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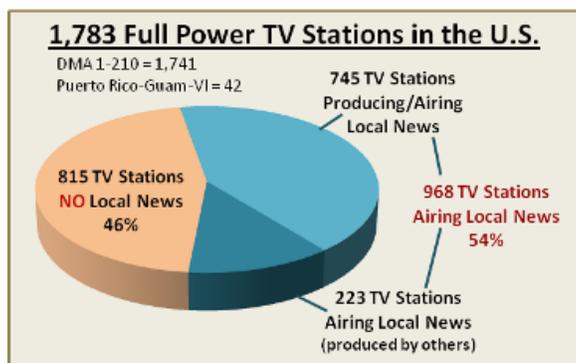
← The Survival of the Fittest (of TV Stations) in a Smart TV world ... Local HD News & IPTV To Multicast or not to Multicast ... is that the (TV News) Question? (Or guess which DMA offers 100 TV Channels OTA?) →

500+ TV Stations will be broadcasting Local News in HD by end 2011

Posted on [September 19, 2011](#) by [Tore Nordahl](#)

The headlines in the TV station business so far in 2011 were in a large measure dealing with a coast-to-coast expansion of local newscasts and the transition to HD news and live HD ENG, driven by TV stations in smaller and larger DMAs alike concluding that future profitability requires more local content in HD.

A record amount of local news is produced and aired on U.S. TV stations in 2011. This is according to a July 2011 released RTDNA/Hofstra University annual TV station local news survey concludes that 745 TV stations are originating and airing local news while another 223 stations are airing local news produced by others. A total of 968 TV stations are on-the-air with local news in early 2011. These are all licensed as full power TV stations.



Local Newscast Expansion = More Local Control

A TV station competes locally, with other local TV stations and with cable programming. When a late afternoon live ratings leader like Oprah goes away, opportunities are presented to the competing TV stations in the local market to win over the time slot and some of the Oprah audience as well as to the recent-Oprah-carrying station to perhaps save some serious syndication costs by replacing Oprah with local news (and improve bottom line). To add late afternoon news must be a serious consideration for any TV station with an existing local news organization, as the costs to expand local news may be

significantly less than the Oprah costs. And adding available reruns from years past are not likely to keep or attract the Oprah audience. Local newscast expansion with local public interest content may appeal to broad audiences and give the TV station local control and preserve future options. It's not surprising then that so many TV stations have elected to add newscasts in 2011, whether early morning, noon, late afternoon or evening. Look at these recent headlines obtained from TVNewsCheck website at <http://www.tvnewscheck.com/>

Some of the larger DMA recent TV News headlines:

KTTV Los Angeles Poised To Launch 5 P.M. Newscast
WMAQ Chicago To Launch Noon Newscast
WUVC Raleigh Expands With 6 P.M. Newscast
WHDH Boston To Add 9 A.M. Newscast
KTVK Phoenix To Launch 10 P.M. News
WSVN Miami Expands Morning News Block
KHOU Houston Adding 4 P.M. Newscast
WPIX New York to Air 5 P.M. Newscast in September
KGO San Francisco Launching 4 P.M. News
WNBC New York to Reclaim 5 P.M. News slot
NBC O&Os Launch 3 More 24/7 (subch./multicast) News Channels
(KNBC Los Angeles, KNTV San Francisco, KNSD San Diego)

And some of the not-so-large DMA recent headlines:

KFSN Fresno To Replace "Oprah" With Newscast (DMA 55)
WPTV, WFLX West Palm Beach Create 4 P.M. Newscast (DMA 38)
WKYT Lexington Adding 10 A.M. Newscast (DMA 63)
WUTR/WFXV (Nexstar Duopoly) To Launch News in Utica (DMA 171)
WCTI Greenville (SC) Adds 5:30 P.M. Newscast (DMA 101)
WFFT Ft. Wayne Adds Half Hour to Weeknights News (DMA 107)
KOMU Columbia (MO) To Debut New Interactive Newscast (DMA 137)
KDCU Wichita To Launch Local Spanish Newscast (DMA 68)
WBRE Wilkes-Barre/Scranton Slots Hour Newscast At 4 P.M. (DMA 54)

Expanding Local Newscasts make more and more sense as MVPD/OTT (non-news) choices increase

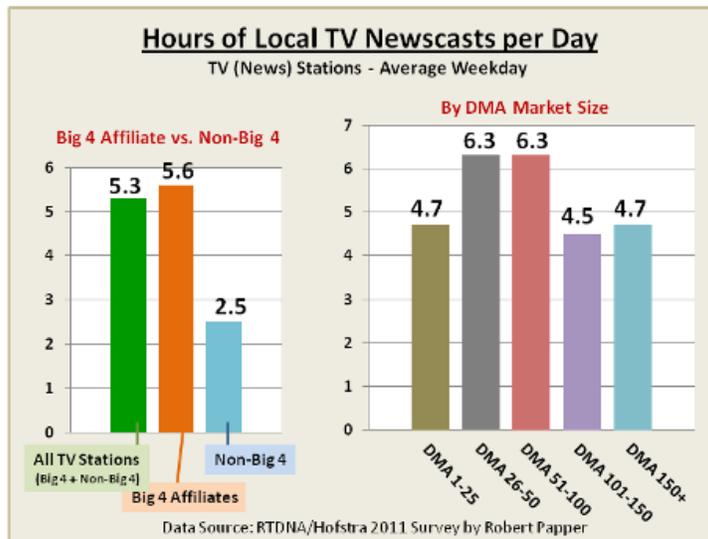
Bottom line for a TV station is local ad sales, which success is largely related to the number of eyeballs watching the TV station. The problem is that, as more and more

(reruns and VOD) program channels become available over cable/satellite/telco TV (MVPDs) and OTT over broadband internet, with most new OTT streaming services being movies and reruns of newer and older TV series, the TV station's ability to compete by offering "just another syndication program" will diminish. As a matter of fact, the large majority of TV programs available to a MVPD household at any given time are reruns, with newer programs being rerun over and over again for days, weeks and even months. It's becoming increasingly difficult for a local TV station to compete by the daytime syndication programming approach without a substantial audience following of daily local newscast. And the newscasts really need to be in HD, both studio and ENG, to have maximum appeal.

It is not surprising that we are seeing a substantial growth in local newscasts all across the country, in terms of the number of hours per day of local news broadcasts at each station. The direct competition for a live local newscast is the limited number of TV stations (perhaps 2, 3 or 4) doing live newscasts at the same time, while the direct competition for a Dukes of Hazard rerun may be a hundred or more different (non-news) programs available over cable in the same time slot. You have full local control and flexibility over the local newscast, while you have little or no control over a syndicated rerun once contracted for. If the time slot makes sense for local news, you may wish to think twice before you sign that 3-year syndication deal!

Each TV Station Average 6+ Hours of Local Newscasts per Day in DMA 26-100

That's 35% more time than the average for TV (news) stations in DMA 1-25, which is surprising. The average for DMA 1-25 is 4.7 hours per weekday, while it is 6.3 hours per weekday for TV stations in DMA 26-100. We speculate that the lower average for the largest stations must relate to network O&O stations (of which most are in DMA 1-25) doing less local news per TV station, one reason being that the late evening news (at 11PM east/west) is only 30 minutes and due to O&O duopoly operations where total weekday live newscast hours are divided between the two stations in the duopoly.



The Author resides in Los Angeles (DMA 2) where CBS owns and operates KCBS and KCAL while FOX owns and operates KTTV and KCOP. It appears that CBS and FOX have two different strategies here (recall that FOX does not have evening network news, like ABC, CBS and NBC, but rather just FOX News on cable). From noon to 11PM, CBS' #2 KCAL offers 6 hours of local newscasts while FOX's #2 KCOP only offers 30 minutes at

11PM. The largest non-Big 4 TV station in LA (KTLA–CW/Tribune) delivers 7.5 hours of local news per weekday, of which 4.5 hours is early morning. KCOP, delivering only 30 minutes of news (which was recently added), is never-the-less classified as a “TV station with newscast”, thus counted in the survey and obviously pulling down the average for the LA DMA and nationally. There are a number of Big 4 O&O duopolies in the Top-25 markets, and we may see strategies in those similar to the LA market.

But what’s behind the whopping 6.3 hours daily average in DMA 26-100?

DMA 26-100 comprise 75 markets, from Baltimore (DMA 26) to Ft. Smith (DMA 100), containing in excess of 700 TV stations with nearly 400 of those being “newscast stations” and the large majority owned and operated by the top 25 Group TV Station Owners as Big 4 affiliates. Excluding Big 4 Network O&Os, the top 25 Group TV Station Owners own and operate more than 550 TV stations across the U.S.

The RTDNA/Hofstra 2011 survey states that nearly 54% of all news stations in DMA 26-50 increased local newscasts over the past year, as did 46% in DMA 51-100, but only 41% in DMA 1-25. Only about 5% (of all news stations) decreased hours of local newscasts. In other words, over the past year, nearly ten (10) TV stations increased newscasts for every one (1) station decreasing! And with recent TV station announcements, the 6.3-hour average seems on track to make another impressive gain by 2012.

Here’s what’s behind it:

- Reruns and syndication are becoming less competitive for TV stations as more and more relatively new TV programs become available to the TV household via MVPD and OTT/Internet, resulting in ratings deterioration for TV stations relying excessively on reruns and “bland” syndication.
- Local TV newscasts only compete with other TV news outlets in the same market in the same time slot, for those eyeballs wishing to watch local news and content. The TV station retains full local control and preserves options in the shorter term. The TV station takes on 2 or 3 (known) newscast competitors rather than a 50 or more rerun and syndication choices available over MVPD/OTT (which are really unknown).
- It is relatively easy to expand live newscast hours when the TV station is already fully fitted for news operations, with news-set, newsroom and ENG facilities. And the essential transition from NTSC/SD to HD news/ENG is highly affordable with today’s cost effective HD studio cameras, HD ENG camcorders and newsroom file-based editing systems. (See JVC ProHD discussion below)
- Highly cost effective news acquisition and newsroom systems are available to TV stations currently not producing their own local news (just airing news produced by others), but wishing to initiate their own full service news operations in the near term.

Transition to Local HD News/ENG accelerates: DMA 26-100 lead the HD way this year

745 full power TV stations produce and air local news. In addition, 223 full power TV stations air local news produced by others, for a total of 968 stations delivering local newscasts, according to the RTDNA/Hofstra survey conducted at the end of 2010. These numbers are not likely to change materially through 2011. What will change (and change

fast) are the TV news stations transitioning to HD newscasts and to HD ENG. Note that the 2011 RTDNA/Hofstra study (conducted end 2010) did ask the question of how many TV stations broadcast news in HD, resulting in about 40% responding in the affirmative (390 TV stations). Thus the (August 2011) numbers presented in here are developed by the Author considering various recent data collected on the internet and processed, and using the HD news baseline data as reported by the 2011 RTDNA/Hofstra survey (conducted end 2010).

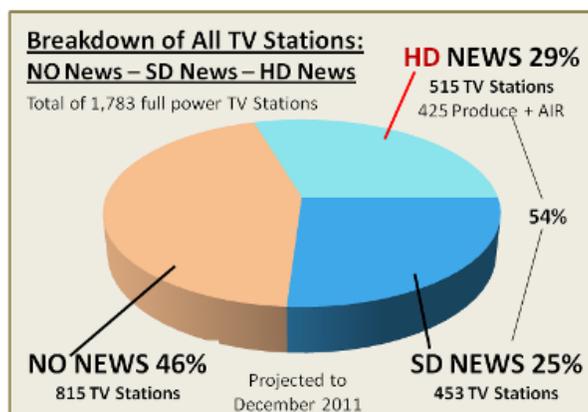
The Author found, not surprisingly, that TV stations in DMA 26-100 lead the way in HD news transitions so far in 2011, as an estimated 80% of TV news stations in DMA 1-25 are already fully HD capable, and stations in DMA 151+ are perhaps under less pressure to go HD. Here are some recent announcements, headlines again courtesy of TVNewsCheck:

Some of the DMA 26-100 recent HD transition headlines:

- WSYR Syracuse Launches Local HD News (DMA 82)*
- WJAR Providence To Be First with HD News (DMA 53)*
- WSAZ Charleston (WV) Completes HD Local News Transition (DMA 64)*
- WFRV Green Bay Broadcasting Local News in HD (DMA 71)*
- WBIR Knoxville To Produce HD Newscasts (DMA 59)*
- KXXV Waco Rolling Out Local HD Newscasts (DMA 89)*
- KSL Salt Lake City Moves To HD ENG (DMA 32)*
- WKRN & WZTV Making Nashville All-HD Town (DMA 29)*

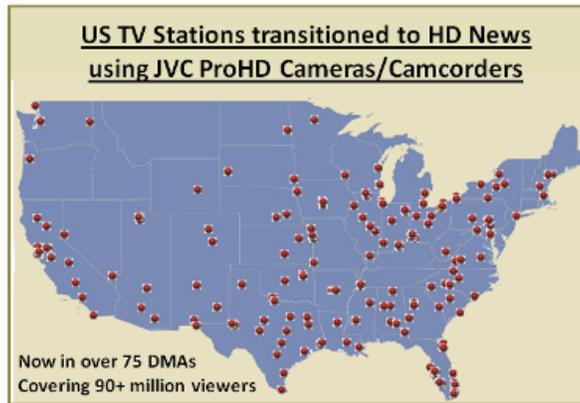
More than 500 TV Stations will be Broadcasting Local News in HD by end 2011

The Author estimates that, of the 745 full power TV stations both producing and airing local news, 425 stations will be doing it in HD by the end of 2011, including many of those also doing HD ENG field acquisition. Of the 223 TV stations broadcasting news produced by others, an estimated 90 stations (40%) will be on air with HD news material by end 2011. Thus, more than 500 TV stations (about 52% of the total of 968 TV stations broadcasting local news) will be delivering HD news by end of this year.



That's an estimated increase of 125 TV stations which will have transitioned to HD news during 2011, from 390 to 515 or 32% growth. Note that, of the projected total increase of 125, the "produce and air HD news" share counts an estimated 90 TV stations while the balance of 35 TV stations are "just airing" HD news produced by others.

The current HD studio camera and HD ENG camcorder market is owned by JVC, Panasonic and Sony, where JVC's highly cost effective and professional ProHD camera/camcorder line leads the pack in DMAs 26 up.



Access interactive map = <http://pro.jvc.com/tvstations>

The first ever HD Local News Transition . . . WRAL made major commitment 11 Years Ago

WRAL-TV, owned and operated by Capitol Broadcasting Company, the CBS affiliate in Raleigh-Durham (DMA 25), was the first TV station in the U.S. to convert local newscasts and news operations to HD. That was indeed a major pioneering commitment, both in capital investments and in operational efforts. It was perhaps not surprising as WRAL was already known for its pioneering way of thinking through the years. WRAL's first local HD news broadcast was on Friday October 13, 2000, while the all-HD local newscasts officially started in January 2001.

Why is this relevant to this article?

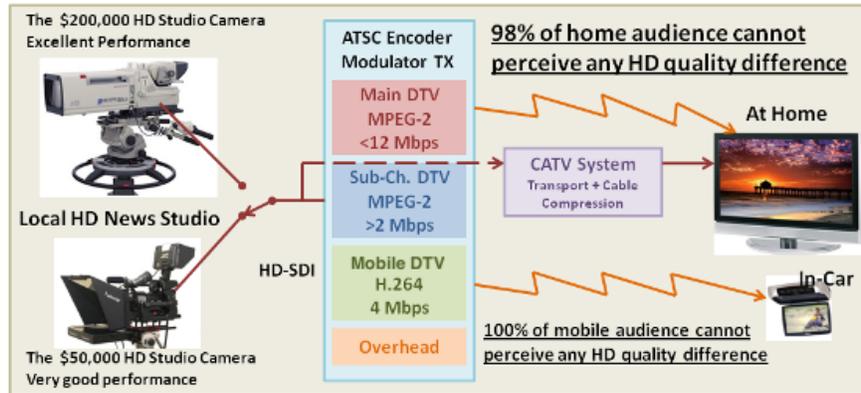
Because the 29 HD ENG camcorders acquired by WRAL 11 years ago each had a list price of \$43,600 without lens. Compare that to the current list price of JVC's latest top-of-the-line ProHD ENG camcorder (GY-HM790U) at \$9,995 with lens. Adding the price of glass to the \$43,600 number did bring the list price up to nearly \$60,000 or SIX TIMES the current price of JVC's GY-HM790U. Did WRAL negotiate a healthy HD equipment package discount in 2000 for being a pioneer? Probably.

Local HD News Transition (Equipment) Cost in 2011 is less than 33% of 2001 Cost . . .

In addition to the HD ENG camcorder cost analysis above, go back a few years and recall the HD studio camera costs in 2001 when a complete HD studio camera system was selling at around the \$200,000 mark each after adding prompter, monitor, box lens (very expensive), studio pedestal and remote control facilities. Compare that with the current JVC ProHD fiber-connected remote controlled HD studio camera configuration with a selling price around \$50,000 studio ready, or about 25% of that "not-so-good-old" \$200,000 price tag.

The \$200,000 HD studio camera system is still available, but, generally and understandably, only purchased by the Big 4 for network studio applications, by high end mobile television trucks and by the larger TV program producers. Let's look at a comparison of the "two contenders" in a typical TV station local HD news studio

application, to analyze why it makes perfect sense to choose the \$50,000 HD studio camera system for the most TV stations transitioning to or expanding local HD news. Look at the illustration below.



The two contenders are located on the same news set with optimized lighting. The cameras' HD-SDI outputs are seamlessly switched in master control and then alternately supplied to the ATSC OTA chain for viewing test purposes. Many TV stations today are operating with at least one SD sub-channel, in addition to the main (H)DTV channel, and planning for the Mobile DTV service. Thus the MPEG-2 encoded bitrate for the main HD channel may be limited to at most 12 Mbps, which is sufficient to deliver TV station broadcast quality, but introducing some softening of the cameras' output resolution, particularly in the 1080i format. Any noticeable resolution advantage by the \$200,000 camera system seen in master control will be substantially eliminated in the ATSC encoder (and in the home HDTV receiver's decoder) in the opinion of the Author.

Looking at the home HDTV viewing environment, we must consider the home distribution of the screen sizes of the HDTV sets, as we can conclude that a very small difference in HD resolution presented to the home audience can only be detected on a relatively large HDTV screen (50-inch and up, with normal viewing distance) and then only by "critical viewers" looking for flaws. The Author estimates that this combination is less than 2% of total audience, thus 98% of home audience cannot perceive any HD quality difference between a local HD newscast shot with a \$50,000 or a \$200,000 HD studio camera system.

The large price drop in HD studio cameras and HD ENG camcorders over the years is duplicated in other areas of HD news equipment. Recall those early non-linear HD editing and graphics boxes developed for that large European national TV network, also selling in the \$200,000 range, promoted (sometimes successfully) to U.S. TV stations. What do you use now? Highly capable PC and Mac-based NLEs and graphics workstations at a fraction of the price.

There has never been a better time to invest in local HD news acquisition and production. Equipment capital costs are low and the time is ripe to start to grow your TV station's standing in your local market. JVC's ProHD cameras and camcorders are designed to support the most efficient file-based non-linear workflow, to operate flawlessly in an environment of reduced news department staffing, and delivering highly competitive broadcast quality HD to the home audience.

**There's no business like local TV news business
 . . . IF you're a TV station**

Sports coverage on TV stations' local newscasts has declined over the past two years, while local news, weather and traffic are up, reports say. It makes sense, as sporting events and sports news are now available from many "sports desk" sources, from ESPN to the major leagues' own TV channels and OTT streaming. The sports enthusiasts don't go to the TV stations' local newscasts anymore like they did 20 years ago, because, 20 years ago, there was no other place to go to get the daily sports news.

Let's take a lesson from that observation.

The same situation is now happening with syndicated TV shows and movies, even with new prime time programming. The same programs are available from more and more sources, as the program originators sell non-exclusive rights for reruns and VOD availability to multiple program distributors. This wide (and wild) distribution results in a lower audience rate for the syndicated shows contracted for by the TV stations, due to ever increasing availability and choice.

The answer may be to expand local newscasts, include local interest stories, deliver HD quality and using talent resources to attract and retain a larger audience share in a known competitive environment: competing directly with the several TV news stations in the DMA rather than against hundreds of rerun and VOD program choices. And your TV station exercises full local control of talent, creativity, timing and operations.

END

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