

ELEVEN—MARKET,

\$70—MIL GROSS

By JOHN DEMPSEY

In its first week in syndication, "Magnum, P.I." has grossed in the neighborhood of \$70,000,000, shattering previous records for an off-network series in the first 11 markets that have bought it. (Tel.)

MCA TV, distributor of "Magnum, P.I.," put the reruns up for formal bids in those 11 markets last week and by Friday (5), according to various sources:

— KTLA-TV Los Angeles had agreed to pay \$15,480,000 (\$120,000 an hour for 129 episodes, to be made available in the fall of 1986).

— WOR-TV New York said yes to \$12,600,000 (about \$98,000 an hour). *PAGE 43*

— WGN-TV Chicago came in for \$8,400,000 (about \$65,000 an hour).

— WAGA-TV Atlanta agreed to \$7,400,000 (about \$57,500 an hour).

— KTXA-TV Dallas gave a yes to \$5,800,000 (about \$45,000 an hour).

— WJLA-TV Washington signed for \$4,200,000 (about \$33,000 an hour). *Nov 9 1983*

— WFSB-TV Hartford agreed to \$900,000 (about \$16,000 an hour).

'Hill Street' Topped

"Magnum" has broken the record "Hill Street Blues" established in New York and Chicago just a couple of months ago, again putting the spotlight on the battle royal being fought in Washington over whether the Financial Interest and Syndication Rules should be repealed. Under the rules, MCA will keep all profits of "Magnum," which could run into tens of millions of dollars. But if the Federal Communications Commission repeals the rules, the networks will insist on a sizable chunk of the syndication profits of any series that runs on their schedules.

Market Strategy

MCA's strategy on "Magnum" is to send telegrams to all the commercial tv stations in a market announcing it's taking bids on the series, to be submitted within about two days of receipt of the announcement. The syndicator sets a floor price at which the bidding must start, a price based, at least in part, on the previous record high

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MCA Goes To The Bank

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for a series in that market. The floor price is stiff to encourage only serious bidders.

The station can, of course, bid above the floor price, but only in increments of 5%. MCA also suggests in the telegram that a bidder agree to pay 10% of the price as a cash down payment, a figure that becomes important only in the case of tie bids. If there's a tie, MCA will award "Magnum" to the station agreeing to pony up the biggest down payment. (A couple of stations sent their bids in with the notation that they'll spring for a 15% down payment if another station in the market matches their bid; otherwise, they'll put up the suggested 10%.) The station is buying six runs of each "Magnum" hour over a 50-month period.

Better Than Expected

Although MCA knew it had a hit on its hands ("Magnum" on CBS consistently ranks in the top-10 highest-rated shows in primetime), the company was actually surprised at how big some of the bids were, particularly in Atlanta, where WAGA upped the ante by more than double the floor price, and in Los Angeles, where KTLA bid \$20,000 above the floor price.

Industry experts say one reason stations are agreeing to pay such enormous prices for "Magnum" is that the supply of hit network series is drying up. By the fall of 1986, when "Magnum" becomes available, there may not be any sitcoms coming off the networks' primetime schedules for stripping in syndication, and there'll be only one other 60-minute show with syndication potential, 20th-Fox' "Fall Guy," starring Lee Majors as a Hollywood stunt man.

("Hill Street Blues" and "Simon & Simon" won't be available until the fall of 1987, and all of the other shows on the networks' schedules

are too early in their runs for a meaningful assessment of how they'll do in syndication.) (See 1)

So MCA timed the release of "Magnum" perfectly. Don Menchel, president of MCA TV, usually tight-lipped about company business (he refused to disclose exact dollar figures), says, "Our first 11 markets closed like the jaws of a crocodile. I've never seen anything like it in my entire life. We broke the sound barrier in every market. Every level of our marketing concept clicked like a well-oiled machine, from the research studies to the sales presentation to the strategy of putting it out for bids."

By the end of the 1985-86 season, MCA Universal will have produced 129 "Magnum" episodes for the CBS primetime schedule. If CBS renews it beyond 1985-86, stations that have bought "Magnum" in syndication will pay a 10% increase for those additional hours.

The four other successful bidders for "Magnum" so far are KTVU-TV San Francisco, KHTV Houston, WJKS-TV Jacksonville and WISH-TV Indianapolis. Among the first 11 "Magnum" stations, the biggest surprise is probably WOR-TV New York, which has traditionally shied away from paying megabucks for off-network series or movie packages.

"Magnum, P.I." is one of the strongest shows to come along in recent years," says Pat Servodidio, president of RKO General Television, which owns WOR. "The show itself will do well but I think it will also enhance our entire program schedule."

Servodidio goes on to say that RKO General's Los Angeles station KHJ-TV also bid on "Magnum" and that all of the RKO stations are going to be much more aggressive in buying syndicated programs.

Metromedia Passes

On the opposite pole from RKO General, the Metromedia stations caused even more surprise in the industry by not bidding on "Magnum" in any of the markets where Metromedia owns stations. One Metromedia source says the company tends to prefer off-network half-hour sitcoms to hourlong melodramas like "Magnum."

Also, according to the source, Metromedia will continue to produce or commission first-run series for a variety of time periods to cut down the reliance of its o&o's on high-priced rerun programs.