School of Journalism

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KPAC-TV'S NEW NEWS DIRECTOR

Difficult Priority Decisions

 Bob Barry, age 45, had just arrived at his new post as news director of KPAC-TV, a CBS affiliate. After a dozen years as the main anchorperson and managing editor at one of LaserCorp's seven television stations, Barry had been asked to transfer to the company's latest station acquisition, KPAC-TV, in a booming California city (market rank 26). Barry's replacement had not been found yet.

The move had required some personal sacrifice on Barry's part. His wife and three children were happy in the northeastern city (market rank 39) they had lived in for the past twelve years. In fact, his family would remain there until the school year was over, and Bob would fly back each weekend for visits. Also, he was moving from a secure, familiar position to a new one with a number of significant challenges.

On the other hand, Bob had grown tired of the day-in-day-out deadline pressures of anchoring and he wanted to get into management. His ultimate goal was to run a television station. He felt he had that opportunity with LaserCorp, which had encouraged

him to apply for the news director's job.

LaserCorp had expanded into broadcasting over the past fifteen years. With the profits earned from a successful publishing company, LaserCorp began buying television stations in the 1970s, intending to own the maximum allowed by FCC regulations. KPAC-TV was the seventh station in the broadcast group, which covered approximately 11 percent of the nation's population.

LaserCorp bought KPAC-TV from a group of local businessmen and its principal stockholder, Jed Auberry. Auberry had probably been described best by a local banker with whom LaserCorp had dealings as "a cantankerous old coot." He'd made a fortune in

cattle and real estate, and had invested in the television station primarily because of ideological reasons—he had a politically conservative agenda he wanted to promote.

For the past eight years Auberry had served as general manager at KPAC-TV, but his energy and enthusiasm for the daily grind had waned in recent years, and he decided to sell while the market was still high for the station. He was also tired of butting heads with his line managers; they always wanted new equipment, new cameras, more reporters or different anchorpeople.

KPAC-TV's previous news director (the person Bob Barry was replacing) had promised Auberry he could boost the ratings and at the same time hold down costs. However, the ratings went down, and the anchorpeople had been changed so frequently that Auberry

kept his station's latest newspaper ads, featuring the new anchors, taped to his television set to make sure that he was watching his own station. It just wasn't fun for Auberry anymore. He knew his line managers were right: KPAC-TV's equipment was ancient and the image of the station had slipped. But there was no way he was going to invest any more money in equipment or people. He had an FCC license and a CBS affiliation in California

near the ocean—a combination that was worth millions. Auberry felt it was time to take his money and run, so he sold his station to LaserCorp, and the deal was closed in January, 1993.

LaserCorp named a new general manager for KPAC-TV and told him evaluate the situation and make any changes he thought were necessary, although LaserCorp's top management staff wanted to give its advice and consent to all hiring and firings, especially concerning news. The new general manager, Tom McFarland, had beena director of sales at another LaserCorp station.

Tom McFarland arrived the week LaserCorp closed on the station in late January, 1993. After two weeks on the job, he decided to replace the news director, the head of production and the sales manager. He fired the news director because of poor ratings, the production director because of lack of control over his department and the sales manager because of low billing.

The vice president of news at LaserCorp suggested to Tom McFarland that Bob Barry would be an excellent choice as news director. Bob had expressed a desire to get into management on several occasions, and he was extremely well thought of at his current station. Bob Barry and Tom McFarland talked at length several times on the phone. Bob made a one-day visit to KPAC-TV, and when he was offered the job, he readily accepted. Bob wanted to get into management because, as he often joked, "Old anchors never die, they just don't get renewed," and he had dreams of someday becoming a general manager. Bob had never worked with Tom McFarland before and was a little apprehensive because he had a sense that Tom was under pressure from LaserCorp management to hire him. However, Tom had assured Bob that he would have autonomy in running the newsroom.

In its market, KPAC-TV had had an excellent image although it had eroded somewhat in recent years. First, it was the CBS affiliate and was enjoying top ratings in prime time. Second, it was the original television station on the air in the area in 1952. Throughout the 50s, 60s and early 70s, KPAC-TV had dominated the local news ratings.

Several of the reporters, as well as a majority of the news production people, had been with the station for more than fifteen years. The newscast anchors and reporters worked under an AFTRA contract. News writers, editors, engineers and production people worked under an IBEW contract.

In the late 70s, KPAC-TV had suffered a news ratings decline, and lost its first-place position in the early and late news to the local NBC affiliate. KPAC-TV’s competitor offered a stable anchor team, unchanged for nine years, who had developed into highly recognized and credible news people who were involved in many community organizations and projects. The NBC affiliate also offered crisper video, better production (including an

expensive, new, modern-looking set and extensive use of state-of- the-art graphics) and, overall, a more interesting and arresting look. Owned by a well-financed, television-only multiple-station group, the NBC affiliate retained a well-known television news consulting firm, which also conducted extensive market research for the station.

The ABC affiliate, frustrated by more than two decades of being in third place in the news race, had recently dropped its 6 p.m. local news and substituted "Murphy Brown." In two rating books' time, "Murphy Brown" had edged out KPAC-TV's local news for second place in the 6 p.m. time period.

It was mid-afternoon on his first week on the job in March 1993 when Bob Barry sat down at the news director's desk, in a windowless cubicle off of the windowless newsroom. The station's physical plant really was ancient, Bob thought. One of the cameramen said the building used to be an automobile dealership and was converted into a television station back in 1952.

As far as preparations for the day's newscasts were going, things were on automatic pilot. Tom McFarland had instructed the assignment editor to be in charge for the first few days so Barry could ease into things, and size up the situation. In front of him, on the desk, lay a three-page single-spaced proposal from one of the younger camera operators. The person

wanted to make documentaries. He had listed thirteen potential local topics with several possible angles for each idea. Bob chuckled at the youngster's naivete. Such a concept would not only require creation of a half-hour local programming window, but also would require hiring at least two new people. As it was, the staff of reporters and production people scrambled daily to fill three half-hour newscasts (noon, 6 p.m. and 11 p.m.). Newsroom scheduling was done according to seniority. The younger reporters and camera people worked weekend and night shifts. The station employed three enthusiastic young shooters who made the weekend news broadcasts look far superior to the weekday ones.

The rest of the camera people were older veterans, characterized by some of the younger newsroom people as "a surly, hardcore racist and sexist bunch who responded well to orders."

Bob had seen a few 6 p.m. newscast airchecks and had thought the quality of the video and editing was substandard. But he'd also heard that the veterans were loyal, kept order among themselves and got the shows on every night. Because of seniority and tradition, the veteran cameramen worked all the weekday shifts.

The reporters Bob had talked to seemed to enjoy complaining; their attitude would never be described as positive. They griped about the camera people not caring. They complained about never going on any exotic assignments. They wanted to use helicopters

for aerial shots just like the competing NBC affiliate did. It was also apparent from their comments that they did not respect the assignment editor, and they had nothing positive to say about the former news director, who they thought never fought Jed Auberry for more money for the newsroom. From the aircheck tapes Bob saw, it seemed the reporters were not incompetent but the writing and storytelling was average and predictable. The weekday videography had no sparkle or crispness at all.

When Bob first met with Tom McFarland after arriving at KPAC-TV, the general manager groused a little bit about the fuzzy-looking pictures from the station's worn-out cameras, but he placed the blame for declining news viewership more on the fact that the station had changed anchors frequently than on any other factor. Viewers would be attracted by the right anchor combination and a new, modern-looking set, Tom believed. He indicated to Bob that he did not think that better writing, storytelling or camerawork were anywhere near as important as new anchorpeople and a new set.

Also in that first meeting, Tom told Bob he was considering hiring an outside news consulting firm to re-define the look and direction of KPAC-TV news, and he asked Bob to give him recommendations on what Bob thought would turn the news ratings around. Tom made it clear to Bob that he, Tom, would make the final decisions on anchors and retaining a news consulting organization. When Bob protested that he felt Tom was not really giving him the autonomy he had been promised, Tom replied, "Oh, you can have autonomy over all news decisions, but of course I have to have control over decisions that affect the bottom line."

"It's going to be a real challenge," Tom told Bob. LaserCorp had spent a lot of money buying the station, and the general manager felt he was under pressure to turn a reasonable profit

the first year; he had set a goal for himself of showing a 25 percent profit margin. Tom McFarland was certain LaserCorp was very serious about its stake in and commitment to the market. There were indications from the broadcast group offices in New York that KPAC-TV might be moved into a different building, or perhaps even have a brand new station built. LaserCorp believed in having first-class facilities.

In the meantime, Tom warned, Bob would have some tough choices to make: improve the ratings and contribute to the short-term profit goals by making the news department profitable. He expected Bob to set the right goals and priorities, with his, Tom's, approval of course.

In his office, Bob Barry's eyes wandered across his desk, coming to rest on a family photo. He was not looking forward to the next three months a continent away from his wife and

children. He questioned his decision to give up a secure job as a respected anchorperson to become a news director. He couldn't be held responsible for the news department's profitability, he thought. His job was to produce journalistically sound newscasts within a reasonable budget. Profits were Tom's worry. Bob picked up the phone to call LaserCorp's vice president for news to talk things over and to make sure that his old anchor job had not been filled.

AUTHORS' NOTE

 While the incidents in this case are not factual, they do represent a composite of actual events and common operating practices. This case was prepared to use as a teaching tool.

ASSIGNMENT

You are LaserCorp's vice president for news. Bob Barry has just called you. He sounds quite concerned and unsure of his decision to move to California. He asks for your advice on several matters.

1. What do you think Bob Barry's biggest problem is and how are you going to advise him to deal with it?
2. What is his next biggest problem and how are you going to advise him to deal with it? (Hint: It has to do with goals.)
3. What do you think Bob's priorities are? How are you going to advise him to handle these priorities?
4. How are you going to advise him to respond to the memo from the young reporter who wants to produce documentaries?