



## “The Tube” Rocks

A music-video channel preps for debut **By Allison Romano**

Somehow, “I want my secondary digital channel!” just doesn’t have quite the ring to it that “I want my MTV!” once had. But Raycom Media is betting TV viewers who yearn to watch a true music-video channel—and long ago gave up on lifestyle-centric MTV and VH1—will eagerly turn to The Tube Music Network, made possible by the government-mandated digital-spectrum upgrade. Raycom is not getting into the cable-network business; it is simply using the additional digital spectrum for something other than adding high-def options.

The Tube will launch on 30 Raycom-owned stations this summer, skewing heavily toward an eclectic music-video format—think Norah Jones segueing into the Rolling Stones, on a 14-videos-per-hour schedule—with a sprinkling of concerts and contests. The Tube is seeking deals with station groups besides Raycom.

The back-to-basics approach is fitting, given the channel’s origins as the brainchild of Les Garland, an

(Raycom is the 17th-largest station group, according to *B&C*’s 2005 survey, with coverage of 10% of the U.S.) At the time, McTear says, he didn’t think much of The Tube or any digital broadcast ideas. But as he learned more about his stations’ digital capabilities, new business opportunities looked more attractive. “We have put \$60 million in to upgrade our stations,” he says. “This is our first chance to get a nickel out.”

### STARTUP COSTS: UNDER \$10 MILLION

Another attraction: Raycom wouldn’t have to sink a dime in. New cable networks can burn through \$100 million in startup cash, much of it spent on acquiring and creating programming. Since record companies don’t charge for music videos, The Tube’s content is a bargain. The network expects startup costs to be under \$10 million.

Under its affiliate deals, The Tube will sell five minutes of commercials an hour nationally; Raycom (and future affiliate) stations will get a minute of advertising time to sell locally. (They can also supplement the shared-content feed with coverage of

**EXCLUSIVE**



The Rolling Stones is part of an eclectic mix of music artists that will be featured on The Tube Music Network.

early architect of MTV and VH1.

“I wasn’t seeing any music,” Garland says. “I wanted to create something cool for people with grown-up music tastes.”

Garland, president of The Tube, first envisioned the channel as a traditional cable and satellite service. Then he met industry consultant Mike Ruggiero, CEO of ATV Broadcast Consulting, a former Cox Cable exec who now helps stations navigate broadcast-to-cable retransmission-consent issues and other industry matters.

### AN INTERESTING PLAY

Ruggiero knew launching yet another cable music channel would be a tough sell, but, he says, he thought The Tube might make an interesting play for stations developing their digital space.

Raycom Media President/CEO Paul McTear first took the pitch for the channel at the 2004 NATPE convention.

their local music scene and concerts.) This is about half the commercial load of many cable networks.

For stations, The Tube presented two major selling points. It is a chance to tap into new demos with music programming aimed at 18- to 49-year-olds, younger than the traditional local-news audience. And new services like The Tube offer ways for local broadcasters to leverage retransmission consent with cable operators.

With a music-video library at 1,500 songs and growing, Raycom is already testing the channel over-the-air on WFLX West Palm Beach, Fla., and soon The Tube will launch on Adelphia, the market’s cable operator. McTear is pleased with early feedback: “We’re already getting e-mails from people that stumbled on it. They can’t believe it is all music.” ■

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