

CableFAX Daily™

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What the Industry Reads First

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Oh Yes, CES: Popular Show Will Feature Industry-Driving Tech Galore

Word is that no movement will occur this week on **Comcast-NBCU** because **FCC** brass will join a swarm of people at **CES** in Las Vegas, where Chmn *Julius Genachowski* will converse with **CEA** pres/CEO *Gary Shapiro* during a Fri session. The event is indeed popular, and may have taken on additional import in recent years as tech advances continue to emerge for video and data consumption. This year, the **Open Mobile Video Coalition** is sponsoring a Mobile DTV TechZone that will give attendees a preview of new products slated to enhance broadcasters' push into mobile digital TV, including a 3D demonstration. **RCA**, for example, is launching a new line of portable digital TVs that can receive both Mobile DTV and standard digital TV signals. With nearly 70 stations delivered via mobile already, many broadcasters are planning city-by-city rollouts in '11. As **NAB's** new on-air campaign touts, the future of broadcast includes mobile TV. Other wireless services such as **4G LTE** will also be trained with bright lights at CES, in part by **Verizon**, which is touting its 1st-ever large booth on the show floor. **Wells Fargo Securities' Marci Ryvicker** believes the event will become a huge positive for VZ as she expects the telco to announce a raft of new LTE-compatible devices. Moreover, Ryvicker expects LTE devices to be a major theme at this year's show, along with Internet-connected TVs and the evolution of set tops to include capabilities such as Web connectivity and addressable advertising. **Broadcom's** set to preview 9 cable, satellite and IP set-top system-on-a-chip solutions enabling multiple ways for consumers to experience the next generation Internet-connected home featuring full resolution 3DTV, plus multiple options to receive streaming Web content and WiFi integration with CE devices including TVs, PCs and smartphones. **ActiveVideo** will demonstrate CloudTV solutions on **Funai** devices that are part of the pair's agreement to bring iTV solutions based entirely in the network cloud to connected TVs. On the programming side, **NBCU's** returning to CES as the show's official broadcast partner for a 4th consecutive year. The company will showcase the many ways consumers can shape and change their interaction with content through a multitude of platforms and devices, and will even create live programming from its booth. Regarding ops, Ryvicker believes "some will be quite surprised at the OTT initiatives that the traditional pay-TV providers announce at CES." Star seekers should know that CES is trumpeting the attendance of *Larry King* and replacement *Piers Morgan*, *50 Cent*

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and *Bill Walton*, among others. **CBS** and **CNET** are planning extensive coverage of the event at **CNET.com/CES**.

Competition: **DISH** will raise prices from \$3-5 on most programming packages starting in Feb, but then institute a price freeze on its primary packages through Jan '13. As a result, the typical **DISH** sub will receive approx a 3% annualized rate increase during the period. **DISH** said it's not raising prices on equipment fees or premium programming. Also, the **DBS** op's offering premium movie channel free for 1 year to most customers in honor of its 30th anniversary.

Retrans: **NBC** affil **KOMU** in Columbia, MO, which also multicasts **CW**, is now dark on **Mediacom** after the pair couldn't reach a deal Mon night. The **Univ of Missouri**-owned station opted to receive cash this time around after the **MSO** gave it advertising consideration and fiber to use in the past, said **MCCC** vp, legal affairs *Tom Larsen*, and their demands are "out of line with the market." The **MSO** rejected a 1-yr deal and instead wants a 3-yr contract for cost management. On its Website, **KOMU** said its "good faith efforts have been rebuffed thus far." The **ATVA's** using the impasse to again push for swift **FCC** action on retrans reform, and public interest groups including **Public Knowledge** are doing the same. In a joint letter to the **FCC**, **PK** urges "strong action to protect consumers caught up in disputes between cable companies and broadcasters over program carriage," adding that the Commission has more authority in the matter than it has exercised previously.

Charter Doings: **Charter** formed a new organizational structure to improve the customer experience and grow customer relationships. *Ted Schremp* was named evp, ops and marketing, adding the responsibilities for customer experience transformation, customer care, ops, comm and human resources. *Marwan Fawaz* assumes the role of CTO/evp, strategy, taking on leadership responsibility for strategy and innovation of **Charter's** product portfolio as well as business dev. *Greg Doody* becomes evp, programming and legal affairs, expanding his role to include leadership for programming, and *Rick Dykhouse* was tapped as svp/general counsel/corp secretary. On the financial side, the **MSO's** subsidiaries **CCO Holdings** and **CCO Holdings Capital** are planning a public offering of \$750mln in aggregate principal amount of senior unsecured notes due '19 for repayment of outstanding term loan borrowings and general corp use. **Moody's** upwardly revised the **MSO's** rating outlook to positive from stable.

In the Courts: A Federal appeals court ruled **ABC** and myriad affils don't have to pay the \$1mln fine imposed by the **FCC** for indecent exposure during an "NYPD Blue" ep, holding that the Commission's indecency standard is unconstitutional. **Stifel Nicolaus** views the decision as a positive for all broadcasters. "We believe the NYPD Blue issue... could lead to racier (and potentially more popular) scripted content, which could narrow the current cable/multichannel advantage on that count," wrote the firm.

Comcast/NBCU: Against the backdrop of the MOU signed by **Comcast-NBCU** and several Hispanic organizations 2 weeks ago, the **National Hispanic Leadership Agenda** sent a letter to the **FCC** urging a "speedy consummation of the transaction." The org said **Comcast** has expanded on its previous commitment to add independently-owned and operated programming by agreeing to add 10 such channels over 8 years, including 2 Latino-operated nets that will be added to the **MSO's** primary digital tier within 36 months.

Advertising: US ad expenditures increased 6.4% during the 1st 9 months of '10 to more than \$94bln, according to



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BUSINESS & FINANCE

Kantar Media, and 3Q's 8.7% YOY growth repped the largest quarterly gain since the end of '04. TV media (+10.5%) paced the Jan-Sept resurgence, led by spot TV (+27.8%), Spanish-language TV (+11.9%) and cable (+9%). Internet (display only) ad expenditures grew 7.7%.

Technology: Netflix is joining with CE firms including Sony and Samsung to dev Netflix-branded one-click buttons for remotes that operate Internet-connected TVs, Blu-ray disc players and other devices that connect the Internet to the TV. Rollout is slated to begin this spring. -- Launching next month, **Omega TV with Boxee** multimedia network devices will transform TVs into a media center for video, pictures and music stored anywhere on a home network, while also bringing Web content to the TV screen.

Business/Finance: Motorola Mobility completed its spinoff from Motorola Tues and saw its shares jump 9.5% on its 1st day of NYSE trading under the symbol MMI. S&P initiated coverage of MMI, which houses Moto's Mobile Devices and Home units, with a 'buy' rating and 12-month price target of \$37 on expected strong rev growth from the smartphone market. The remainder of MOTO now trades as **Motorola Solutions** under the ticker MSI, and closed flat Tues at \$39.77.

CableFAX Daily Stockwatch

Company	01/04 Close	1-Day Ch	Company	01/04 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
DIRECTV:	41.34	0.36	AVID TECH:	17.27	(0.81)
DISH:	20.26	0.70	BIGBAND:	2.81	(0.04)
DISNEY:	38.99	1.17	BLNDER TONGUE:	2.21	0.04
GE:	18.61	0.33	BROADCOM:	43.19	(1.04)
NEWS CORP:	16.52	0.04	CISCO:	20.52	0.03
MSOS					
CABLEVISION:	34.50	0.59	CLEARWIRE:	5.30	0.01
CHARTER:	39.51	1.05	COMMSCOPE:	31.37	0.08
COMCAST:	22.44	0.07	CONCURRENT:	4.89	(0.09)
COMCAST SPCL:	21.11	0.04	CONVERGYS:	13.82	0.05
GCI:	12.81	(0.31)	CSG SYSTEMS:	19.00	(0.22)
KNOLOGY:	15.33	(0.63)	ECHOSTAR:	26.13	(0.24)
LIBERTY CAPITAL:	65.11	1.34	GOOGLE:	602.12	(2.23)
LIBERTY GLOBAL:	36.48	0.03	HARMONIC:	8.52	(0.19)
LIBERTY INT:	15.83	(0.02)	INTEL:	21.15	0.30
MEDIACOM:	8.45	UNCH	JDSU:	14.78	(0.17)
SHAW COMM:	21.13	(0.36)	LEVEL 3:	1.03	(0.01)
TIME WARNER CABLE:	67.38	0.19	MICROSOFT:	28.09	0.11
VIRGIN MEDIA:	26.73	(0.28)	RENTRAK:	29.95	(0.94)
WASH POST:	440.85	0.58	SEACHANGE:	8.69	(0.05)
PROGRAMMING					
CBS:	19.42	0.14	SONY:	36.16	(0.22)
CROWN:	2.62	(0.03)	SPRINT NEXTEL:	4.45	(0.06)
DISCOVERY:	41.43	(0.58)	THOMAS & BETTS:	48.00	(0.79)
GRUPO TELEVISA:	26.03	(0.47)	TIVO:	9.05	0.28
HSN:	30.67	(0.8)	TOLLGRADE:	9.28	(0.1)
INTERACTIVE CORP:	29.43	(0.61)	UNIVERSAL ELEC:	29.07	0.17
LIBERTY:	39.30	(0.1)	VONAGE:	2.30	UNCH
LIBERTY STARZ:	68.36	1.61	YAHOO:	16.59	(0.16)
LIONSGATE:	6.51	(0.02)	TELCOS		
LODGENET:	4.39	0.03	AT&T:	29.88	0.21
NEW FRONTIER:	1.77	0.05	QWEST:	7.73	0.04
OUTDOOR:	7.30	(0.05)	VERIZON:	37.16	0.73
PLAYBOY:	5.21	(0.08)	MARKET INDICES		
SCRIPPS INT:	51.74	(0.09)	DOW:	11691.18	20.43
TIME WARNER:	32.96	0.57	NASDAQ:	2681.25	(10.27)
VALUEVISION:	5.43	(0.53)	S&P 500:	1270.20	(1.69)
VIACOM:	46.16	0.06	TECHNOLOGY		
WWE:	14.13	(0.23)	ADVANTAGE:	3.09	(0.01)
TECHNOLOGY					
ALCATEL LUCENT:	2.98	(0.03)	ALCATEL LUCENT:	2.98	(0.03)
AMDOCS:	27.56	(0.02)	AMPHENOL:	52.35	(1.06)
AMPHENOL:	52.35	(1.06)	AOL:	23.67	(0.11)
AOL:	23.67	(0.11)	APPLE:	331.29	1.72
APPLE:	331.29	1.72	ARRIS GROUP:	11.44	(0.08)
ARRIS GROUP:	11.44	(0.08)			

CableFAX's Customer Experience Management Guidebook Lessons and Insights for the Cable Industry

CableFAX and The Cable Center collaborated to publish this 150-page guidebook on customer experience management for the cable industry. The guidebook includes case studies, tips and articles on understanding the foundations of customer experience management and gaining insight to use it to improve your business. You also will learn about the latest measurement strategies, research insights, personnel and compensation strategies, social media tactics and communications techniques for implementing customer experience management in your company.



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