst with a college degree and a minimum of 3 years relevant advertising research experience.

Candidate must possess good communication and computer skills and have working knowledge of syndicated research (MRI, JD Power, Scarborough and Nielsen), on-line media systems (IMS & CMR) and Windows (Word, Excel & Powerpoint).

To apply, please fax resume  
and salary requirements to:

**Amy Cooper**  
(212) 852-7351



Leading international agency known for great creative and named best in the West under \$40 million by the AAF is currently seeking an Account Executive. We offer an incredible location in San Diego and an expanding roster of exciting clients. Must have passion for great work, the courage and conviction to be excellent, ability to think outside the box, and have 3-5 years experience. Client side experience is a plus. Salary range \$35k-\$50k DOE.

### ACCOUNT EXECUTIVE SR. ACCOUNT EXECUTIVE

Please mail or fax resume to  
Victoria Elder:

**Lambesis, Inc.**  
100 Via de la Valle  
Del Mar, CA 92014  
Fax: 619.794.6461

## MULTI-HEADED ART DIRECTOR. NO B.S.

Rapidly growing \$20 million agency at the beach is in dire need of an Art Director who can wear numerous hats and understand client objectives/budgets. Must be a Mac wunderkind and able to perfectly direct photo shoots locally and around the world.

We'll offer a great working and living environment, solid salary, benefits and unique profit-sharing program if you're the right one.

If you haven't done it all before, don't waste your time or ours.

Send resume, salary req. and five non-returnable samples to:

**themeridiangroup**  
marketing communications  
448 Viking Dr., Suite 100, Virginia Beach, VA 23452  
*Phone calls will be automatically disqualified.*

## NATIONAL ADVERTISING SALES

The Ruxton Group, a sales network of 18 alternative weekly papers distributing 1.8 million copies each week, seeks a sales representative for its New York City office. We are looking for an individual with boundless energy, unlimited enthusiasm and 2+ years experience in either advertising sales or media planning. Other qualifications should include: excellent communication & presentation skills, a working knowledge of technology, and the ability to think creatively.

Excellent salary, commission and benefits package. For consideration please fax cover letter and resume to: **Michele Laven at (602) 238-4805.**

★ ★ ★ REACH YOUR AD COMMUNITY WITH ADWEEK MAGAZINES ★ ★ ★

### RATES for Employment and Offers & Opportunities

**MINIMUM:** 1 Column x 1 inch for 1 week: \$164.00, 1/2 inch increments: \$82.00 week. Rates apply to **EAST** edition. **Special offers:** Run 2 consecutive weeks, take 15% off second insertion. Frequency, regional-combination, and national discounts available. Charge for ADWEEK box number: \$30.00/week. Replies mailed daily to advertisers. Readers responding to any ads with box numbers are advised not to send samples unless they are duplicates or need not be returned. We are not responsible for recovery of samples.

### 1-800-7-ADWEEK Classified Manager: M. Morris

The identity of box number advertisers cannot be revealed. If ADWEEK must typeset ad, charge is \$20.00. **Deadline for all ads in ADWEEK EAST is Wednesday, 4:30 p.m.** If classified is filled prior to closing, ads will be held for the next issue. **Classified is commissionable when ad agencies place ads for clients. No proofs can be shown.** Charge your ad to American Express, Mastercard or Visa, **ADWEEK CLASSIFIED, 1515 Broadway, 12th fl. New York, NY 10036.** **1-800-723-9335 Fax: 212-536-5315.**

### Classified Asst: Michele Golden

**HELP WANTED**

**Come Write Your Great Direct Response Copy in Beautiful Vermont**

ONE OF THE COUNTRY'S top direct response marketing agencies is looking to fill a new position. We need to find another top-flight creative/concept/copy person with a minimum of 5 years experience in DR.

Evergreen is a growing direct response agency with national accounts specializing in the 50+ marketplace. We write ads that pull, packages that convert, catalogs that sell, newsletters that retain customers, and TV spots that get response. Your proven track record should show that you've done all that, too.

You'll work with a small team of professionals and a support staff second to none. Our bonuses, profit-sharing and other benefits are some of the tangible rewards.

But so is Vermont...which is why we're in this lively college town. Clean air. Good schools. Great skiing, boating, hiking, and more.

We'll probably start you for less than you're worth. But show us your mettle, and you won't be reading job ads again.



Fax, e-mail or write us (please don't call):

Bob Kesner  
802-388-3091, fax;  
Bob@eamnet.com, e-mail

**EVERGREEN**  
ADVERTISING &  
MARKETING INC.

2 Maple Street, Suite 300, Middlebury, VT 05753

don't just b

Marketing

**Impact Our Future. Make Yours.**

Santeler Marketing Group is one of the America's top event marketing agencies. We partner with our clients to design, develop, and deliver major corporate event strategies. Our scope of services include developing strategies for major product launch events, customer conferences, tradeshow and permanent exhibits, as well as virtual events over the Internet.

Our client portfolio includes some of the best and most innovative companies within the high-tech industry: Sony, Disney, Apple, IBM, Adobe, HP, Motorola, Kodak, Palm Computing, and WebTV.

The company's success comes from its ability to combine strategic marketing, creative production, and leading-edge technology to deliver our client's message in highly effective and memorable ways.

With over 13 years of solid experience, unprecedented growth, and the development of an Internet-based "Virtual Event" product, we are seeking a strong, motivational leader to help shape our future.

**Vice President  
Marketing and Client Services**

The focus for this position is to provide strategic direction to our key clients, as well as direct a seasoned Account Management Team. The ability to assess competitive marketing scenarios and develop creative approaches that effectively communicate the client's message is critical. Five to eight years of executive-level experience in the high-tech marketplace is required. Connections to the entertainment or broadcast industries are a plus. Base salary, and a strong incentive bonus program, are commensurate with experience. For further information visit our website at

<http://www.SMGevents.com>

E-mail: [main@SMGevents.com](mailto:main@SMGevents.com)

Mail resumes to:

Human Resources  
Santeler Marketing Group  
460 Seaport Court, 2nd floor  
Redwood City, CA , 94063  
Facsimile: (650) 367-7714



b / t h e b e s t

**NEW YORK ADVERTISING SALES MANAGER**

**The Hollywood Reporter**, the leading daily entertainment trade publication, is seeking an experienced Sales Manager for its New York office. Supervising the sales efforts of our New York account executives, the ideal candidate will sell as well as manage. Publishing experience with an entertainment trade publication or newspaper in a sales management capacity is essential.

Mail resume and salary history to:

**Human Resources**  
**The Hollywood Reporter**  
5055 Wilshire Blvd. Ste. #600  
Los Angeles, CA 90036  
Attn: NY Sales

or fax to:

213-931-0096 - Dept. NY Sales



**REGIONAL SALES MANAGER - East Coast**



ChickClick is a network of independent, girl-powered websites ([www.chickclick.com](http://www.chickclick.com)): "Girl sites that don't fake it." We are a killer collection of content created by smart, innovative, sassy babes who have been out there rocking the web since day one. Now you can join us! ChickClick is searching for a talented Sales Manager to manage all sales activity in a predetermined territorial region for online advertising on ChickClick. The successful candidate will have 4+ years sales experience, excellent communication skills, persuasive writing, presentation and telephone skills, knowledge of the Internet ad sales process, organizational and scheduling skills, and computer savvy (Microsoft Word, Excel and database applications like FileMaker Pro, Act or Contact Now).

We provide excellent benefits, competitive salary, and a helluva lot of fun. To apply for this position, please email your resume and cover letter to [jobs@imagine-media.com](mailto:jobs@imagine-media.com), fax to 415-656-2582, or snail mail to ChickClick Jobs, 150 North Hill Drive, Brisbane, CA 94005.

## HELP WANTED

## LEADING SOUTH FLORIDA AGENCY LOOKING FOR LOCAL SPOT BUYING STARS

Immediate positions available  
Salary commensurate with experience  
Relocation assistance available  
Full Benefits package

Candidates must be self-motivators with  
excellent negotiating, computer skills  
and Major Market experience.

Please fax resume to:



1201 Brickell Avenue, Miami, FL 33131  
Fax: (305) 358-7008  
Attn: Jayne McMahon, Director of Local Broadcast

### ADVERTISING ACCOUNT EXECUTIVE

Prestigious national advertising agency seeks a strong Account Executive to service a "Big 3" automotive dealer association throughout Pittsburgh and the surrounding areas. Qualified candidates will possess excellent presentation skills, 3+ years of advertising agency experience on major retail accounts, strong client service capabilities, knowledge of broadcast and print media, and working experience with broadcast and print production. Computer literacy with Windows 95 preferred. Only candidates with automotive account experience within an advertising agency environment will be considered.

Please send your resume, including a salary history and/or requirements, to:

Joyce Ryan  
Bozell Worldwide, Inc.  
1000 Town Center, Suite 1500  
Southfield, MI 48075-1241  
or fax to: 248-358-8874

EOE/AA/MFHV

### NATIONAL SALES MANAGER MERCHANDISING SERVICES

As one of the industry's fastest-growing logistics companies, we offer innovative third-party solutions that assist clients in meeting the merchandising demands of their customers. Our services include in-store merchandising, fixtures installation, display placement, training of retail personnel and much more. Our services are available nationwide and in major overseas cities.

We seek a National Sales Manager, with a background in consumer products, chain retail and/or merchandising, to implement a sales program throughout the U.S. Must have strong national account sales experience. Good communication and management skills are essential.

This position offers an excellent compensation program with benefits and an exciting incentive program with unlimited earning and growth potential. Fax resume to:

Dept. NSM-1 at: 800-234-9095

### COPYWRITER

Newport Beach Hispanic ad agency seeks a Copywriter with 3-5 years experience. Must be bilingual and bicultural. Competitive salary and excellent benefits package offered. Please fax resume to:

(714) 851-5138

### National Sales Reps

Calling on "Top 10" U.S. Markets. Working with High Profiled Advertisers & Agencies. Looking for Independent Contractors with Corporate Potential. **New Outdoor Advertising Medium.**

TravelAd International  
Fax resume: 888-898-5851



## News Media Relations Professional

The American Heart Association (AHA), the nation's leading voluntary health organization dedicated to fighting heart disease and stroke, has an opportunity for a skilled communicator in our National News Media Relations (NMR) office in Dallas, TX.

NMR promotes advances in heart disease and stroke research/treatment to national print and broadcast media including weekly print news releases about AHA journal scientific papers, a monthly video news release, news conferences at AHA meetings and daily interactions with reporters and producers. NMR is seeking a team member who is an excellent writer with a bachelor's degree and demonstrated experience in public relations or journalism. The ability to translate complex information for public understanding is needed.

We offer a comprehensive benefits package, including relocation. Please submit resume by March 11th to: **American Heart Association, HR Dept.-NMRP, 7272 Greenville Ave., Dallas, Texas 75231; fax: (214) 706-1191 or email: aharesume@amhrt.org. Visit our homepage at www.amhrt.org. EOE, M/F/V/D**

## ACCOUNT DIRECTORS

AGENCY.COM is seeking senior-level Acct. Managers for our NYC office. We need candidates with client service background who can successfully maintain and grow our business. You should be able to manage and exceed client's expectations, analyze and understand client's businesses, and develop a solid strategic foundation for website development.

Excellent writing, communication, people management skills, and a knowledge of interactive media are required. A creative and open mind is also necessary, as part of the fun will be to provide input into the creative process. If you've proven your presentation and communication skills, and love the online world as much as we do, we may have a home for you here. Competitive salary and benefits package.

Fax resume to: 212-358-8225 or email to: jobs@agency.com.

## CLASSIFIED SALES MANAGER

Great opportunity to join leading trade publication serving the professional photography market. Individual will be responsible for handling existing accounts as well as develop new ones in the monthly magazine as well as expand classified business on growing Web site. Annual directory plus special advertising supplements also contribute to a very busy work day. Candidate should have 1-2 years sales experience, strong telemarketing skills as well as have basic computer skills.

PDN

Attn: Associate Publisher  
1515 Broadway, NYC 10036  
Fax: (212) 536-5224

## ASSISTANT ART DIRECTOR

**MUST HAVE** - 2-5 years agency experience, computer literacy in Quark, Illustrator and Photoshop.

**SHOULD HAVE** - Ability to art direct and design, marker comping and production knowledge.

**WOULD BE NICE** - Big ideas . . . small ego.

Work on broadcast, print, collateral and design.

Send resume to:

Rich Palatini  
Gianettino & Meredith Advertising  
788 Morris-Essex Turnpike  
Short Hills, NJ 07078

## ACCOUNT MANAGEMENT

Account Directors.....to \$130K  
Account Supervisors.....to \$80K  
Account Exec's.....to \$55K  
Asst Account Exec.....to \$33K  
Account Coordinator.....to \$28K  
Postns avail in both Gen'l & Direct.  
We also have multiple media postns. Send resume to **Manag. Dir., 11 E. 44th St., Ste. 708, NY, NY 10017 or fax to 212-490-9277**

## ATTENTION Media Planners & Buyers WORK FOR THE BEST IN THE BUSINESS!

Want More Responsibility?  
Want High-Profile Accts?  
Amazing Growth Potential?  
\* Sev'l Opty's \$25-45K \*

Please fax to Media Director  
212-818-0216

## HELP WANTED

*Western Union, the recognized leader in money transfer and a dynamically evolving company where innovative changes are taking place, has an exceptional opportunity in Denver for a:*

## **Sr. Marketing Manager (Bilingual)**

Reporting to the Director of Mexico Money Transfer (MMT) for Western Union North America, you will be responsible for the direct and supportive strategic direction for all markets under the responsibility of the MMT franchise in the US. Primary responsibilities include pricing, forecasting, budgeting, product development and advertising for assigned segments of the MMT business; and developing yearly strategic, business and marketing plans for all products.

Ideal candidate will possess 5-8 years' experience in advertising and a solid background in marketing and advertising concepts and execution (MBA preferred); broad marketing skills to cover advertising, promotions, pricing, budgeting, research and sales analysis; and the ability to develop marketing strategies appropriate for the US Hispanic market. Strong communication, leadership, supervisory, negotiation and follow-through skills are essential. Bilingual in English/Spanish is a must.

We reward our valued team with highly competitive salaries and performance based bonuses, along with comprehensive benefits including life/medical/dental insurance, legal, 401(k), stock purchase plans and more. Please respond to:

First Data Corporation, Attn: CJS - Marketing, Human Resources Dept., P.O. Box 7038, Englewood, CO 80155; Fax: (888) 218-5001; E-mail: denver.staffing@firstdatacorp.com. AA/EOE

**WESTERN UNION** |  
a unit of First Data Corp.

Marketing

## **Preserving Our Environment. A Once In A Lifetime Opportunity.**

From 100% recycled tissues, towels and napkins to optimal system designs that reduce product and packaging waste, Envision's innovations have been protecting our environment for years. Found in hotels, offices and institutions nationwide, our line of products are #1 in the away-from-home market. And as a member of **Fort James Corporation**, a Fortune 200 international consumer and commercial products company, we've earned a reputation for inspiring achievement, creativity and growth in our professionals.

### **BRAND MANAGER, ENVISION®**

Already a successful line of environmentally positioned towel, tissue and napkin products, Envision\* has even more room to grow. We're looking for someone to take the Envision\* product line to the next level. The selected candidate will oversee and develop innovative strategies for brand positions and the product line. You will investigate opportunities for new and existing product development, securing our place as an industry leader. Requires a BA/BS in Marketing (MBA preferred) and 5+ years of brand or product management experience involving differentiated/value-added consumer packaged goods or commercial industry brands. You will enhance the market share and profits by managing strategic planning, pricing, promotion, product development and distribution activities for the Envision\* line.

We offer a comprehensive benefits package, including medical, dental and life insurance, LTD, 401(k) and retirement plans. For consideration, please send resume and salary history to: **Fort James Corporation, Attn: PAB-02, P.O. Box 89, Deerfield, IL 60015-0089. FAX (847) 317-5482. EOE M/F/D/V.**

**FORT JAMES**

*Trusted products for everyday living*

## **PRINT PRODUCTION MANAGER**

The New York Times is looking for a promotion production manager who can work cooperatively within a team environment and manage a heavy workload while under tight deadlines. The candidate will report to the senior Production Manager and be responsible for working with Art Directors and other departmental managers to produce high-quality promotion materials in a timely and cost-efficient manner. Must be able to develop budgets, obtain and evaluate bids, select vendors, track costs and scheduling, report regularly on job status, go on press OK's when needed, manage the mailing process, the purchase of mail lists and the imprinting of promotion materials, supervise and develop support staff, and handle administrative assignments. We are looking for candidates with expertise in all duties described above, 5 to 10 years experience in print production (4c, 2c, b/w, web and sheet fed) in publishing, advertising or a comparable industry, including managerial responsibilities, ability to use Macintosh programs, familiarity with postal regulations, good communications skills and a track record in problem solving.

We offer a competitive salary and benefits package.

*If you are interested in this position,  
please send your resume and cover letter to:*

**The New York Times**

229 West 43rd Street

ATTN: Human Resources Dept., Dept. LH  
New York, NY 10036

*We regret that we will only be able to respond to those candidates selected for an interview.*  
EOE

## **Merkley Newman Harty can't keep a media director.**

**WE MUST BE DOING SOMETHING RIGHT. OUR LAST 2 MEDIA DIRECTORS HAVE BEEN POACHED BY THE MEDIA. MAYBE IT'S THEIR ABILITY TO ENVISION THE FUTURE OF MEDIA. PERHAPS IT'S THEIR SKILL AT BUILDING A WORLD-CLASS MEDIA DEPARTMENT. WHATEVER IT IS, THEY'RE GONE. AND WE NEED TO FIND THE NEXT GREAT MEDIA DIRECTOR TO HELP US HANDLE ALL THE NEW ACCOUNTS WE'VE JUST WON. PREFERABLY ONE WHO CAN RESIST REALLY AMAZING JOB OFFERS FROM PRESTIGIOUS MEDIA COMPANIES.**

**SEND YOUR RESUME IN CONFIDENCE TO: RHONDA STEEG  
MERKLEY NEWMAN HARTY, 200 VARICK STREET,  
NYC, NY 10014 OR FAX TO 212.366.3632**

**FOR CLASSIFIED ADVERTISING CALL  
1-800-7-ADWEEK**

## HELP WANTED

**MEDIA/LMS ANALYST**  
Go from pilot to prime time.

Now that you've got some experience in the communications industry, you'll want to get your career off the shelf and on the air. Warner Bros. has an exciting position for a smart, dynamic individual with at least 1 year Media experience in our Domestic Media Sales department.

Responsibilities include formatting commercials and maintaining sales inventory for assigned programs; this includes interacting with all areas of commercial integration (adhering to show feed deadlines, topic sensitive clients, gathering traffic instructions); analyzing Nielsen reports from LMS and coordinating make goods and barter projects. Other duties include entering station line-ups into LMS to ensure commercial runs and providing research and reports to the Media Sales department and advertising agencies as requested.

You must possess a college degree and some experience in, and familiarity with the communications industry; excellent organizational, verbal and written communications skills and strong interpersonal ability. A degree in Marketing, Communications or Advertising is strongly preferred.

Send resume with salary history to: Warner Bros., Dept-MA, 1325 Avenue of the Americas, New York, NY 10019. Warner Bros. is an Equal Opportunity Employer.



A TIME-WARNER  
ENTERTAINMENT COMPANY

**CREATIVE DIRECTOR**

SHIRT-SLEEVE, HANDS-ON type, preferably with a direct background to take creative helm at leading recruitment ad agency specializing in Fortune 500 companies. You are a whizz writer who will dazzle clients with your imagination & genius. Conceptualize & oversee campaigns that include recruitment ads, collateral materials & web design. Mac savvy a +. Fax to:

NS: (212) 358-8478

**ACCOUNT SUPERVISOR**

Our small ad agency is looking for someone who knows NY to be an Account Supervisor on an established account. Must be a proven strategic thinker whose past includes running all aspects of fast paced retail accounts. Must have 2 years as an AS in a general ad agency.

Please fax resume to:  
212-620-7149

Only resumes with salary requirements will be considered.

CALL 1-800-7-ADWEEK

**SPOT TELEVISION BUYER****Jobshare & Fulltime Positions Available**

We are a fast growing international media trading company located in Rockland County. Seeking individuals with strong TV negotiating skills, detail oriented, aggressive & highly motivated. Enormous growth potential in a fast paced environment. Trade experience preferred but not necessary.

Please fax resume to:

Lissette Vilato @ (914) 735-0505

**Art Director**

At least 10 years experience. Prefer heavy print and some broadcast. Internet experience helpful. Mac experienced only. Ad agency is creatively driven.

**Account Executive**

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## CALENDAR

*Time* magazine will celebrate its **75th anniversary** at a gala evening March 3 at New York's Radio City Music Hall featuring tributes to influential newsmakers, appearances by prominent *Time* cover subjects, and dancing on the Music Hall stage. Contact: 212-522-0833.

The entry deadline for the annual **OBIE awards**, recognizing creative excellence in out-of-home advertising, is March 16. Work must have run during calendar-year 1997. Contact the Outdoor Advertising Association of America at 212-688-3667.

International investment bank **Schroders** and **Variety** present their annual **conference on the media and entertainment industry**, "The Business of Entertainment: The Big Picture," March 31 at the Pierre Hotel in New York. Contact: 212-492-6082.

The American Advertising Federation presents the **Advertising Hall of Fame Luncheon** March 31 at the Waldorf-Astoria in New York. Contact: 212-898-0089.

**Forbes** and the **American Stock Exchange** will present **Forbes Presidents Forum for Emerging and Middle-Market Companies** April 5-7 at the Plaza Hotel in New York. Speakers include Tom Scott, co-founder and president, Nantucket Nectars. Contact: 212-620-2398.

The **Internet & Electronic Commerce Conference & Exposition (iEC)** will be held April 27-29 at the Jacob Javits Convention Center in New York. Contact: 203-256-4700.

# Media Notes

## NEWS OF THE MARKET

Edited by Anne Torpey-Kemph

### ABC First to Beat Olympics

ABC became the first network to outperform CBS on a night during the Olympics when it posted a 14.0/21 on Sunday, Feb. 22, compared to 13.4/20 for CBS. Contributing to ABC's success for the night were two movies, *Casper* and *The Wedding*. In head-to-head with CBS' coverage of the Olympics' closing ceremonies, the first-part of *The Wedding*, a two-part miniseries, recorded an 18.0/26 share compared to 11.3/17 for the Olympics. Feb. 22 was ABC's third-highest nightly average of the season.

### HDTV Sets Set for NAB Debut

The Consumer Electronics Manufacturers Association said that member companies Panasonic, Sharp and Zenith will display the first models of high-definition television (HDTV) sets at the National Association of Broadcasters convention in Las Vegas (April 4-9). Sets are expected to hit retail by fourth quarter.

### WSJ Launches Quarterlies

This week marks the launch of two quarterly publications from *The Wall Street Journal*. A selected group of 300,000 *WSJ* subscribers will receive by mail *Quarterly Focus on Retirement* and *Quarterly Focus on Small Business*, which were tested last year in response to advertiser demand for targeting. By press-time, the 30-plus page broadsheet-format papers had sold 12 and 25 pages of advertising, respectively. Ad prices are \$37,500 for full-page black-and-white and \$46,600 for full-page four-color.

### Mag Ad Spending Up 7%

January 1998 advertising spending in magazines grew by 7.1 percent compared to the same period last

year, according to a Publishers Information Bureau report. Ad pages, however, didn't jump quite so high, growing by only 1 percent, to 13,841. The top three growth categories over January 1997 were toiletries & cosmetics (up 13.8 percent to \$62.6 million), direct response companies (up 13.2 percent to \$93.8 million) and travel, hotels & resorts (up 12.9 percent to \$36 million).

### Frito-Lay Exec to L.A. Times

Steven U. Lee, 35, previously marketing vp for Frito-Lay International-Asia Pacific division of PepsiCo., Inc., has joined the *Los Angeles Times* in the new position

of vp of consumer marketing and planning. Among his duties, Lee will oversee the business planning efforts of the paper's section general managers. The *Times*' ongoing "Cliffhanger" branding campaign has boosted awareness from 28 percent to 70 percent, said Jeffrey S. Klein, senior vp and general manager, news, adding that Lee will focus on "bringing those kind of results" to the paper's key sections.

### Stern on So. Cal. Buying Binge

Advertisers in *OC* (Orange County) *Weekly* and *L.A. Weekly*, two alternative newsweeklies owned by *Village Voice* parent

## \$8 Mil Blastoff By HBO

HBO will spend a network record of \$8 million on marketing in support of its upcoming original space-race miniseries, *From Earth to Moon*, said sources familiar with the project. The mini stars Tom Hanks. HBO declined comment on the marketing budget for *Moon*, which cost \$60 million to produce and will run in hour-long segments over 12 nights, starting April 5. Critics have questioned whether the miniseries, which Hanks pitched to HBO, will be able to hold audiences over such a long airing. Each segment will have a different director; six have won an Academy Award for acting or directing, including Hanks (who is also executive producer of the miniseries) and Sally Field.

One of the most aggressive marketers in cable, HBO's overall promotions budget this year is about \$20 million. The network is also spending \$14 million to produce an adaptation of Neil Sheehan's Pulitzer Prize-winning Vietnam War opus, *A Bright Shining Lie*.



ERIK HENILA

**Critics: Can Hanks hold 'em for HBO space special?**

# Media Notes

CONTINUED

Stern Publishing, can expect more bang for their buck when the acquisition of a third Southern California property, *The Santa Barbara Independent*, is finalized this month. "The area is going to be a big growth market for us," predicted Stern president David Schneiderman, noting that the company is looking to buy at least two more alternatives in Southern California. The *Independent* is the eighth Stern property and the fifth purchased in the past year. Schneiderman said the combined circulation of Stern papers is 915,000.

## Discovery to Light Up Image

Discovery Channel last week announced a partnership with George Lucas' Industrial Light & Magic and Miller/Pyburn Films to create a new national image campaign for the network. The first promotional campaign out of Discovery in four years, the spots will use the special-effects expertise of ILM to breathe new life into the "Explore Your World" positioning line. ILM is best known for its work on films like *Star Wars* and *The Lost World: Jurassic Park*.

## TWI, Gurin Team for Records

TransWorld International, the TV production and syndication arm of sports marketing giant International Management Group, has joined the Gurin Co. to produce an hour-long prime-time special this spring for UPN called *Extreme World Records*. Segments will include a world-record attempt at a backward fall 20 stories out of a skyscraper and a motorcycle jump over a row of helicopters with blades spinning. The show marks the second collaboration between TWI and Los Ange-

les-based Gurin, which teamed on *The World's Most Incredible Animal Rescues*, which aired on Fox this season.

## Judy to Move in New York

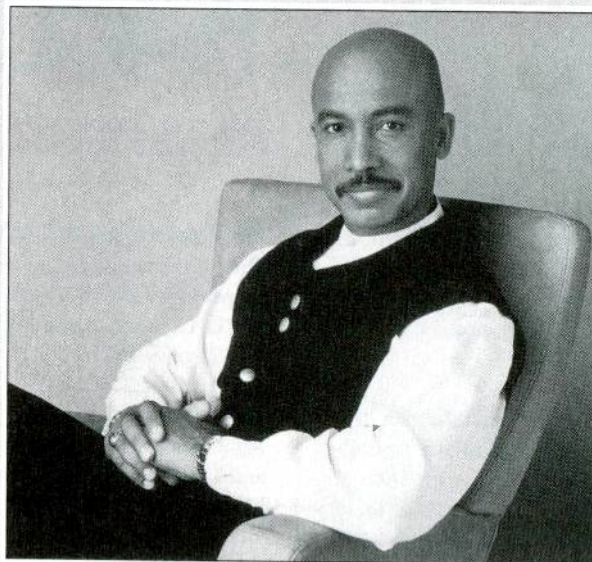
Judge *Judy*, the hit syndicated courtroom strip featuring Judge Judy Sheindlin, is changing addresses in New York, where WNBC-TV has outbid WCBS-TV. Syndicator Worldvision Enterprises is said to have sought more than double the \$55,000-per-week license fee WCBS currently pays. A source close to Worldvision said that WNBC bid \$120,000 per week to start carrying *Judge Judy* in fall 1999.

## ColTriStar TV Ups Mosko

Steve Mosko, senior vp of syndication at Columbia TriStar Television Distribution since 1994, has been promoted to executive vp of sales. Mosko will oversee national sales of syndicated programming, in addition to basic and pay-cable sales and future distribution services. Mosko, who reports to CTTD president Barry Thurston, has been instrumental in the off-network sales campaigns of *Seinfeld*, *Mad About You*, *The Nanny* and *Walker, Texas Ranger*.

## Tribune Rides Titanic Wave

Capitalizing on the box-office success of Paramount's *Titanic*, Tribune Entertainment is doing a two-hour prime-time special, *Titanic: Secrets Revealed*, for syndication. The special promises to reveal facts about third-class steerage passengers being locked into lower-level areas prior to the ship's sinking as well as an investigation of a fire in the engine and cargo areas that contributed to the oceanliner's demise. TEC says all of the Tribune Broadcasting and Sinclair



Williams shipped out to the Gulf for interviews.

## Montel on a Mission

Talk-show host Montel Williams last week spent two days aboard the *U.S.S. Independence*, an aircraft carrier deployed in the Persian Gulf, where he conducted interviews with service personnel to be used on the episode of his show set to air today. Williams, who spent 22 years in the Navy, was accompanied by a small film crew that recorded what life is like aboard the ship. Sailors also were given the opportunity to relay messages back to their family members, some of whom were expected to be in the audience when the show was taped in New York on Feb. 27.

Broadcast Group stations have signed on to carry the special, giving *Secrets* clearance in 48 markets representing 52 percent U.S. coverage after less than one week in the market. Tribune is offering the *Titanic* special on an even 13-minute local and national barter basis for a March 30-April 19 broadcast window.

## THR Lists Most Bankable Stars

*The Hollywood Reporter* last week released its "Star Power '98" list of Hollywood's 400 most bankable actors and actresses according to a survey of leading film and studio executives. Star Power '98 was previewed in the weekly international edition of *THR*, but complete survey results are available online at [\[woodreporter.com\]\(http://woodreporter.com\). The listing ranks the stars in order of estimated box-office earning potential. Topping the list is Tom Cruise, followed by the likes of Harrison Ford, Mel Gibson and Tom Hanks. \*The Hollywood Reporter\* is published by BPI Communications, the parent company of \*Mediaweek\*.](http://www.holly-</a></p>
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## Thornton Story Takes Sad Turn

Jeff Thornton, the snowboarder whose rescue and survival after a week lost in the mountains near Wrightwood, Calif., recently captured the imagination of the country and Hollywood producers (*Mediaweek*, Feb. 23), died unexpectedly on Feb. 20. According to sources, there remains keen interest in developing the Thornton family's story at some point in the future.

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**Joseph M. Daltoso** – Chairman/CEO, Micron Electronics Inc.  
**Karen Edwards** – Director of Brand Management, Yahoo!  
**Ellen Reid Smith** – Director of Relationship Marketing, IBM Corp.  
**Randy Haykin** – President, Interactive Minds

**Brian Burch** – Worldwide Brand Manager, Hewlett-Packard  
**Walt Petticrew** – VP/Marketing, Advanced Micro Devices  
**Jim Desrosier** – EVP/Marketing, Excite  
**Chris Deyo** – General Manager, Berkeley Systems  
**Ed Colligan** – VP/Marketing, 3Com PalmComputing  
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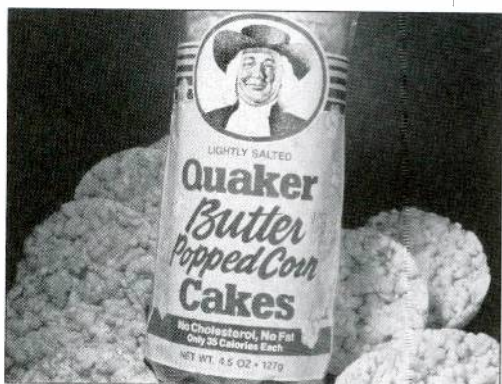
## BIG DEAL

### QUAKER OATS RICE CAKES

**Advertiser:** Quaker Oats  
**Agency:** Berry Brown, Dallas  
**Begins:** April  
**Budget:** \$15 million (est.)  
**Media:** TV, print

**H**oping to reinvigorate the severely declining rice cakes category, Quaker Oats is spending an estimated \$15 million against a new "Taste is the reason" campaign promoting new varieties—Caramel Chocolate Chip and Peanut Butter—that add fat and flavor to the healthful snacks.

With declines of at least 11 percent for its Rice Cakes for the last two years, Quaker is following the lead of other healthful food brands that are adding fat to formerly fat-free products as they real-



Imagine 'em with chocolate on top.

ize consumers are unwilling to sacrifice flavor for health or weight benefits.

The new enhanced-taste positioning will be the focus of female-targeted TV spots that tout the real caramel, chocolate and peanut butter toppings on the new SKUs while still focusing on their place in a healthful lifestyle with only 60 calories (10 more than previous SKUs) and one gram of fat. Magazine ads, in April and May issues of such publications as *Living Fit* and *Walking*, will also tout the decadent ingredients of the two flavors and the new nutritional information.

The campaign represents a significant increase in media spending on Quaker Rice Cakes from the \$8.2 million Quaker put against the brand in 1996 and the \$3.7 million it spent during the first 11 months of 1997, according to Competitive Media Reporting. —

# Real Money

ADVERTISING ACTIVITY IN THE MEDIA MARKETPLACE

### DAYS INN

**Advertiser:** Days Inn  
**Agency:** Decker Advertising, Glastonbury, Conn.  
**Begins:** Mid-March  
**Budget:** \$12 million  
**Media:** TV, print, radio  
 Days Inn is launching a campaign to advertise for the first time its position as the largest hotel chain in the economy segment, backing the push with a 30 percent increase in ad dollars over last year to an estimated \$12 million.

The campaign launches later this month, beginning with national radio buys and a print pitch to run in newspapers, including *USA Today* and magazines such as *Time*. The TV spots are still being filmed and are expected to run by the end of April. POP displays at registration and in rooms will further support the creative. Grey Advertising, New York, handles media buying for Days Inn.

Also, Days is finalizing two joint promotions. One will be based on cross channel activi-

ties and the other a sweepstakes offering trips and other prizes.

Days Inn owns and franchises more than 1,800 hotel properties, making it the biggest of Cendant's eight lodging brands, which include Ramada, Howard Johnson, Super 8 and Travelodge. Days spent \$8.3 million on advertising in 1996 and \$9.09 million from January to November 1997, per Competitive Media Reporting. —*Shannon Stevens*

### REYNOLDS HOT BAGS

**Advertiser:** Reynolds  
**Agency:** Saatchi & Saatchi, N.Y.  
**Begins:** Summer  
**Budget:** \$10 million (est.)  
**Media:** TV, print  
 Reynolds Metals will spend an estimated \$10 million on the launch this summer of Reynolds Hot Bags, aluminum foil pouches designed to hold large amounts of food for use on outdoor grills.

Hot Bags ships to retail in June, with TV and print ads breaking shortly after. Reynolds will use Pat and Betty, kitchen home economists who have appeared in spots for Reynolds plastic wrap, in ads touting "the no-fuss way to cook on the grill."

Hot Bags formalizes what many consumers already do with aluminum foil. The bags serve as a closeable pouch to seal in heat and keep food moist. Reynolds has been developing aluminum foil bags for several years, but until now wasn't able to master the technology of keeping the bags sealed.

Hot Bags will be targeted mainly at women with families. According to the Barbecue Industry Association, 84 percent of all families own a grill, a number that's growing by 1 to 2 percentage points each year. "No one in the category has targeted that population yet," said brand manager Mark Whitfield. "We see a huge opportunity here."



In the year ended Feb. 1, Reynolds was the No. 1 brand in both plastic wrap and aluminum foil, with combined sales of more than \$325 million,

per Information Resources Inc. It spent about \$18 million on ads through November, per Competitive Media Reporting.

—*Sean Mehegan*

### PETE'S EXTRA SMOOTH PUB LAGER

**Advertiser:** Pete's Brewing  
**Agency:** Black Rocket, San Francisco  
**Begins:** April  
**Budget:** \$8 million (est.)  
**Media:** Outdoor

Pete's Brewing next month breaks outdoor ads positioning its new workhorse beer, Pete's Extra Smooth Pub (ESP) Lager, as "almost as easy to drink as free beer."

The ads targeting New York, Chicago, San Francisco and fewer than seven other metros, are crucial for a No. 2 craft beer player struggling to reverse sales declines and seeking a strong partner to insure its

# CMR TOP 50

A Weekly Ranking of the Top 50 Brands' Advertising in Network Prime Time

Week of Feb. 10-16, 1998

Rank	Brand	Class	Spots
1	MCDONALD'S	V234	66
2	BURGER KING	V234	48
3	POLAROID--VARIOUS CAMERAS & INSTANT FILM	G230	33
4	WENDY'S	V234	26
5	PEPSI--SOFT DRINK	F221	22
6	DOMINO'S PIZZA RESTAURANT	V234	19
	M&MS--CANDIES	F211	19
8	TACO BELL RESTAURANT	V234	18
	ZALES JEWELERS	V392	18
10	IBM CORP.--CP	B314	17
	MILKY WAY--CANDY	F211	17
12	COLGATE--TOTAL TOOTHPASTE	D121	16
	MIRAMAX--SENSELESS MOVIE	V233	16
	NEW LINE--WEDDING SINGER MOVIE	V233	16
	NINTENDO 64--VARIOUS GAME SOFTWARE	G450	16
	RODGERS & HMRSTN CINDERELLA--VIDEO	H330	16
	SPRINT LONG DISTANCE--RESIDENTIAL	B142	16
18	MAYBELLINE--EXPRESS FINISH NAIL POLISH	D115	15
	MAZDA AUTOS--626 LEASING	T112	15
20	PAYLESS SHOE SOURCE--FAMILY	V313	14
	SEARS DEPT--SALES ANNOUNCEMENT	V321	14
	U.S. ARMY	B160	14
23	BURLINGTON COAT FACTORY--FAMILY	V311	13
	CARNIVAL--CRUISES	T412	13
	NISSAN TRUCKS--FRONTIER	T118	13
26	1-800-COLLECT	B142	12
	AIR FORCE ONE--VIDEO	H330	12
	ALMAY--STAY SMOOTH ANTI-CHAP LIP COLOR	D112	12
	NESTLE FLIPZ--CANDY	F211	12
30	CAMPBELL'S--SOUP	F121	11
	COCA-COLA CLASSIC--SOFT DRINK	F221	11
	FORD MOTOR CO.--CP	T111	11
	MCI LONG DISTANCE--RESIDENTIAL	B142	11
	POLAROID--ONE-STEP EXPRS CMRA & INST FILM	G230	11
	U.S. POSTAL SERVICE--GLOBAL PRIORITY MAIL	B612	11
	WARNER BROS.--SPHERE MOVIE	V233	11
37	ADIDAS--MEN'S SNEAKERS	A131	10
	BETTY CROCKER--STIR 'N' BAKE CAKE MIX & FRST	F113	10
	CARESS--MOISTURIZING BODY WASH	D122	10
	COLUMBIA--PALMETTO MOVIE	V233	10
	HYUNDAI AUTOS--TIBURON	T112	10
	PONTIAC AUTOS--GRAND PRIX	T111	10
	TARGET DISCOUNT--ELECTRONICS	V324	10
44	ACE HARDWARE STORES	V345	9
	DIAL-10-321 LONG DISTANCE--RESIDENTIAL	B142	9
	DODGE AUTOS--INTREPID	T111	9
	HERCULES--VIDEO	H33C	9
	POLYGRAM--BORROWERS MOVIE	V233	9
	SATURN CORP.--AUTOS CP	T111	9
	SEARS--MISC.	V321	9

future.

The concentrated outdoor attack should attain impact while avoiding the beer clutter in print, radio and TV, said marketing vp Omer Malchin.

ESP, anchoring the media schedule until Pete's Wicked Ale takes over after summer, is positioned as a "more approachable, but quality" alternative to imports like Beck's.

Brand founder Pete Slosberg is central. His image appears on each bottle, he will tour heavily to support a new book, *Beer for Pete's Sake*, and he'll be visible in a summer off-premise promo cross-merchandising Pete's with the Magic Seasoning Blends of chef Paul Prudhomme. —Gerry Khemouch

## YARDLEY OF LONDON SOAP

**Advertiser:** Yardley of London

**Agency:** Gotham, N.Y.

**Begins:** April

**Budget:** \$1 million-plus

**Media:** Print

After an advertising hiatus of several years, Yardley of London will become visible again in the U.S. as it seeks to attract younger consumers looking for some budget pampering.

The soap brand, wildly popular in Europe but an also-ran in the U.S., will be repositioned via a "Botanicals" print ad set to run in April issues of *People* and *Parents* and May's *Cosmopolitan*.

"The advertising reaffirms the Yardley name as a brand," said Clark Morris, vp/sales and marketing at Yardley, Memphis, Tenn. "Consumer studies indicate that the Yardley name is very significant around the country. The ads associate the name with something you can buy."

Although Yardley sales don't crack the top 10 in soap, Morris said the brand does \$30 million in overall U.S. sales. The company was previously owned by Maybelline, which did not feel the Yardley brand, known for commodity soap, warranted media.

Now, Yardley is getting more into bath and body via a new body spray, citrus bath product and other items. It also tweaked packaging on all its products and, in a switch, is planning Mother's Day and Christmas promos. —Sean Mehegan

Ranked in order of total spots. Includes ABC, CBS, NBC, FOX, UPN and WB. Regional feeds are counted as whole spots. Source: Competitive Media Reporting

# Media Person

BY LEWIS GROSSBERGER



## Kofi's Hot

KOFI! KOFI! KOFI! WHAT A GUY. MEDIA PERSON DEDICATES this column to the suddenly famous Kofi

Annan, diplomat extraordinaire, man of peace, instant global superstar, rehabilitator of the UN's pathetic image, the world's most famous Ghanaian, the world's *only* famous Ghanaian, whose stature and prestige will never be greater than it is right now (which is actually last week as MP writes this) because right now we know next to nothing about Kofi Annan. As soon as we find out more, which should be momentar-

ily (Is he on the cover of *Time* and *Newsweek*? Don't know yet—it's *still* last week around here) we'll be sick of hearing about him and on top of that we'll probably learn of some awful scandal like sheep molesting or yelling at his aides until they burst into tears and next thing you know Kofi will be investigated by Kenneth Starr because Clinton once told him a dirty joke and finally we'll just go back to thinking about Monica Lewinsky and how great the Grammys could have been if only Streisand hadn't caught

the flu and had sung a duet with Bob Dylan.

But that's tomorrow. Today (which to you is really last week) it's Kofi Time. So raise a cuppa java to the dignified-looking UN chief with the sleepy yet penetrating eyes.

Build an equestrian statue of him on East 46th Street and rename it Kofi Annan Square. Sign up Edmund Morris for the biography; he's finally finished Reagan so he's available.

Sign up Morgan Freeman for the movie, with Denzel Washington as the young Kofi, sitting around a coffee shop in downtown Accra with an expression of yearning on his handsome features, explaining to his weeping girlfriend, "Sorry, babe, but I've gotta get off this hick continent; I'm heading for New York, where I can make a difference. And maybe even snag a product endorse-

ment or two. Maxwell House would be a natural for me. Get it?"

On the other hand, maybe this column should be dedicated to Henny Youngman, who never played the palace in Baghdad, but for about 80 years stood up comically, grinding out mechanical jokes, one after another, rat-a-tat-tat, no segues in between, none longer than 10 seconds, set-up, punch, set-up, punch. That's a kind of greatness,

**In fact, Henny once said, "Saddam is so ugly, when he was born the doctor slapped his mother."**

too, or maybe a kind of mental illness, hard to say which. (Once, Henny went to a shrink and said, "Doctor, nobody ever listens to me." Doctor said, "Next.")

After a while, Henny got very old and became famous for being around a long time. Now he was a camp figure, a sort of living joke. Finally, the idea of Henny Youngman was funnier than anything he actually said. But then he became dead and the wire services spread news of his dying around the world, though not to Iraq.

Upon receiving it late Tuesday night, Media Person instinctively blurted, "So what? I've seen him die hundreds of times." It was callous, yes, that cannot be denied, and yet fitting because, after all, shouldn't

the King of One Liners be honored on the occasion of his passing with a commemorative gag?

Indeed, there were those who later would insist that Henny looked Death in the eye and declared, "I said, 'take my wife.'" That is the kind of legend that grows around the death of one such as he. Or possibly him. Who really can ever know, outside of William Safire?

Whoops, hold on! On the radio, Trent Lott is blasting Kofi Annan for implying that he could trust Saddam Hussein. This is another point in Henny's favor because he never trusted Saddam. In fact, Henny once said, "Saddam is so ugly, when he was born the doctor slapped his mother." On the other hand, it is also a point in Kofi's favor, because Trent Lott is as ridiculous as his name.

Another plus for Kofi is his hat collection. Media Person learned about that from a *New York Post* story, which stated: "The scion of a family of Ghanaian noblemen, Annan has spent most of the past 30 years wearing a variety of hats at the United Nations, culminating with his appointment as secretary general in 1996." Hopefully, *People* magazine will get a photographer on that angle soon.

It is a curious fact of history that for many years, both Kofi Annan and old man Youngman were denizens of the same city. Tragically, they never met because the one hung out with the comedians at the Friar's Club and the other with the comedians at the UN. Whereas Kofi busied himself with frank and wide-ranging exchanges on a variety of issues crucial to international security, Henny concentrated more on issues involving his mother-in-law. But though they inhabited such different milieus, it can be hypothesized that had they met, each would have found the other essentially incomprehensible. *Homeless guy came up to me on the street and said, "I haven't eaten in two days." I said, "Force yourself."* If Henny had said that to Kofi, would Kofi have laughed?

Alas, we shall never know.

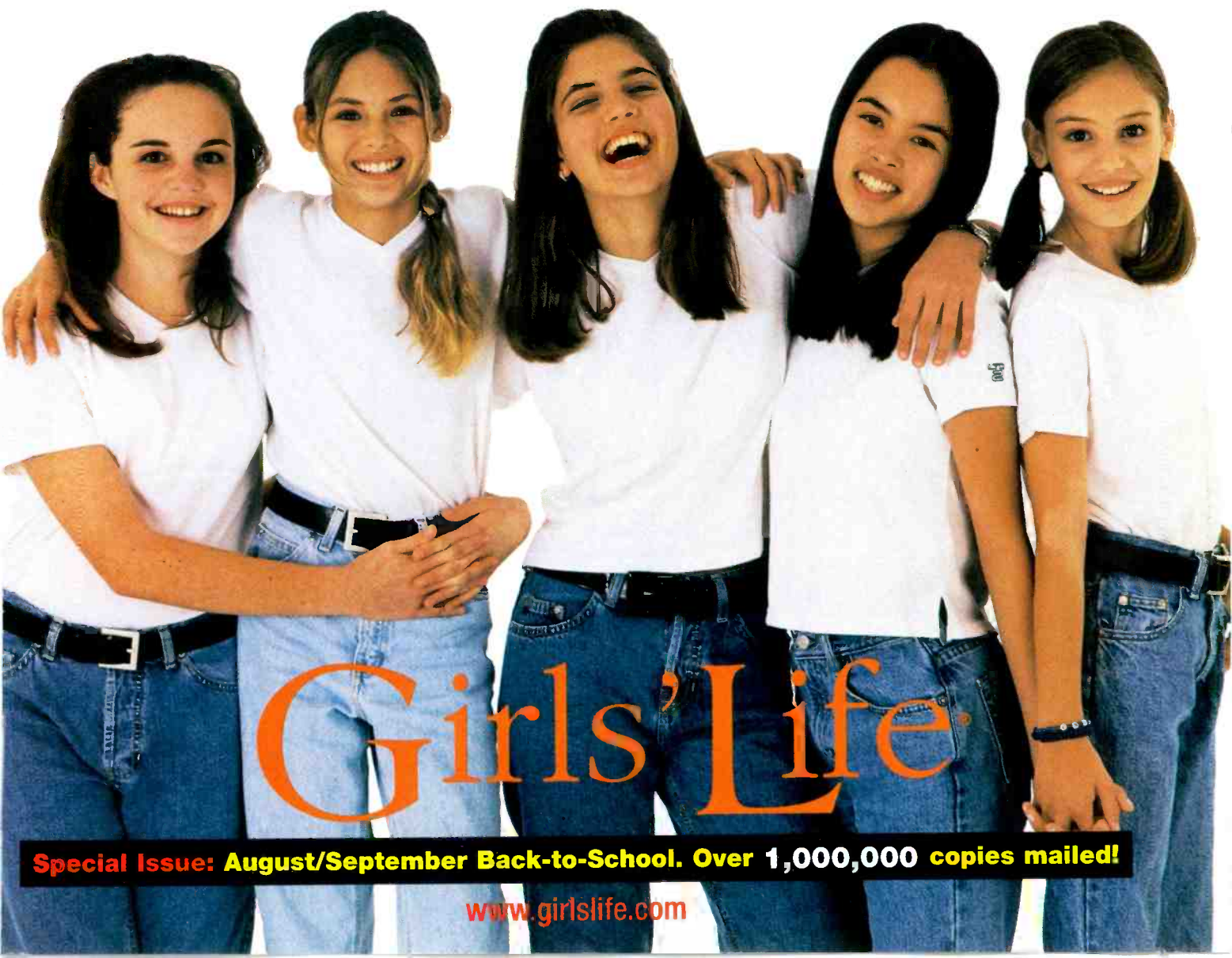


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