

Turner's base, if not its power, remains in Atlanta

Biggest bulk of job cuts come in Turner's largest employee center

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In announcing the cuts, Turner Broadcasting System said "Atlanta remains the company's largest employee base, with more than 5,500 full-time employees."

CNN Center remains the backbone of the cable news giant, a global calling card for Atlanta and a magnet drawing hundreds of thousands of tourists each year.

And CNN and its siblings at Turner Broadcasting are still beamed into millions of households worldwide.

But the sharp job cuts announced last week by Atlanta-based Turner highlight a years-long pattern: Atlanta's shrinking sphere of influence within the company Ted Turner built.

Ted is long gone from Turner. Key talent — from news anchors to senior execs — have trickled out of Atlanta for years and mainly hang their hats with Turner's parent company, Time Warner, in New York.

In fact, experts say it's becoming a trend for large companies to have a home base in one place and their senior leaders in others.



[+ Kent D. Johnson](#)

Turner Broadcasting said fewer than 300 of the job cuts will be at CNN Worldwide.

Turner will reduce its Atlanta workforce by about 15 percent, but the company will still have more than 5,500 employees who call Atlanta home. Overall, Turner has more than 14,000 workers today.

Turner's relatively new CEO John Martin has stressed Atlanta remains the company's core and won't lose its position as Turner's top employment center.

But with the retirement last year of Atlanta-based Turner chief Phil Kent, and more executives taking root in New York or Los Angeles, fewer shots are called here.

David Folkenflik, a media correspondent for National Public Radio and author of "Murdoch's World: The Last of the Old Media Empires," told The Atlanta Journal-Constitution that "there is less of a sense of Atlanta" since Ted Turner has been gone.

"The thing going in Atlanta's favor is that real estate and workforce (are) cheaper than in New York and Los Angeles," he said.

Turner workers have talked privately about tension since archrival Rupert Murdoch and 21st Century Fox made a hostile bid to buy Time Warner earlier this year. The angst grew thicker amid reports of massive changes in the offing at Turner.

Turner said last week nearly 1,000 — about two-thirds — of a total 1,475 job cuts will hit metro Atlanta. The cuts are part of a new strategy, called Turner 2020, designed to slash costs, grow

revenue and transform the business for the digital age. Some 150 new jobs also will be added across the enterprise in what executives consider growth areas.

Turner makes up about 40 percent of Time Warner's revenue. Time Warner is striving to keep Murdoch and other wolves at bay after executives told shareholders the company could return more value than the \$85 a share Fox offered. But to stay independent, analysts say Time Warner needs to get its stock to about \$100 a share.

Top brass probably will be given time to cut costs and boost growth, but shares were still trading in the low to mid-\$70s last week.

Martin used the fourth paragraph in his five-paragraph memo to Turner workers last week to address "lingering concerns over Turner's profile in the Atlanta community."

"Beyond people and infrastructure, our history and heritage are there," he wrote. "So is a big part of our future."

Turner declined the AJC's request to interview Martin.

Turner's campuses in Midtown and downtown Atlanta still house the essence of CNN, HLN, TNT, TBS, Cartoon Network and other Turner brands.

In July, Martin told employees he was not considering shifting Turner's core from Atlanta to the Big Apple.

"Not only would it be almost physically impossible; it would be economically impossible," he said. "I'm keenly aware of the company's heritage. ...There's so much pride, so much talent and so much infrastructure here."

But he also said he's not even sure what the term "headquarters" means anymore, though there was no "grand design" for other top executives to relocate to New York.

"We are a global media company," Martin said. "If that talent is in Ohio or Texas or Mumbai or Abu Dhabi or Atlanta, that's what's important."

But what exactly is a headquarters when the top dogs largely aren't based here?

"The relationship of Turner Broadcasting to Atlanta has intrinsic value to the company ... and the brand is important in turn to Atlanta," said John Boyd, a New Jersey-based site consultant.

The industry trend is to base top media talent in New York, despite Atlanta's growing presence in film and television. Atlanta, however, has retained its spot as critical infrastructure to the whole, Boyd said.

It's not unusual anymore for companies to be based in one place, Boyd said, but have key executives elsewhere. Duluth-based NCR, whose CEO and some other leaders are in New York, is one example.

Boyd said headquarters are coveted for not only the jobs and investment, but the corporate citizenship, philanthropy and notoriety they bring.

Atlanta still gets that from Turner, Boyd said.

In the early days when James Earl Jones' baritone rumbled the networks tagline, "This is CNN," one could almost swear Jones was also saying: "This is Atlanta."

Turner's billionaire namesake, a maverick who built an empire from a single Atlanta UHF station, pioneered 24-hour cable news.

CNN brought the world the news. Superstation TBS made Turner's Atlanta Braves "America's Team."

Over the years, Time Warner has shed the remnants of a mashup of businesses that resulted from its marriage with AOL. The new Time Warner has become a streamlined media company made up of the Turner networks, HBO and the Warner Bros. film and TV studios.

Ted built TBS and TNT other networks' reruns, old movies, live sports and pro wrestling to become models for what success cable channels could be. But that path doesn't work as well anymore.

Networks need original shows they can't see anywhere else, analysts say. Sports have become one of the only appointment viewing spectacles on which advertisers can rely. On the day Turner announced job cuts, it also unveiled a new nine-year deal to air NBA games and retain management of NBA TV, NBA.com and other digital products.

Ratings have sagged at some Turner networks while costs to license and air sports games have soared.

Despite the local cuts, Atlanta's chamber of commerce latched on to Martin's comments about the region's importance.

"Though we know restructuring is difficult for any company, we were pleased to read in John Martin's memo to Turner employees that Atlanta is a big part of its future and remains the company's largest employee base," Metro Atlanta Chamber president and CEO Hala Modellmog said in a statement.

“As a valuable member of our community and of the Metro Atlanta Chamber, we look forward to supporting Turner’s efforts and watching the company emerge even stronger based on its Turner 2020 initiative.”

Sam Massell, a former Atlanta mayor and president of the Buckhead Coalition, a prominent business group, has criticized Time Warner for its decisions to downsize Turner. But Atlanta now enjoys a robust high-tech sector and film industry, he said, that will help soften the blow.

Turner and company alums have helped grow those sectors.

“CNN is a great institution but we’ve got much more now,” Massell said.

Turner Broadcasting System assets

CNN: Includes domestic cable channel, CNN.com and CNN International.

HLN: Used to be Headline News, now focused more on social media and the millennial generation.

TBS: Sixth in prime time in the second quarter with shows such as “The Big Bang Theory,” “Sullivan & Son” and “Conan.”

TNT: Top-rated basic cable network in total viewers in prime time in the second quarter with shows such as “Major Crimes,” “Rizzoli & Isles” and “The Last Ship.”

Adult Swim: No. 1 basic cable network for adults 18 to 34 and 18 to 49 in the second quarter with shows such as “Robot Chicken” and “Superjail.”

Cartoon Network: No. 1 among boys ages 9 to 14 in the second quarter with shows such as “Teen Titans Go!” and “Regular Show.”

Boomerang: A spinoff of Cartoon Network, focused on classic cartoons.

TruTV: Targets young males with shows such as “Impractical Jokers” and “Carbonaro Effect.”

NBA TV: Owned by the NBA but operated by Turner.

TCM: Turner Classic Movies remains commercial free and focused on classic films.

Turner International: Operates 160-plus channels in more than 200 countries, with 30-plus brands, in close to 40 languages.