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FEDERAL COMMUNICATIONS COMMISSION
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In re	)	
	)	
Review of the Prime Time	)	MM Docket No. 94-123
Access Rule, Section 73.658(k) of the	)	
Commission's Rules	)	

Economic Report

The Economic Effects of Repealing the Prime Time Access Rule: Impact on Broadcasting Markets and the Syndicated Program Market

Prepared for :
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EXECUTIVE SUMMARY

- Eliminating the off-network provision of the prime time access rule (PTAR) could result in a loss of up to 2.34 ratings points for average independent television stations during the access period alone, and would hurt smaller market stations in the top 50 the most.

- Because PTAR's continuing positive impact on ratings also carries over into other parts of prime time, its repeal would be devastating to emerging networks like UPN, which are organized around UHF stations.

- At least one model of program choice in the syndication market suggests viewer welfare would suffer as a result of repealing PTAR, and that model has empirical support.

- PTAR has contributed to phenomenal growth in the local television advertising markets by clearing <u>all</u> markets of network originated programming during the access period, and repeal will hurt those markets.

- The Disney position paper showing the alleged strength of first-run syndicated programming vis-a-vis off-network programming outside the top 50 markets is totally without merit, being based on static analysis rather than the time sequencing of access period program choices across markets.

- During prime access, local programming has the <u>third</u> highest number of time slots after King World and Viacom, strongly indicating PTAR is fulfilling its diversity goal.

- Independent syndicators have no market power during prime access, but the major networks continue to dominate the prime time market for national video advertising, in part because of dominant local affiliates.

- Despite falling national audience shares, the major networks succeeded in raising prime time advertising prices substantially in the 1980s by more than inflation or basic cable rates, raising a possible anti-competitive issue.

- PTAR has been and will continue to be a pro-competitive check against the exercise of market power by the major networks during prime time, but its repeal will raise barriers to entry and reduce competition.

I. INTRODUCTION

A. THE SCOPE OF THE STUDY COVERS MANY OF THE MAJOR ISSUES RAISED BY THE COMMISSION

The Notice of Proposed Rulemaking (hereafter, Notice) requests that the prime time access rule be analyzed using a rigorous economic framework supported by adequate data. At the heart of the inquiry is the question of whether major structural changes in the television broadcast industry have reduced the need for PTAR.

Our economic report estimates the impact of eliminating PTAR on independent television station ratings during the access period and two carry-over prime time periods. The econometric model developed for this analysis incorporates all the major structural changes that have occurred since PTAR was phased in during 1971 and 1972. It is based on Arbitron station and program ratings data for 14 years and 30 cities. We have come to the conclusion that independent stations and emerging networks at present need PTAR more than ever, largely because of structural changes which have had a negative impact on ratings in recent years. This analysis is found in **Section IV. A.**

The Commission has asked questions about the ways PTAR alters the competitive opportunities in the relevant markets and whether the initial goal of PTAR of correcting the effects of a competitively unbalanced market is relevant any longer in today's television marketplace. The Commission has noted that first run syndicated programming receives higher ratings than the off-network programs shown on independents in the top 50 markets. It cites this as a key example of the competitive strength of first run and one reason why PTAR may not be needed. For this reason, it concludes that elimination of PTAR may not result in immediate changes in affiliate programming choices.

Our economic report develops and empirically tests a model of program choice in the syndication market in **Section IV. B.** It shows that the competitive imbalance PTAR was designed to correct is due to an inherent bias against first run programming and in favor of off-network programming, an imbalance that remains today. The source of this imbalance is the very different cost structure faced by the two types of programs in the syndication market. Quality first run programs need higher ratings in order to compete with lower cost off-network programs and PTAR is a necessary corrective for this bias. Without PTAR, lower rated off-network programs will be substituted for first run programs because on average they are more profitable. The result is a reduction in viewer welfare even as firms maximize profits, a classic example of market failure. Further, our econometric results show that if PTAR is repealed the ratings of independent stations will decline immediately for stations with expiring syndication contracts, and not gradually as the Commission suggests.

This economic report also focuses on a key question the Commission poses about the syndicated program market. To what extent does the market dynamic in the top 50 dictate programming choices in the less populated markets? Our analysis of the time sequencing of initial purchases for five programs across all markets proves beyond doubt that purchases outside the top 50 markets are heavily influenced by prior purchases in the top 50 markets. Our finding is based upon a dynamic analysis which underscores the lack of merit of the static viewpoint on this issue put forth in a recent position paper on PTAR by The Walt Disney Company. Our analysis of the sequencing issue is presented in **Section IV.B.1** and our response to the entire Disney position paper is found in **Appendix F**.

Our economic report devotes substantial attention to three questions the Notice poses about the impact of PTAR on individual television stations: (1) whether the limits placed on affiliates reduce the total return to these affiliates on access period programs; (2) whether UHF independent television stations still compete at a technological disadvantage given the growth of cable; and (3) to what degree do independent stations continue to suffer appreciable fixed competitive disadvantages?

In **Section III. D.** we show that the rate of return of network affiliates has remained healthy and relatively steady since PTAR was implemented. While PTAR clearly increased the short run profitability of independent television stations, it has not eliminated other disadvantages they face vis-a-vis affiliates, including a UHF disadvantage that has not gone away with the growth of cable. Further structural changes have worsened the individual profitability of independent stations, making PTAR even more important to their viability today than it was when first implemented.

The Commission has also inquired about the actual levels of public interest and local content programming including news on independent stations. It has expressed interest in data on historical trends. In **Section II.B** of our report we develop measures of the amount of local programming being aired during the prime time access period. If all such programming is now totaled, its adjusted audience share ranking is third nationally, behind nationally syndicated programming offered by King World and Viacom/Paramount, and ahead of all Fox syndicated programming. We also show in **Section IV.D.** that expenditures on news by independent stations have increased more rapidly in the top markets with PTAR than in all markets generally.

The Notice attaches great importance to the drop in national audience shares and advertising revenue of the major networks. It suggests that this is an indication that the major networks no longer have the dominance they once did. Further, the Commission notes that individual stations appear to have greater need for affiliation than the networks.

We address these issues directly following the introduction in **Section II. A.** We stress that any assessment of the decline of major network dominance must rest on correct market definitions and consideration of pricing practices by the networks in these relevant markets. We found that PTAR has had a pro-competitive long run impact in the prime time market for national video advertising, which has added needed competition for the major networks. At the same time, a glance at the pricing practices of the networks during prime time raises some anti-competitive concerns. In **Section II. D.** we describe how the networks' economic dominance in the national market depends on dominant local affiliates in each and every market.

Finally, the Commission notes that long run competitiveness is enhanced by strengthening the independent television base, which increases the economic viability of "emerging" networks. However, it asks whether the benefits of entry by new networks are outweighed by inefficiencies from putting limits on established networks.

Our economic framework for analysis, discussed below, demonstrates that the benefits of PTAR far outweigh the costs. It appears that the long run impact of PTAR in fostering entry into the national video advertising market is beginning to hold down prices in that market. Our framework views PTAR as a corrective for a failure in a public goods market, namely the market for syndicated programming. The limits PTAR puts on the established networks fosters healthy competition, rather than discouraging it. Further, new networks depend critically on PTAR not only for the access period but for its carry over effect on programming into the remainder of prime time. And, the emergence of the new fourth, fifth, and sixth networks supported by PTAR appears to offer the chance for a greater diversity of high quality programming than has been possible with only three major networks.

B. THE COMMISSION'S FRAMEWORK FOR ANALYSIS OF THE PRIME TIME ACCESS RULE IS A GOOD START, BUT MUST BE MODIFIED

We believe the Commission's framework for economic analysis is a useful starting point, but that it must be modified in some respects for a full and fair hearing on the prime time access rule. To some extent this modification concerns the relative emphasis afforded different issues in the "ultimate cost benefit calculation." Below we note four areas in which our framework differs somewhat from that of the Commission and which should be included in the Commission's analytical framework: (1) an analysis of the impact of PTAR on broadcasting markets, which is as important as an analysis of its impact on the program market; (2) consideration of prime time broadcasting as a relevant market; (3) recognition of the explicit public goods character of the syndicated program market, which is essential to understanding that PTAR is as important now and in the future as it was in the past; (4) the conclusion that without the off-network provision, there is no prime time access rule.

First, it is vitally important to distinguish the broadcasting market from the program market. Broadcasting is done by television stations, and the nature of that market is well-articulated by Owen and Wildman (1992).

> The first and most serious mistake that an analyst of the television industry can make is to assume that advertising-supported television broadcasters are in business to broadcast programs. They are not. Broadcasters are in the business of producing audiences. These audiences, or means of access to them, are sold to advertisers. The product of a television station is measured in dimensions of people and time. The price of the product is quoted in dollars per thousand viewers per unit of commercial time, typically 20 or 30 seconds.
> (Owen, B. and Wildman, S., Video Economics, 1992, p. 3)

The prime time access rule directly affects the broadcasting of programs. Its goal was to stimulate source diversity and program diversity in the supply of syndicated programming to network affiliates and independent stations, and to increase outlet diversity by acting to enhance the economic viability of independent/UHF stations. But, the regulatory vehicle chosen to increase program supply was an alteration of the broadcasting market, not the program production market as such.

PTAR's impact must be sharply distinguished from FISR, which explicitly changed the structure of the program market by precluding national television networks from owning syndication businesses and retaining financial interests in the syndication earnings of network programs. The Commission's original intent as part of the FISR proceedings was to adopt a 50/50 rule, limiting network ownership and control of programs shown in their evening schedules. Instead, PTAR was adopted because it changed the broadcasting market directly, and appeared to be "somewhat more direct in opening up time for programs and sponsors outside the network funnel." (FCC, Report and Order of May 7, 1970, (note 1 supra) Paragraph 4).

The failure to distinguish the goal of PTAR in influencing the program production market from the economic impact of PTAR on the broadcasting market is the source of much confusion surrounding economic analysis of the impact the Rule has had. We believe, any objective framework for analyzing PTAR requires that the broadcasting markets receive equal, if not greater, emphasis in the "ultimate cost - benefit calculation" the Commission must make.

As we show in **Sections II** and **III** of the report, many of PTAR's most socially beneficial effects have been found in the broadcasting markets. PTAR has contributed directly and significantly to the growth of local advertising markets, in part because it improved the economic health of UHF stations in the short run thereby acting as an incentive for entry into the local television broadcasting markets in the long run. PTAR has also had a distinctive long run effect of facilitating entry into the lucrative prime time market for national video advertising by first run syndicators and emerging networks. This effect has rendered that market more competitive than when it was solely dominated by the three major networks.

Second, a framework that analyzes the economics of the prime time access rule must address a variety of rather complicated market definitions, in both the broadcasting markets and program markets. Such a framework must be based on more than an assessment of both broadcasting markets and the syndicated program market. It must also be based on appropriate market definitions.

Such market definitions must recognize that the market for off-network syndicated programming is separate and distinct from the market for network originated programming. The cost conditions and demand conditions in the latter market are not the same as those in the former market. A station's decision to clear a program during its network run is very different from the decision to purchase the same program, at a later time, for an off-network syndicated run. A quality first run syndicated program has very different sales patterns across local broadcast markets than a first run program that is not intended for nation - wide syndication.

As for the proper definition of relevant broadcast markets, the second issue focuses on the question of national broadcast markets. This issue was clarified by the Commission in a highly useful way in its January 17, 1995 Further Notice of Proposed Rulemaking on regulations governing television broadcasting. We agree with and fully accept the Commission's view that there is a distinct national market for video advertising that does not include "national spot" advertising. However, we do not agree that national cable advertising is part of that market. Such a view draws false conclusions about cable's national audience coverage based on its national geographic coverage. Within the national broadcast video market, we consider prime time to be a relevant market based on pricing patterns, and for the same reason we reject the use of the prime access period as a relevant market for the calculation of "market" shares.

A final consideration of proper market definition relates to the significant impact of PTAR beyond the top 50 markets. As a practical matter the three-hour restriction has affected all broadcast markets. Further, the economics of selling quality first run syndicated programs to a national audience makes the top 50/second 50 market delineation used by some critics a false one.

Third, there is not a single explicit acknowledgment in the Commission's 42 page Notice that the goods and services at issue are public goods.[16] An explicit recognition that the television marketplace is a public goods marketplace is an essential part of the framework for economic analysis of PTAR. Therefore, the issue is not one of deregulation, but of the scope and degree of regulation for these public goods. Instead, the tenor of the Notice throughout is the need to deregulate and remove purported "anticompetitive" obstacles like PTAR so that this industry can operate in a more efficient and competitive fashion like a perfectly competitive market for private goods or services.

[16] There is an implicit acknowledgment of the public goods character of the television broadcasting industry starting on page 21 of the Notice.

In their book, Video Economics, Owen and Wildman make the important point that the consumption of television programs is almost a pure public good. (Owen and Wildman, Video Economics, 1992, pp 23-24.)

Far from recognizing the explicit public goods character of television programs and broadcasts in its Notice, the Commission applies economic arguments concerning competitive conditions and efficiency, or the absence thereof, as if the television markets being examined were markets for private goods. (See, e. g. the Notice's assertion on page 9).

In contrast to this viewpoint, Owen and Wildman state:

> Television programs and the electromagnetic signals that carry them are public goods. This fact is important because it affects the relationship between competition and economic efficiency. . The economic conditions for efficient allocation of a pure public good or a pure private good differ markedly. A private, decentralized , competitive market system will not produce an adequate supply of pure public goods. Private production of a public good sometimes requires protection of the producer from entry or competition.
> (Owen and Wildman, 1992, p. 23)

The model of program choice for the syndication market that we develop and apply in **Section III. B.** is based on an explicit recognition of the public goods character of the television marketplace. Without PTAR, profit maximizing decisions by individual stations in the top 50 markets would today and in the future exhibit a systematic bias against first run programs in the syndication market, a bias which lowers viewer welfare compared to the present with PTAR in force.

Fourth, the Commission must recognize in its framework the inseparability of the three-hour and off-network regulations. As originally written, both the three-hour and off-network regulations that are the heart of PTAR were scheduled to take effect on September 1, 1971.

As we will discuss in **Section IV.B.**, eliminating the off-network provision would effectively prevent first run syndicated programming from accessing prime time slots on network affiliated stations. Therefore, from an economic standpoint, the off-network provision is the heart of the prime time access rule. Retaining the three hour restriction while eliminating the off-network restriction would amount to elimination of the entire Rule, especially if FISR is eliminated.

Moreover, when one analyzes the off-network provision from the vantage point of the broadcasting markets, it is strikingly apparent that the economic and social benefits outweigh the costs. The off-network provision has been critical to the enhanced economic viability of independent stations, to long run market entry by independents, to the emergence of new networks, and to competition in the national video advertising market. This broadcasting perspective is the focal point of our analysis in **Section II** and **Section III**. Balancing these social as well as private benefits against the private costs of a one hour restriction of program market sales of off-network shows is an objective framework for analysis.

II. THE THREE MAJOR NETWORKS CONTINUE TO DOMINATE THE RELEVANT VIEWING AND ADVERTISING MARKETS.

A primary rationale cited by the Commission for revising the Prime Time Access Rule is the marked decline of network dominance between 1970 and 1994. The Commission's primary support for this contention is that aggregate viewing shares of the three major networks have declined over time. However, an analysis of aggregate market shares, i.e., aggregate viewing does not provide a sound economic analysis of the relevant markets and the competitive forces within those markets.

At the outset we believe that competition to the three major networks must be examined at the national, not the local level. A useful, and we believe largely correct, delineation of broadcast markets is made in the FCC's review of regulations governing television broadcasting. (FCC 94 - 322, "Further Notice of

Proposed Rulemaking", December 15, 1994), Section III. D (Competitive Analysis of Television Broadcasting, Advertising Markets).

> TV broadcasters operate in two advertising markets -- national and local. . . . While individual broadcast television stations sell advertising spots to national advertisers, much of the video advertising directed toward national audiences is sold or bartered by either broadcast networks or syndicators. Consequently, we will assume that broadcast television stations operate in two advertising markets. . . . Examination of these data suggests that video advertising is the mass medium of choice for advertisers wishing to reach national audiences. . . Consequently we will tentatively consider video advertising an economically distinct segment of the national advertising market.
> (FCC 94 - 322, December 15, 1994, pp. 18 - 19)

Focusing on competition confronting the networks at the national level requires further delineation as to the relevant time periods in which competition exists. The analysis below specifies "prime time" as a separate market. The available advertising price data indicates that the pricing structure for prime access is no different than the rest of prime time. This data also suggests that prime time advertising rates define that four hour period as a distinct market from other dayparts, whether determined on a "cost per 30 second" or "cost per thousand homes passed" basis (see **Appendix B**). Daytime advertising rates are substantially lower, and local market advertising rates are lower still, whether daytime or prime time.

We may, therefore, speak of prime time as being a relevant market. What defines this market is a price premium that advertisers pay only during prime time and only for truly national audience levels that do not exist in any other daypart or on cable television. With this background, we now examine the position of the three major television networks in today's television marketplace. Two measures of network position may be employed. First, like the Commission, we will examine the networks' market shares in terms of audience.

Second, we shall examine the networks' market status in terms of advertising rates. As to this point we believe advertising rate dynamics to be a superior indicator of the networks' market position. Finally we will assess the impact of competition directly confronting the networks.

A. MARKET SHARE ANALYSIS REVEALS THAT THE NETWORKS CONTINUE TO DOMINATE PRIME TIME.

The Notice emphasizes that the aggregate market shares and inflation adjusted advertising revenues of the three major broadcast networks nationally have fallen since PTAR was implemented, while the aggregate market shares nationally of all independent stations and all cable networks have risen. The audience shares of networks and syndicators of television programming in the prime time antitrust market are shown in **Table II.1** for all days and **Table II.2** for weekdays. Formally, PTAR opens a one hour access period during prime time each day of the week. As a practical matter, the Rule carries so many exemptions on the weekends that it is useful to look at a Monday through Friday set of figures as well. The three major networks control between 59.7 percent and 65 percent of this market. 20th Television, King World and Viacom control between 21 percent and 23.2 percent of this market.

We have developed computational techniques which enable us to factor in the amount of local programming during prime time. Across all locales, local programming constitutes between 9.4 percent and 12.0 percent of the total prime time shelf space. This exceeds the number of households viewing any syndicated firm's programs during the prime time period.[17] This finding should provide the Commission with some comfort that even in the lucrative prime time viewing period, local programming in total ranks a strong fourth in viewing shares, just below the three major networks.

[17] During the one hour prime access period, local programming constitutes 15.2 percent of the total, third highest in rank behind King World and Viacom/Paramount, and well above Fox's 8.5 percent of that period. (See section II.C below.)

Table II.1

1993 Market Shares for Prime Time Broadcasts: All Days

Program Distributor to Television Stations	Adjusted Audience* (000's)	Market Share	HHI	
TOTAL AUDIENCE	**2,318,734**	**100%**	**1,540**	
TOP 5 DISTRIBUTORS	**2,052,302**	**89%**	**1,515**	
TOP 10 DISTRIBUTORS	**2,268,316**	**98%**	**1,539**	
CBS	**511,615**	**22.1%**	**487**	
ABC	**509,326**	**22.0%**	**482**	
NBC	**490,854**	**21.2%**	**448**	
LOCAL PROGRAMMING	**217,203**	**9.4%**	**0**	**
FOX	**164,130**	**7.1%**	**50**	
KING WORLD PRODUCTIONS	**159,174**	**6.9%**	**47**	
PARAMOUNT TELEVISION	**97,329**	**4.2%**	**18**	
20TH TELEVISION	**37,377**	**1.6%**	**3**	
WARNER BROS. DOMESTIC TV DIST.	**30,111**	**1.3%**	**2**	
VIACOM INTERNATIONAL	**28,645**	**1.2%**	**2**	
COLUMBIA/PICTURES TELEVISION	22,552	1.0%	1	
BUENA VISTA TELEVISION	10,692	0.5%	0	
ALL AMERICAN TELEVISION	8,021	0.3%	0	
RYSHER TPE	6,938	0.3%	0	
MCA TV LTD	6,412	0.3%	0	
CANNELL DISTRIBUTION	5,553	0.2%	0	
GENESIS ENTERTAINMENT	4,614	0.2%	0	
MTM/IFE	3,460	0.1%	0	
TURNER PROGRAM SERVICES	1,990	0.1%	0	
METRO-GOLDWYN-MAYER, INC.	1,055	0.0%	0	
SAMUEL GOLDWYN TELEVISION	716	0.0%	0	
KOVR -TV	538	0.0%	0	
GROUP W PRODUCTIONS	429	0.0%	0	

Notes: * The adjusted audience represents the total number of half-hours of programming watched by DMA households in a given week during the survey period of November 1993.

** The sum of many individual programs each with a small share. The sum of the squared shares is essentially zero.

Source: Nielsen Station Index computer database, November 1993
Underlying data were programmed by King World Research using "SNAP" software.

Table II.1 (cont.)

1993 Market Shares for Prime Time Broadcasts: All Days

Program Distributor to Television Stations	Adjusted Audience* (000's)	Market Share	HHI	
WORLDVISION ENTERPRISES, INC.	352	0.0%	0	
WTTV-TV	348	0.0%	0	
WESTERN INTERNATIONAL SYNDICATION	177	0.0%	0	
NEW LINE CINEMA	168	0.0%	0	
ANDREWS ENTERTAINMENT	148	0.0%	0	
MULTIMEDIA ENTERTAINMENT	148	0.0%	0	
CASH PLUS, INC.	111	0.0%	0	
MANHATTAN SIERRA ENTERTAINMENT	102	0.0%	0	
REPUBLIC PICTURES	100	0.0%	0	
ITC ENTERTAINMENT GROUP	87	0.0%	0	
COLBERT TV SALES/ORION ENTERTAINMENT	80	0.0%	0	
PHILLIPS PRODUCTIONS	72	0.0%	0	
SYNDICOM	54	0.0%	0	
HIT VIDEO USA	39	0.0%	0	
AUBURN UNIVERSITY	37	0.0%	0	
MEDSTAR COMMUNICATIONS, INC.	31	0.0%	0	
SPORTS MEDIA MANAGEMENT	22	0.0%	0	
TITAN SPORTS	18	0.0%	0	
GROVE TELEVISION ENTERPROSES	8	0.0%	0	
1 ON 1 PRODUCTIONS	5	0.0%	0	
ACTION MEDIA GROUP	3	0.0%	0	
CARDINAL COMMUNICATIONS, INC.	1	0.0%	0	
WGNO-TV	1	0.0%	0	
UNKNOWN	713	0.0%	0	**

Table II.2

1993 Market Shares for Prime Time Broadcasts: Weekdays

Program Distributor to Television Stations	Adjusted Audience* (000's)	Market Share	HHI	
TOTAL AUDIENCE	**1,724,658**	**100%**	**1,347**	
TOP 5 DISTRIBUTORS	**1,492,785**	**87%**	**1,313**	
TOP 10 DISTRIBUTORS	**1,687,399**	**98%**	**1,346**	
ABC	**381,790**	**22.1%**	**490**	
NBC	**348,180**	**20.2%**	**408**	
CBS	**299,905**	**17.4%**	**302**	
LOCAL PROGRAMMING	**206,100**	**12.0%**	**0**	**
KING WORLD PRODUCTIONS	**147,090**	**8.5%**	**73**	
FOX	**109,720**	**6.4%**	**40**	
PARAMOUNT TELEVISION	**79,936**	**4.6%**	**21**	
20TH TELEVISION	**35,502**	**2.1%**	**4**	
WARNER BROS. DOMESTIC TV DIST.	**29,088**	**1.7%**	**3**	
VIACOM INTERNATIONAL	**27,834**	**1.6%**	**3**	
COLUMBIA/PICTURES TELEVISION	22,254	1.3%	2	
MCA TV LTD	6,400	0.4%	0	
BUENA VISTA TELEVISION	5,952	0.3%	0	
ALL AMERICAN TELEVISION	5,338	0.3%	0	
RYSHER TPE	4,872	0.3%	0	
GENESIS ENTERTAINMENT	4,146	0.2%	0	
CANNELL DISTRIBUTION	3,595	0.2%	0	
MTM/IFE	3,405	0.2%	0	
TURNER PROGRAM SERVICES	1,198	0.1%	0	
METRO-GOLDWYN-MAYER, INC.	1,000	0.1%	0	
SAMUEL GOLDWYN TELEVISION	502	0.0%	0	
KOVR -TV	349	0.0%	0	
GROUP W PRODUCTIONS	252	0.0%	0	
WORLDVISION ENTERPRISES, INC.	250	0.0%	0	

Notes: * The adjusted audience represents the total number of half-hours of programming watched by DMA households in a given week during the survey period of November 1993.

** The sum of many individual programs each with a small share. The sum of the squared shares is essentially zero.

Source: Nielsen Station Index computer database, November 1993
Underlying data were programmed by King World Research using "SNAP" software.

Table II.2 (cont.)

1993 Market Shares for Prime Time Broadcasts: Weekdays

Program Distributor to Television Stations	Adjusted Audience* (000's)	Market Share	HHI	
REPUBLIC PICTURES	100	0.0%	0	
COLBERT TV SALES/ORION ENTERTAINMENT	80	0.0%	0	
MULTIMEDIA ENTERTAINMENT	40	0.0%	0	
HIT VIDEO USA	35	0.0%	0	
WESTERN INTERNATIONAL SYNDICATION	35	0.0%	0	
NEW LINE CINEMA	33	0.0%	0	
ITC ENTERTAINMENT GROUP	32	0.0%	0	
ACTION MEDIA GROUP	3	0.0%	0	
UNKNOWN	37	0.0%	0	**