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[The TV recession](#) - *Is there hope for an advertising recovery?*

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Lin TV Corp. (NYSE:TVL) got the top spot on Wells Fargo Securities LLC's scorecard for the television industry's third-quarter results.



The Providence, R.I., company beat estimates for third-quarter revenue, Ebitda and earnings per share. It also topped estimates for revenue and Ebitda guidance for the fourth quarter.

With the expansion of gross domestic product during the third quarter, traditional media has been anxiously eyeing the advertising market for signs of a recovery.

Television trends were stable during the third quarter, Wells Fargo analyst Marci Ryvicker wrote, pointing to some of the bright spots.

"There is hope that auto will come back, although political comps from last year's presidential election remain daunting," analyst Marci Ryvicker wrote.

There are signs of improvement in the "scatter" ad market, the spots that remain unsold after the "up-front" sales push. For CBS Corp. (NYSE:CBS), Ryvicker notes, scatter pricing was 25% above up-front levels.

Media investment bank **M.C. Alcamo & Co., Inc.** projects that TV broadcasters will see 6% sales growth in 2010, based on trends from the last recession and recovery.

During the 2002 recovery, TV advertising increased at more than double the rate of overall economic expansion.

"The consensus forecast for 2010 GDP growth is 2.8%," the firm's president **Michael Alcamo** said in a statement. "We therefore expect broadcast revenue to grow at 5.6% to 6.0%. Moreover, after the cost cutting of the last twenty months, most of that incremental revenue should be margin."

Like 2002, 2010 is an election year. The firm expects campaigning in contested gubernatorial races in California, Florida, Michigan, Minnesota, Nevada, Rhode Island, Wisconsin and Wyoming to boost ad sales. - *Chris Nolter*

[Get M.C. Alcamo's report from the firm's Web site](#)

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