

Los Angeles Times

ENTERTAINMENT

Oprah teams with Discovery on new cable channel

The Oprah Winfrey Network will replace what is now Discovery Health in mid-2009. Winfrey will be chairwoman and president.

By Meg James

Los Angeles Times Staff Writer

January 16, 2008

The queen of television is expanding her empire.



Oprah Winfrey and Discovery Communications Inc. said Tuesday that they were forming a company with a flagship cable channel to be called OWN: The Oprah Winfrey Network. The channel is expected to debut in mid-2009, taking the place of the underperforming Discovery Health Channel.

The venture could be Winfrey's encore once she exits daytime television. Winfrey's show is scheduled to air through May 2011, but the talk-show host said Tuesday that she had an option that would allow her to end her show a year early, in May 2010.

"I've lived my television life in competition with myself, working to get those numbers, those daily ratings," Winfrey, 53, said in an interview. She said that she would decide in September when to end her show and that after 22 years in daytime television she was open to something new.

"The thing that keeps me coming to work every day with a smile on my face is the ability to affect the way people see themselves," she said. "That's why I do it."

That's the concept that Discovery Chief Executive David Zaslav pitched to Winfrey eight months ago when he traveled to her headquarters in Chicago and proposed that they team up to build a cable channel with Winfrey's brand of programming. Zaslav said he was inspired after his wife, Pam, showed him a copy of O, the Oprah Magazine. He said he was impressed by its depth of information and stories.

Zaslav said he figured that as TV networks filled their schedules with reality shows chockablock with C-list celebrities and wannabes, there would be a market for Winfrey's uplifting lifestyle programming.

"Oprah Winfrey is the most powerful person in the world as far as influence goes," said S. Mark Young, a professor at USC's Annenberg School for Communication. He said the channel would have a marketing advantage because of Winfrey's ready-made audience.

"She comes across as being a very thoughtful and caring person, someone with great empathy. I guess the only real question is whether Oprah might be getting a little overexposed," Young said.

He noted that Winfrey is seemingly everywhere, including jumping into presidential politics to support Democratic Sen. Barack Obama of Illinois.

Winfrey will be the creative force, chairwoman and president of the 50-50 venture between Discovery and her Harpo Productions Inc., the producer of "The Oprah Winfrey Show," which is distributed through King World Productions, a unit of CBS Corp.

She plans to contribute to the joint venture her website, Oprah.com, which had about 3 million visitors in December, according to estimates by ComScore Media Metrix and Nielsen Online. By comparison, Winfrey's syndicated show routinely draws more than 6 million viewers a day and is typically the No. 1 or No. 2 program on daytime TV.

The huge library of "Oprah Winfrey Show" episodes is tied up until 2011 but could be shifted to the cable channel afterward, providing additional programming.

For its part, Discovery will add its Discovery Health Channel, which was launched in 1999 and is available in 68 million homes, more than half of the nation's television households. However, it draws fewer than 200,000 viewers on average in prime time, according to research firm SNL Kagan.

"It's a perfect fit for Discovery because our core values are knowledge and curiosity," said Zaslav, who has transformed the once-sleepy cable company since he took over a year ago.

Television analysts saw the move as another sign that the four big broadcast networks, ABC, CBS, NBC and Fox, are losing clout. Cable channels continue to siphon away viewers from broadcasters with their more targeted programming.

The deal, they said, also underscored Winfrey's tremendous power.

"It used to be that networks had personalities. CBS used to be Walter Cronkite or Edward R. Murrow, but now you have people becoming networks," said Peter Sealey, adjunct marketing professor at the Drucker School of Management at Claremont Graduate University. "This takes television into a whole new era."

David Scardino, an entertainment specialist at the Santa Monica advertising firm RPA, said Winfrey was probably ready for a new career challenge. "Her ratings are not as strong as they once were," he said. "She's off the peak that she maintained a few years ago."

This is not Winfrey's first venture into cable television. She was an original investor in Oxygen, which NBC Universal acquired last year for \$925 million. There are differences in the two ventures, Winfrey and Zaslav said. For one, Oxygen's management struggled for years to get cable companies to carry the service; OWN on Day 1 will reach 70 million homes.

Winfrey said she wrote in her diary 15 years ago that her goal was to one day create her own TV network, named OWN, that would be an extension of her show.

The name, she said, means more than just "The Oprah Winfrey Network."

"It's about owning yourself, owning your possibilities and owning your future," she said. "When I wrote that down in my journal, on May 24, 1992, I said to myself: 'Look at that. Isn't it great how the name worked out that way?' And this announcement today fulfills my vision."

meg.james@latimes.com