

**Audience Development Capabilities  
and Program Recommendations**

**"BIG FEARS ... LITTLE RISKS"**

Submitted to:

American Council on Science and Health

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 **Modern**

**EX P-2212**

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## INTRODUCTION

For more than 50 years Modern has served major corporations, trade associations, professional societies, international agencies and all branches of the government as a communications resource. We are recognized as the foremost distributor and marketer of informational and education programs developed by our clients. Very simply, and most importantly--- we create audiences.

## AUDIENCE OVERVIEW

Sponsored film/video is an effective communications medium because it targets specific markets with precision. Audiences can be reached according to demographic and/or geographic location. Naturally, a film achieves its full potential only when its seen by the appropriate audience.

### Audience Types

Whether through schools, colleges or universities, civic and social clubs, governmental organizations, business and professional groups, your film/video will be seen by key people.

Most schools regularly use sponsored film/video in their curricula and it provides an excellent opportunity to reach the youth market.

College students are heavy movie attenders and Modern's College Cinema supports that fact with over 200,000 showings on 230+ campuses. Film format generates approximately 1,760 annual bookings via 25 circuits nationwide; video format will generate (at this time) approximately 180 bookings via 6 circuits when initiated in Fall, 1989 with the full compliment of 25 circuits available later in the year.

The Community Group audience is composed of adult and school groups. They select programs especially suited to their own interests so any message has maximum effect on receptive viewers.

Our *Resort and Campground Cinema* program distributes entertaining and informative sponsored films to over a thousand resorts and recreational settings throughout the nation during peak vacation months. We supply everything needed, including the screen, projector and your sponsored film.

In addition, Modern is the sole United States member of INFORFILM International, the association of informational film/video distributors and can arrange to have your program shown in the 20 countries represented.

### Broadcast, Cable and Low-Power Television

Video and film programs are also promoted and distributed on a free-loan basis to broadcast television stations nationwide. Clients are not charged for station previewd bookings but will be charged for shipping costs. Single title bookings will be charged at the rate of total number of stations utilizing the program.

**Broadcast Charge Per Booking: \$65.00**

Video and film programs are promoted and distributed to local and low power television stations nationwide. Again, there is no charge for station preview bookings but clients will be charged for shipping costs. A 10 percent discount is applied to bookings 21 and over which are invoiced in a one month period.

**Cable and Low-Power Charge Per Booking: \$35.00**



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## SAMPLE BUDGETS

| Television       | Estimated Number of Television Bookings |                   |                   |
|------------------|-----------------------------------------|-------------------|-------------------|
| <b>Broadcast</b> |                                         |                   |                   |
| Annual Budget:   | \$ <u>3,000.</u>                        | \$ <u>5,000.</u>  | \$ <u>8,000.</u>  |
| Annual Plays:    | 48                                      | 72                | 120               |
| Estimated Reach: | 480,000                                 | 720,000           | 1,200,000         |
| <b>Cable</b>     |                                         |                   |                   |
| Annual Budget:   | \$ <u>7,000.</u>                        | \$ <u>10,000.</u> | \$ <u>17,000.</u> |
| Annual Plays:    | 200                                     | 285               | 485               |
| Estimated Reach: | 1,600,000                               | 2,280,000         | 3,880,000         |

### Free-Loan to Educational and Community Group Audiences

Rates include all videocassette duplication required to meet demand (within a client's predetermined budgetary limits). The clients provide Modern with a 3/4" or 1" video master for duplication. Clients are not charged for bookings unless a showing report is received from the exhibitor but will be charged for delivery.

| Free-Loan Rates  | Number of Bookings Per Month |          |           |                 |
|------------------|------------------------------|----------|-----------|-----------------|
|                  | 1-100                        | 101-1000 | Over 1000 | Delivery Charge |
| School Audience: | \$ 9.10                      | \$6.20   | \$5.55    | Net Extra       |
| Community Group: | \$10.10                      | \$7.20   | \$6.55    | Net Extra       |

The following budget examples (based on school audience projections and costs) demonstrate annual distribution and associated costs that might be anticipated for a given film/video:

|                             | \$ <u>10,000.</u> | \$ <u>15,000.</u> | \$ <u>20,000.</u> |
|-----------------------------|-------------------|-------------------|-------------------|
| Annual Budget               |                   |                   |                   |
| Monthly Bookings Projected: | 78                | 124               | 178               |
| Annual Bookings Projected:  | 936               | 1,488             | 2,136             |
| Monthly Audience Projected: | 4,680             | 7,440             | 10,680            |
| Annual Audience Projected:  | 56,160            | 89,280            | 128,160           |
| Est. Cost / Viewer:         | \$.18             | \$.17             | \$.16             |

## MODERN SATELLITE SERVICES

### The Learning Channel

Modern pioneered the satellite delivery of sponsored programming, with services that began in January 1979. Your video or film is packaged with other non-competitive programs to create "World In Motion," a lively, one-hour magazine format show with individual segments introduced by our on-camera host. Your program may also be presented outside the "World In Motion" series---as an "MSS Special" in a stand-alone format.

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### THE WORLD IN MOTION Produced by Modern Talking Picture

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One Day Time Showing: \$ 2,600.

Four Day Time Package: \$ 9,600.

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Three Day/One Prime Package: \$11,000.  
(Three daytime airings, one Friday prime time airing)

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One Time Prime: \$ 4,200.

Four Time Prime: \$15,400.

All pricing based on 1/2 hour.

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|                  |                              |             |
|------------------|------------------------------|-------------|
| Modern Schedule: | Monday, Friday               | 4:00 PM EDT |
|                  | Tuesday, Wednesday, Thursday | 1:00 PM EDT |
|                  | Friday Prime Time            | 7:00 PM EDT |

|                     |                  |
|---------------------|------------------|
| Available Segments: | Let's Travel     |
|                     | Consumer Inquiry |
|                     | Business View    |
|                     | Modern Life      |

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## TEACHING KITS

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To accompany "Big Fears...Little Risks," a Teaching Kit could be developed for distribution prior to the showing of the film. The kit would be comprised of a poster on one side with the "Big Fears...Little Risks theme, and 4 to 6 to 8 panels on the back. Each panel would serve as a guide and could include lesson plans, teachers' guides, student activities and/or environmental experiments. This would give the broadest overview for the teacher and extend the message of the film: Points to Know; Natural Pollution; etc.

|                |       |                                                                       |
|----------------|-------|-----------------------------------------------------------------------|
| 4-Color        | Size: | 17 x 22 would include 4 panels<br>22 x 34 would include 6 to 8 panels |
| Quantity:      |       | 10,000 to 20,000                                                      |
| Pricing Range: |       | \$25,000 to \$50,000.                                                 |



## DEMOGRAPHICS

As the latest MRI research proves, The Learning Channel does a fantastic job of delivering the hard-to-get subscribers!

|                            | <u>AVERAGE U.S.</u> | <u>TLC VIEWER</u> | <u>INDEX</u> |
|----------------------------|---------------------|-------------------|--------------|
| <u>INCOME</u>              |                     |                   |              |
| Household Income           |                     |                   |              |
| \$30,000+                  | 45.5                | 52.1              | 15% Higher   |
| \$60,000+                  | 10.5                | 12.1              | 15% Higher   |
| <u>AGE</u>                 |                     |                   |              |
| 25 - 54                    | 56.6                | 69.4              | 23% Higher   |
| 35 - 44                    | 19.1                | 25.3              | 32% Higher   |
| <u>EDUCATION</u>           |                     |                   |              |
| Attended/Graduated College | 36.5                | 45.0              | 23% Higher   |
| Graduated College          | 18.0                | 19.5              | 9% Higher    |
| <u>OCCUPATION</u>          |                     |                   |              |
| Prof Managerial            | 15.7                | 17.3              | 10% Higher   |
| Corp. Decision Maker       | 11.4                | 16.4              | 44% Higher   |

Source: 1987-88 Simmons Market Research Bureau

# APPEAL

A recent study by a leading firm in non-subscriber research proved that TLC is among the highest rated services. TLC rated about the same as ESPN and A&E and higher than several services including WTBS, USA and MTV. This supports the value of targeted services such as TLC to reach non-cable subscribers.

Furthermore, interest in The Learning Channel was even higher among persons age 35-49.

| <u>Percent Rating Interest<br/>a 4 or 5 (on 5 pt)</u> | <u>All<br/>Non-Cable<br/>Subs</u> | <u>Percent Rating Interest<br/>a 4 or 5 (on 5 pt)</u> | <u>Age 35-49<br/>Non-Cable<br/>Subs</u> |
|-------------------------------------------------------|-----------------------------------|-------------------------------------------------------|-----------------------------------------|
| Discovery                                             | 48%                               | Discovery                                             | 59%                                     |
| American Movie Classics                               | 44%                               | American Movie Classics                               | 42%                                     |
| CNN                                                   | 40%                               | CNN                                                   | 44%                                     |
| Nickelodeon                                           | 31%                               | The Learning Channel                                  | 35% ----                                |
| ESPN                                                  | 29%                               | Nickelodeon                                           | 35%                                     |
| A&E                                                   | 28%                               | ESPN                                                  | 33%                                     |
| The Learning Channel                                  | 27% ----                          | A&E                                                   | 29%                                     |
| Weather Channel                                       | 25%                               | Nashville                                             | 24%                                     |
| Nashville                                             | 23%                               | FNN                                                   | 24%                                     |
| WTBS                                                  | 23%                               | USA                                                   | 23%                                     |
| USA                                                   | 22%                               | WTBS                                                  | 23%                                     |
| FNN                                                   | 21%                               | Weather Channel                                       | 22%                                     |
| CBN                                                   | 20%                               | CBN                                                   | 20%                                     |
| C-Span                                                | 19%                               | VH-1                                                  | 19%                                     |
| VH-1                                                  | 17%                               | Lifetime                                              | 17%                                     |
| Lifetime                                              | 16%                               | C-Span                                                | 15%                                     |
| MTV                                                   | 16%                               | MTV                                                   | 14%                                     |
| Cable Value Network                                   | 7%                                | Cable Value Network                                   | 8%                                      |

Source: Beta Research Corporation, Syosset, NY

# VIEWERSHIP

Here's how TLC's viewership stacks up against several other program services we compete with for channel capacity. Of course, these measurements were taken before TLC's emphasis on long-term promotion.

|                      | <u>TOTAL ADULTS</u><br><u>Average Week Cume %</u> |
|----------------------|---------------------------------------------------|
| A & E                | 38%                                               |
| NICKELODEON          | 38%                                               |
| VH-1                 | 36%                                               |
| CBN                  | 35%                                               |
| LIFETIME             | 34%                                               |
| THE LEARNING CHANNEL | 30%                                               |
| NICK AT NITE         | 28%                                               |
| DISCOVERY            | 23%                                               |
| BET                  | 20%                                               |
| C-SPAN               | 18%                                               |

Source: 1988 Simmons (expressed as percentage of subscriber base)

STATUS OF CONTRIBUTIONS AS OF 5/3/89

## Production

|               |          |                         |
|---------------|----------|-------------------------|
| Monsanto      | \$25,000 |                         |
| Union Carbide | \$ 5,000 |                         |
| Cooper        | \$ 7,500 | (+ \$17,500 to develop) |
| Dow Corning   | \$ 2,000 |                         |
| FMC           | \$10,000 |                         |
| GE            | \$20,000 |                         |
| Fermenta      | \$10,000 |                         |
| CIBA          | \$10,000 |                         |
| ICI           | \$30,000 |                         |
| Dow           | \$15,000 |                         |
| Pfizer        | \$ 5,000 |                         |
| Texas Eastern | \$25,000 |                         |
| MAPI          | \$ 1,000 |                         |
| Air Products  | \$ 2,000 |                         |
| Du Pont       | \$25,000 |                         |

|       |         |
|-------|---------|
| Total | 192,500 |
|-------|---------|

## Requirements

|            |           |
|------------|-----------|
| Production | \$197,000 |
| ACSH       | 25,000    |
| Host       | 25,000    |
| Total      | \$247,000 |

## Pledged

|             |          |
|-------------|----------|
| Du Pont     | \$10,000 |
| BF Goodrich | \$10,000 |

|       |          |
|-------|----------|
| Total | \$20,000 |
|-------|----------|

|          |           |
|----------|-----------|
| Required | \$247,000 |
| Raised   | 192,500   |
| Pledged  | 20,000    |

|      |           |
|------|-----------|
| Goal | \$ 34,500 |
|------|-----------|

## Distribution

|       |          |
|-------|----------|
| Coors | \$25,000 |
|-------|----------|

|             |           |
|-------------|-----------|
| Grand Total | \$217,500 |
|-------------|-----------|

**Prospects**

Gillette  
National Electrical Manufacturers Association  
Cigna  
American Cyanamid  
Dana Corporation  
USX  
General Motors  
Shell  
Honeywell  
United Technologies  
Aetna  
Alcoa  
Boeing  
Federal Mogul