Syndication Faces Boom Times

As radio station consolidation drives up the need for quality, cost-efficient programming, group owners, start-up companies and networks compete to meet the demand and, hopefully, discover the next big talent. In this special report, BROADCASTING & CABLE looks at who's hot and what's on the horizon.

By Donna Petrozzello

The demand for syndicated radio programming has never been stronger as group owners operating clusters of stations in a single market hunt for quality shows to put on their airwaves.

Over the past year, groups including Jacor Communications and SFX Broadcasting have ventured into managing syndicated radio programming. Such long-standing syndicators as Premiere Radio Networks—recently acquired by Jacor—have expanded by developing new product and acquiring smaller companies.

Program providers, such as United Stations Radio Networks, Westwood One Inc. and the WOR Radio Network, have launched new shows hosted by personalities well known to music and media circles. The race to find the next hit has spurred start-up syndicators to action and has encouraged radio stations like WOR (FM) New York to take local acts national.

The result is that more program providers are vying to develop shows that deliver audience, ratings and advertisers nationwide. "There is no question that the radio business is good and that demand for syndicated programming is high," says Jacor Communications Chief Executive Officer Randy Michaels.

"From both from a clearance and an advertiser standpoint, the acceptance of network and syndicated radio is at an all-time high," says Nicholas Verbitsky, president of United Stations Radio Networks. "I started in the network end of the radio business in 1979, and this is the best I've ever seen it."

Radio's in Crowd: clockwise from top, center: Don Imus, Tom Joyner, Howard Stern, Rush Limbaugh, Laura Schlessinger and The Fabulous Sports Babe
“The syndicated marketplace is hotter than ever,” says talk format consultant Walter Sabo of Sabo Media of New York. “Consolidation has opened the door for many shows; and group owners can experience enormous economies and quality programming by putting on syndicated shows.”

As proof of syndication’s enduring success, the heavyweights of the industry continue to be Rush Limbaugh, carried by 660 stations; Don Imus (100 stations); Howard Stern (39 stations); Dr. Laura Schlessinger (389 stations); Tom Joyner (82 stations); and the Fabulous Sports Babe (187 stations).

Darryl Brown, ABC Radio Networks senior vice president, affiliate marketing, says ABC cleared three new affiliates each for Joyner and the Sports Babe (both launched in 1994) this year. “Being one of the top three-rated morning shows in Boston are from New York—Imus and Stern. For the trendy imports to be running on such a big track says something about the acceptance stations have for shows off a satellite.”

National sales representatives estimate that syndicated programming earned $125 million-$200 million for program distributors last year.

“The syndication marketplace is very healthy,” says Steve Lehrman, president of Premiere Radio Networks. “As an industry, the overall cost per point is up in network radio and is stronger this year than last year.”

Syndicated programming produces “amazing targetability,” says Leslie Sturm, vice president, national broadcast buyer, The Media Edge. “It can be bought according to format, and an advertiser can tie in a sponsorship or promotional campaign that links them to the syndicated personality.”

“Syndication is the closest thing radio has to what is described as appointment television, when listeners schedule time to listen to a syndicated show,” Sturm says. “And advertisers are seeking a safe environment.”

It is the health and relative stability of the syndication marketplace that has attracted both new investors and greater investment in syndicated product by established programmers and networks.

SFX President Mike Ferrel says the effort that SFX has made to distribute nationally three morning shows originating from group-owned stations in Charlotte, N.C.; Jacksonville, Fl., and Indianapolis “is a logical fit” with operating stations: “The intention is to grow the company, and that means taking on roles continually have the same thing over and over again. There is always room for something above the norm.”

Banking on the demand for quality programming, WRJ’s director of national syndication, Frank Cammarata, is preparing for the July national rollout of The Scott & Todd Big Show, a morning drive show featuring WRJ veteran personalities Scott Shuenon and Todd Pettengill.

Cammarata says the marketplace is ripe for a fast-paced, humorous and guest-intensive morning show geared to hot adult contemporary stations.

“Morning drive is a tough time slot for a launch, but I believe in this product enough to know there is definitely room out there for it to do well,” says Cammarata. “We feel there is no other hot adult contemporary syndicated morning show, and the syndication business is really hot.”

Many program suppliers agree that high ticket prices for stations—prices forced up by the trading that followed deregulation last year— drove up demand not only for programming but also research and show prep services.

SJS Entertainment Chairman Steve Sadowski and June Brody agree that station owners increasingly are looking for ways to get the services they need and drop dollars to the bottom line to repay investors.

“In a world where owners have five, six, or seven stations in a market—
Rivers makes run at radio

WOR syndicates her talk show to about 50 stations

By Donna Petrozzello

Joan Rivers has found a new platform from which to ask, "Can we talk?"
The former TV talk show host earlier this year jumped into syndicated talk radio with her debut on WOR(AM) New York and the WOR Radio Network.

For two hours, she entertains with provocative guest interviews, lively discourse on subjects of national interest and her trademark sense of humor.

Rivers admits to early reluctance to hosting a weekend show for WOR: "I didn't think I was going to like it at first because I had great trepidation that it was going to bite into my life too much. But now I'm crazy about it."

Although Rivers jokes that the 7-9 p.m. ET time slot makes it difficult to plan dinner with friends, she plans to "do the show until I'm dead." In five months, her show has been picked up by nearly 50 WOR Radio Network affiliates.

She hosts fashion specials and covers the Oscars and other awards shows live on E! Entertainment Television. Rivers also manages her jewelry design business, and she tours to support her new book, "Bouncing Back. I Survived Everything, and I Mean Everything, and You Can Too."

On her show, Rivers covers topics ranging from teenagers who commit violent acts, to recent discoveries in the Titanic wreck, to an interview with comedian Rita Rudner. Unlike more boisterous talk radio talent—who thrive on interrupting callers and cutting short the comments of guests—Rivers sets herself apart by allowing both sides of an issue to be heard.

"I want to make sure everybody gets their chance to speak," she says. "I also want them to know how I feel. I try doing that on The Tonight Show. I couldn't."

Although she's polite on the air, Rivers is no wimp. She's repeatedly called O.J. Simpson prosecutor Marcia Clark a bitch. In introducing renowned plastic surgeon Steve Hoffman, Rivers called him "at least wouldn't look like a pig" if they went to him.

"Radio is the bastion of truly being able to say what you think," Rivers says. "I'm doing a show for E! Entertainment Television, and that's all fashion and fluff. I'm a regular on Regis and Kathie Lee, and that's American and family stuff. There is no other place where I can say that this one is a bitch, that one is crazy and this other one is nuts except on WOR. I love it."

Rivers also sets herself apart from traditional radio talkers who define themselves politically. "I'm not a Republican and I'm not a Democrat, I hate them all," she says. "I guess I'm in the talk radio arena, but I'm very different simply based on the fact that I'm a woman screaming and having an opinion."

Rivers attributes her initial radio success to her wide interests and ability to tap into what Americans want to discuss: "I knew from the very beginning that I wasn't special. Everybody wants a rose from her boyfriend. Everyone thinks a suit is pretty. I figured I'm just like everybody else. So if I'm interested in it, I think everybody's interested in it. And good radio is controversy on a subject that people are interested in."
EXPANDING HORIZONS

Local personalities take a shot at becoming the next national pastime

By Donna Petrozzello

The rush to find the next big hit in syndicated radio has led programmers to launch some local hosts nationally, while others have developed shows around recognized leaders in various fields. Below are profiles of some of the acts hoping to stir up national radio airwaves.

Matthew "Mancow" Muller

Welcome to Mancow's Morning Madhouse, where the host claims to have a rare disorder that causes him to blurt out curses; the scapegoat on-air sidekick "Turd" has just kissed a pig in the studio, and comedian Chris Farley waits to be interviewed. Broadcasting from WRXR (FM) Chicago since 1994, Muller has signed five affiliates in markets including Las Vegas and Kansas City since his launch nationally late last year. Muller consistently earns top ratings among Chicago adults 18-49, outranking rival Howard Stern there. On remote broadcasts, Muller is fond of broadcasting naked, and he promises to air something offensive every weekday. His show is syndicated by Robert Enman Enterprises.

Scott Shannon and Todd Pettengill

Scott & Todd's Big Show on WPLJ (FM) New York is preparing to hit the road later this summer. Aimed at adults 25-54, the comedy show is peppered with phony calls, song parodies and witty commentaries on news events, and is typically humorous without resorting to expelitve or overtly offensive skits. The show attracts top guests, including Rosie O'Donnell. A veteran on-air talent, Shannon also is program director of hot adult contemporary WPLJ.

John Kobyilt and Ken Chippou

KFI (AM) Los Angeles hosts John and Ken are on a tear about President Clinton's initiative to introduce welfare recipients into the workplace of major U.S. companies, such as Burger King. "These people are not capable of working," argues Kobyilt. "At Burger King, burgers are going to come without meat." In just four months, Kobyilt and Chippou's brand of laughable yet in-your-face debates on news and politics has landed 13 affiliates, including KJAR (AM) Phoenix, WSGT-AM-FM Atlanta and KST (AM) Sacramento, Calif. At flagship KFI, John & Ken is a staple of the station's slogan: "News, traffic, a whole lot of B.S." The show is syndicated by Fisher Entertainment.

Bob Lacey and Sheri Lynch

From their morning show haven at WWSN (FM) Charlotte, N.C., Bob and Sheri air their humorous Morning Breath wake-up call, which inevitably covers food, sex and jabs at their spouses. Lacey, a veteran broadcaster who hosted FM Magazine on WRTV (TV) Charlotte before returning to radio in the late 1980s, hired Lynch away from a marketing job at WRTV. Lynch is one of the few women in radio who are not semi-silent sidekicks to a male host. She chats wryly about questions that perplex most women. "You know what's funny," says Lynch. "Men always say they like our personalities the best, but if you have a big old ass, they won't ask you out." The show is the first syndicated program from Jefferson Pilot Radio Networks.
What does the acquisition of NSN Network Services mean for Jacor?

A local radio station is either originating programming live or pulling down programming off a satellite. There is no talking back; there’s no talking to each other. We’re making plans for Jacor stations to share audio clips and to have an intranet that may allow production managers in Atlanta and in San Diego to work on a promotion simultaneously from different cities, insert different call letters and run it in a number of places.

That technology is out there. In some cases, the supermarkets and discount retailers are ahead of broadcasters in their communications. It’s kind of crazy. Our whole company will be a virtual company before the end of the year. We’ll be able to send anything from anywhere to anywhere in any format via satellite and intranet. We’ll be hooked up bidirectionally. If the station in Lima wants to take some programming from Cleveland, Columbus, Cincinnati and Toledo and feed something out to all of them, it will be able to do it. We now can be truly nationwide.

Could this in-house programming network eliminate the need for Jacor stations to take syndicated programming from outside sources?

No. I think all broadcasters ought to operate in an arena of enlightened self-interest. We have hundreds of contracts with ABC Radio Networks and CBS/Westwood One and other suppliers, and some of those shows get good ratings. We don’t want to see other major groups reticent to take our programming, and we don’t want to be reticent to take programming from the other groups.

I want the best programming on each of my stations, wherever it comes from. But I do see us growing; I do see us being able to produce more powerful programming that works on a regional basis in-house for our stations, and perhaps others.

Will Jacor look into syndicating local talent at its stations through NSN?

Yes. The combination of NSN and the station group that we have gives us a little research and development lab in the making. We have the ability to take talent that we think has some potential, put them on in five, six or seven regions of the country for very little cost, and see what is going to stick and what is not.

Some radio groups have moved in the direction of owning billboards, concert promotion agencies, even transmission towers. Is syndicated programming where Jacor plans its growth?

These are all great businesses. There is no question that there is tremendous synergy among radio, TV and billboards. But they are all somewhat tangential. There’s nothing tangential about programming. And there’s nothing tangential about adapting today’s technology to today’s deregulation and figuring out how in the world you’re going to effectively manage and program 150 stations.

I don’t view this as anything more than a natural evolution. I don’t see it as a different business. We have to have powerful programming that works. We’ve always been in the programming business; to get into it in a larger way and supply it to others is completely natural.

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