

CableFAX Daily™

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What the Industry Reads First

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Topping the Toppers: Comcast, Cable Juicing Multiplatform Offense

Comcast chmn/CEO *Brian Roberts* is headed to Las Vegas for CES, but he used the **Citi** conference in Phoenix Wed to highlight important tech advances that are worthy of the show and could go a long way in helping the MSO and cable compete effectively in a multiplatform world. Already downloaded by 750K subs, Comcast's **Xfinity TV** iPad app will soon offer users access to nearly 3K hours of on demand content such as movies and TV shows, either in the home or anywhere there is a wireless connection. And later this year, Comcast is looking to offer live TV streaming on the iPad and Android-powered tablets. "What's critical for us is to spur innovation," said Roberts. "This is a better experience than anything we've ever offered by a quantum leap." Also announced was a new feature at XfinityTV.com enabling customers to search for programming and change channels on a TV set from a computer via the Website. 20mln EBIF-equipped set-tops can perform the functions right now. All the premium nets are participating in the Xfinity TV app's on demand initiative that provides automatic authentication, and **Turner** content such as "The Closer" will be added shortly. Turner chmn/CEO *Phil Kent* is bullish on both the company's new relationship with Comcast and TV Everywhere plays generally. "It becomes real this year and into 2012," said Kent at the Citi conference of widespread TV Everywhere rollouts. There have been delays in Nielsen's measurement of online viewing, he said, but "that's starting to happen as well." And TV Everywhere will be "terrific for advertisers," said Kent, what with expectations of ad rates based on 1K online viewers and originality in campaigns. And, of course, Kent and Roberts look at tech advances in cable video as a great alternative to OTT services such as **Netflix**. As for multiplatform negotiations between ops and programmers, Roberts said Comcast's tech architecture is designed for flexibility so that individual programmers may determine and implement what online business model works for them. Yet he does believe that offering content "show by show is not the primary way to build a business."

TCA Notebook: What a difference a year makes. Could **TV Land** have packed a large TCA ballroom at 9:45 am in '10? But now with the promise of *Betty White*, *George Segal* and *Valerie Bertinelli*, it's a no brainer. **CTAM** couldn't have asked for a more pro-cable set of panels as veterans Segal and co-star *Jessica Walter* of "Retired at 35" (premieres Jan 19) praised cable and TV Land for their adaptability and especially the willingness to produce one-camera, family-friendly

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comedies that have all but disappeared from the broadcast networks. "Viewers are comfortable with this [one-camera] format," but we've made it "contemporary," said writer/exec prod *Chris Chase*, noting Segal and Walter are separated in the FL-based series. "It's cutting-edge comedy in the guise of an old sitcom," said Segal summing it up. It will be paired with season 2 of "Hot in Cleveland" as part of a comedy power hour, TV Land chief *Larry Jones* said. Needless to say, Betty White dominated the Cleveland panel, looking great just weeks shy of her 89th birthday and displaying a lightening quick comedic timing. Asked about who they consider hot, Bertinelli, *Wendie Malick* and *Jane Leeves* named *Helen Mirren* and *Meryl Streep*. White blurted, "I like men more." Asked why Hot has legs, Malick answered it's because its shows older women being "comfortable in their own skin." Sitting next to Malick, White began lifting up her left pant leg, exposing her leg. Besides the dog that will be part of season II, delighting White, a dedicated dog activist, guests will include *Mary Tyler Moore*, *Wayne Knight*, *Bonnie Franklin* and *Susan Lucci*, who will appear as herself just as Malick, who plays a soap star in Cleveland, will appear as herself in "All My Children." White's aura bled into the next panel, for CMT's "Working Class" (premieres Jan 28). At the top *Ed Asner* excitedly joked, "I hear Betty White is in the building... I hope I get to touch her!" Later Asner was asked about his longevity. "I'm in the mid-stage of my career before becoming *Mickey Rooney* or Betty White." While CMT svp *Brad Johnson* said CMT will stick mostly to music shows, it will dip into scripted comedy with Class, which portrays a struggling single-parent family in the Midwest, headed by *Melissa Peterman*, who tries to be an up person. Asner plays her dour neighbor. The strategy follows TV Land's in that CMT feels there's a "great opportunity for cable" to produce family-friendly comedies that broadcasters have shunned, Johnson said. "We get a lot ["Jersey Shore"] Redneck Riviera scripts pitched to us... but we wanted something family friendly," Johnson said. -- **Spike** brought out real coal miners to talk about their dangerous profession, which will get the full reality treatment on the net's "Coal" (Spring '11) as cameras enter the claustrophobic depths of an Appalachian coal mine. "Nobody has ever been in these holes for an extended period of time," said exec prod *Thom Beers*, who also brought us **Discovery Channel's** "Deadliest Catch." Despite his pedigree, Beers said Coal is "bigger than anything we've ever done." As for the miners, they told critics that they understand the risks but do the dangerous work to give their kids a better life (ie, it pays a lot better than Wal-Mart). -- We hope **ESPN** has a sense of humor because **Comedy Central's** "Onion SportsDome" (Jan 11) plans to skewer "the bizarre, cultish, money-laden world of sports," said exec prod *Will Graham*. The vehicle for that appears to be largely a parody of ESPN's popular "Sports Center," complete with bickering analysts, heavy-guitar riff lead-ins and plenty of graphics. "We're hoping to just eventually replace Sports Center," joked Graham. On-air personality *Alex Reiser* even said he expects real sports celebs will want to play themselves as the show gains traction. -- The **YouTube** culture continues its hilarious journey as Comedy Central's "Tosh.O" enters its 3rd season on Jan 11, with host *Daniel Tosh* telling critics that he often clashes with the network brass to get a lot of his jokes and material on the air. "Every week it's just a fight," he said. "Lord knows what they're going to be offended by in each script." He also said he wants to produce more shows for Comedy Central, so stay tuned... -- If one of the keys to a successful reality series is having a larger-than-life lead character, then **TV Guide Network** has a good shot with "The Nail Files" (June premiere). The protagonist is *Katie Cazorla*, a pretty, 32-year-old party animal who runs a nail salon in the Valley. But Katie appears to have a head for business. She saw a need in LA for a salon that serves complimentary cocktails, has a party room upstairs and has celebrity customers. That's The Painted Nail, the salon she opens and runs. "She's the first one in the morning, getting the place cleaned," says svp *Sally Ann Salsano*, who's a producer of "Jersey Shore." Katie told critics that nails are no longer a luxury, they're

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a commodity and a \$6.5bln industry. She wants to push her tiny salon to become the Starbucks of nails. With the publicity she'll get on her upcoming series and her much older fiancé Walter's music-business contacts helping get celebs to come to the salon, we wouldn't bet against her. -- A new series from **Nat Geo** "Beast Hunter" (March premiere) is all about possibilities. Enthusiastic marine biologist *Pat Spain* heads to uncharted territory to investigate tales of legendary animals in an attempt to discover whether these mythical creatures should remain myths or actually be taken seriously by science. TCA writers cut to the chase, have you ever found anything? Spain was a bit cagey, but believable, saying he has found "intriguing evidence" that should spur more research.

In the States: Cablevision's "11 Days of Optimum Value to Kick Off 2011" promo campaign began with the launch of iO Photos, a free service allowing digital cable subs to view **Facebook** photos on their TV. The campaign aims to showcase value-added benefits available to customers who subscribe to 1 or more Optimum digital services. -- **Sud-denlink** now offers 3D on demand movies such as "Bolt" and "Jonas Brothers." -- **TDS Telecom** is using **Calix** tech to offer advanced broadband services to residential and business subs in 20 states. 25Mbps is available in GA, IN, MI, NH, TN, VT and WI, with expansion to 13 additional states expected this Q and speed increases planned for the future.

Citi Notebook: Chmn/CEO *Brian Roberts* said **Comcast** is positioned for a great '11. Not only did 4Q bring "improving customer growth trends," he said, but "almost every part of [NBCU] has a good piece of momentum." Comcast shares, however, are a little "discounted" as investors remain "in a show-me mode" regarding operations post-transaction, said Roberts, who nonetheless relishes the opportunity to show everyone how successful the combined entity will become. -- Tipping **Turner's** hand a bit, chmn/CEO *Phil Kent* said **Cartoon Net** has been undervalued for years. "I honestly don't think we get fair value for that," he said in reference to the net's Adult Swim segment, which he called "a real powerhouse" in reaching the elusive 18-34 demo. -- **OWN** delivered solid ratings during its launch weekend—it was ad-supported cable's #8 net in Sat total day with 663K total viewers, a 0.73 HH rating and a 0.63 among women 25-54—and that start has **Discovery Comm** CFO *Brad Singer* believing the channel can excel in '11. Citing "very good advertiser interest" and likely good CPMs if the ratings can hold up, Singer will "probably" become EBITDA positive this year. **Miller Tabak's** *David Joyce* expects OWN will start with an avg affil fee of 10 cents/month before trending higher as carriage agreements expire.

Technology: **Vizio** expanded its Internet apps platform by adding **Hulu Plus** and **Blockbuster On Demand**. The company also plans to release this year a TV that supports cloud gaming through services such as OnLive. -- **NDS** partnered with ARM for NDS Infinite TV, which allows for an end-to-end delivery mechanism for OTT services on connected devices. -- **SeaChange** agreed to bring its **VividLogic** tru2way software stack to Technicolor's digital set-tops in '11. -- Global retail sales of consumer electronics will rise 10% this year to \$964bln, according to **CEA** and research firm **GfK**, including a 15% jump in North America. **CES** projects 171mln sales in '11 of Internet-connected devices, including 5.2mln TVs, up from 3.2mln in '10, and nearly 30mln tablets, compared to approx 17mln last year. 2mln 3DTVs are expected to sell this year, up from 1.1mln in '10.

At the Portals: The **FCC's** new Open Internet Challenge seeks to encourage the development by researchers and software developers of innovative and functional apps that provide users with info about the extent to which their fixed or mobile broadband Internet services are consistent with the open Internet. Winners will be honored with a reception at FCC headquarters and have their apps and research featured on FCC.gov and social media outlets.

Comcast-NBCU: **WealthTV** CEO *Robert Herring's* asking the **FCC** resolve all pending carriage complaints against **Comcast** before any vote is tendered on the merger. The net's own complaint has been at the Commission since Apr '08.

Ratings: No doubt last week's prime ratings results were what **ESPN** had in mind when it scored the rights to BCS college football games. The net delivered a staggering 5.3/5.33mln by using a high-octane offense comprised of 8 bowl-related telecasts that hit the weekly top 10. The Rose Bowl topped the week with 20.56mln total viewers—3rd-most ever on cable, the Fiesta Bowl scored 10.82mln and 3 other top matchups averaged 6.88mln. Moreover, 3 short studio segments on New Year's Day averaged 12.96mln. Oh, and MNF ranked 2nd for the week with 19.14mln. -- **Lifetime** original movie "The Craigslist Killer" averaged 5.4mln total viewers Mon night to become the net's 5th most-watched original movie premiere ever and earned 2.72mln 25-54s to become cable's top movie in the demo in 2 years. -- "Pretty Little Liars" returned as **ABC Family's** 2nd-best telecast ever among women 18-34 (1.2mln) and females 12-34 (2.5mln).

Programming: **ESPN 3D** will transition to a 24/7 net on Feb 14, when it will begin show replays of previously televised events when not featuring a live event. -- **VH1** has 6 new series slated for premieres in Mar and Apr, including "Tons of Cash" (Mar 21), featuring contestants lugging a literal ton of cash from L.A. to Las Vegas for a chance at \$1mln, and "Audri-

BUSINESS & FINANCE

na" (Apr), offering a look at reality show vet *Audrina Patridge's* family. -- Underscoring its new tagline, "Life as WE Know It," **WE tv** announced originals "Braxton Family Values" (Apr 12), featuring a look at singer *Toni Braxton's* family, and "Staten Island Cakes" (June 21), starring 21-year-old pastry prodigy *Vinny Buzzetta*. -- **truTV** greenlit a 3rd season of "Hardcore Pawn."

People: **Ovation** upped *Liz Janneman* to evp, ad sales. -- **BBC America** tapped *Rachel Smith* as vp, original programming. -- **Comedy Central** named *Jonas Larsen* vp, specials.

Business/Finance: **Goldman Sachs** added **Disney** to its Conviction Buy list and raised the price target to \$45 from \$43. -- **The Weinstein Company** acquired a 25% stake in **Starz Media** for an undisclosed amount, and separately **Starz' Anchor Bay Ent** entered into a multi-yr domestic distribution agreement for new theatrical content from Weinstein and its Dimension Films label. Collins Stewart's Thomas Eagan believes the deal could improve Liberty Starz' operating cash flow by reducing Starz Media's OCF losses, and may add up to \$1.25 to his \$75 LSTZA price target. -- IP infrastructure and apps developer Genband agreed to acquire Cedar Point Comm for an undisclosed amount. The deal is expected to close this month. -- Rentrak acquired Media Salvation, a provider of sales and financial reporting systems and services to major studio and indie film companies.

CableFAX Daily Stockwatch

Company	01/05 Close	1-Day Ch	Company	01/05 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
DIRECTV:	41.40	0.06	AVID TECH:	17.41	0.14
DISH:	20.76	0.50	BIGBAND:	2.80	UNCH
DISNEY:	39.96	0.97	BLNDER TONGUE:	2.33	0.12
GE:	18.64	0.03	BROADCOM:	43.98	0.80
NEWS CORP:	16.44	(0.08)	CISCO:	20.77	0.25
MSOS					
CABLEVISION:	35.18	0.68	CLEARWIRE:	5.33	0.03
CHARTER:	39.57	(0.03)	COMMSCOPE:	31.37	UNCH
COMCAST:	22.74	0.30	CONCURRENT:	4.85	(0.04)
COMCAST SPCL:	21.52	0.41	CONVERGYS:	14.05	0.23
GCI:	13.23	0.42	CSG SYSTEMS:	19.15	0.15
KNOLOGY:	15.40	0.07	ECHOSTAR:	25.96	(0.17)
LIBERTY CAPITAL:	64.93	(0.18)	GOOGLE:	609.07	6.95
LIBERTY GLOBAL:	37.55	1.07	HARMONIC:	8.59	0.07
LIBERTY INT:	15.76	(0.07)	INTEL:	20.94	(0.21)
MEDIACOM:	8.52	0.07	JDSU:	15.03	0.25
SHAW COMM:	21.22	0.09	LEVEL 3:	1.13	0.10
TIME WARNER CABLE:	67.35	(0.03)	MICROSOFT:	28.00	(0.09)
VIRGIN MEDIA:	26.68	(0.05)	RENTRAK:	30.00	0.05
WASH POST:	440.00	(0.85)	SEACHANGE:	8.90	0.21
PROGRAMMING					
CBS:	19.20	(0.22)	SONY:	36.21	0.05
CROWN:	2.71	0.09	SPRINT NEXTEL:	4.62	0.17
DISCOVERY:	40.55	(0.88)	THOMAS & BETTS:	48.26	0.26
GRUPO TELEVISA:	25.85	(0.18)	TIVO:	9.85	0.80
HSN:	30.65	(0.02)	TOLLGRADE:	9.30	0.01
INTERACTIVE CORP:	29.68	0.25	UNIVERSAL ELEC:	28.75	(0.27)
LIBERTY:	39.62	0.32	VONAGE:	2.63	0.33
LIBERTY STARZ:	69.56	1.20	YAHOO:	16.91	0.32
LIONSGATE:	6.50	(0.01)	TELCOS		
LODGENET:	4.65	0.26	AT&T:	29.98	0.10
NEW FRONTIER:	1.79	0.03	QWEST:	7.64	(0.09)
OUTDOOR:	7.42	0.13	VERIZON:	37.67	0.51
PLAYBOY:	5.25	0.04	MARKET INDICES		
SCRIPPS INT:	50.21	(1.53)	DOW:	11722.89	31.71
TIME WARNER:	33.17	0.21	NASDAQ:	2702.20	20.95
VALUEVISION:	5.73	0.27	S&P 500:	1276.56	6.36
VIACOM:	46.80	0.64	TECHNOLOGY		
WWE:	14.29	0.16	ADVANTAGE:	3.17	0.08
TECHNOLOGY					
ALCATEL LUCENT:	3.00	0.02	AMDOCS:	27.35	(0.21)
AMPHENOL:	51.93	(0.42)	AMPHENOL:	51.93	(0.42)
AOL:	23.68	0.01	AOL:	23.68	0.01
APPLE:	334.00	2.71	APPLE:	334.00	2.71
ARRIS GROUP:	11.59	0.15	ARRIS GROUP:	11.59	0.15



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To The Cloud!

By Steve Effros

We're going to be inundated this week by news and all sorts of commentary about the latest, greatest, neatest new devices being unveiled at the annual Consumer Electronics Show. The story is always the same; lots of vaporous puff about neat new stuff, most of which will never make it in the marketplace.

There's nothing wrong with the fact that lots of new ideas and products are showcased and also that a lot of those wannabe products won't make it. That's what the consumer marketplace is all about. What I find a little tiresome, however, is all the "gosh, gee-whiz" reporting and then the inevitable "analysis" that suggests the world is going to change tomorrow afternoon because of the



introduction of the latest, greatest, toilet-paper-roll holder wide-screen, Wi-Fi enabled accoutrement that's bound to find its way into every home and change forever how folks watch video (and obviously, will kill the last refuge for magazine reading as well!)

Sure, "game changers" happen. But when they do, as in the case of the iPhone or the iPad, entire new genres of devices are introduced that can do new things extremely well. They're recognized by the consuming public and the growth curve is truly notable. The reason we point almost exclusively to the iPhone and iPad when discussing this huge market shift phenomenon is that it has happened so infrequently, there are so few other examples. Hence the breathless reporting over the next few days will be, I can safely predict, wrong in almost all instances.

That, too, is nothing new. Television was going to kill radio. Cable was going to kill television, and now the "OTT" Internet is going to kill cable. Wrong. They are all used

for different things, in different ways. They have their appropriate place and are unlikely to be displaced because of any single new product announcement or business idea.

While there has been much talk over the years about the "convergence" of technologies, and that convergence has, indeed, taken place, that doesn't mean that the technology dictates use. Devices are used not because they exist, but because they are appropriate to the use.

For instance, my cable service includes "widgets." I can get Internet-based weather on demand, or YouTube videos, or lots of other stuff just by highlighting an icon at the top of the television screen. But I don't. I still check out the Weather Channel app on my smartphone, or on my iPad, or on my computer. Why? Well, for one thing I'm used to it that way. Also, it seems more convenient for me to do that than to turn on the TV to get that specific, short form information I am looking for. In other words, the type of information and interaction I am engaged in seems to be more appropriately and comfortably done on one device rather than another.

I think we are going to find this to be true about a lot of these new products and offerings. Sure, it's neat to be able to see the NCAA Championship game on your smartphone. But who the heck would do that if they had the option of seeing it on a large screen TV? That's why the only ads you see suggesting that it makes any sense, that it is "neat" or "cool" at all, are ones with people walking through, or stuck in airports! "...to the cloud!"

That's what a lot of the reporting in the next few days is going to be: lots of hot air.

Steve

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