SPORTS NOW $100-MIL BARTER BONANZA

SYNDIE EVENTS GARNER NATIONAL BUYS

By JOHN DEMPSEY

Syndicators of regional and national sports events are looking to harvest more than $100,000,000 from the sale of national-barter time during 1987-88.

Such companies as Raycom Sports, Jefferson-Pilot Teleproductions, the Mizlou TV Network, Creative Media and the Big East Conference TV Network are reporting solid increases over last year's revenues in the upfront selling season.

Advertising agencies have begun putting together a package of regional sports events on, say, a given Saturday afternoon and selling the events to advertisers as one national buy.

A carefully crafted selection of regional events, says Ron Von Urff, a top media buyer at J. Walter Thompson, can chalk up a clearance figure of as high as 90% of the U.S. and gather ratings in the range of a 7 or 8 because fans in the various regions are being exposed to games they have a direct interest in.

For example, in the February 1987 Nielsens, Metro college basketball (involving teams like Louisville, Cincinnati and Memphis) averaged an 8.1 rating in the 10 markets carrying the games, and Atlantic Coast Conference basketball hit an 8.0 rating in 16 markets.

"In the last three years or so," says Von Urff, "regional sports have come into their own and attracted the attention of national advertisers."

Ken Haines, v.p. of operations for Raycom Sports, which has the rights to Metro and Atlantic Coast Conference basketball along with four other regional college-basketball conferences and the Southwest Conference college-football schedule, confirms published reports Raycom will sell about $50,000,000 worth of barter time in all of its various sports events in 1987-88.

One of the reasons the money is pouring in, Haines says, is that more advertisers are looking to sign up for various regional events as title sponsors. A title sponsorship means, for example, Goodyear will buy at least six spots in all the televised Pac-10 regional college basketball games syndicated by Raycom and, in exchange, get billboards throughout the games and lots of merchandising tie-ins.

Bill Sheehan, a top media buyer for DFS/Dorland, says his clients are interested in these regional sports events because their syndicators often clear network-affiliated tv stations, which are drawn to the ratings potential based on local fan enthusiasm.

One of the factors that could limit the drive by advertisers to package regional sports events into one national buy is "the headaches of multiple billing and the trafficking instructions we have to give for originating our spots from as many as five different regions," says one top agency media buyer, who requested anonymity.

"I do national buys of sports events on ABC, CBS and NBC. The money that goes into regional sports tends to come out of the spot budgets of my clients."

Many of the rep firms look askance at the proliferation of regional sports telecasts precisely because of the perception that the so-called national-barter time in those events is pulling advertisers' money out of the local-spot marketplace, which is the stamping ground of the rep firms.

'Threatening Trend'

"This trend is a potentially significant threat to spot dollars," says Pete Goulazian, president of the Katz TV Group. He addes that many network sports telecasts, from NFL pro football to NCAA college basketball, include regional feeds that advertisers can buy into.

One of the most active sports-syndication companies, the Mizlou TV Network, doesn't program any regional events. Instead, it focuses on seven post-season college football bowl games, which are sold "like an ad-hoc network," says Vic Piano, president of Mizlou.

Piano tries to clear anywhere from 80-92% of the country on a barter basis for the bowl games and for national telecasts of NIT college-

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basketball games.

Mizlou, Raycom and Jefferson-Pilot (which distributes ACC college football, Southeastern Conference college basketball and a package of independent college-football games under the heading Greater American), have all continued in business because they pay manageable rights fees allowing them to turn a profit even when the supply/demand curve favors the advertisers.

Mike Burg, exec producer of Jefferson-Pilot Teleproductions, ticks off the sports-syndication companies that have faded from the scene in the last few years because they committed to pay rights fees that were way out of line with what the barter time could sell for: TVS Sports, Metro TV Sports, Total Sports and the sports divisions of Lorimar, Katz Communications and Petry Television.

As Raycom's Ken Haines puts it, these companies "weren't paying attention to the bottom line."