

CableFAX Daily™

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What the Industry Reads First

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Told Ya So: Communications World Goes Gaga for Genachowski

The *Washington Post* and *Cfax* reported 3 weeks ago that *Julius Genachowski* was set to be named as FCC chmn. "He is the choice," an insider told *Cfax* (*Cfax*, 12/22), following an initial report in the *Post*. On Tues, the news that *Reed Hundt's* former chief counsel would get the nod became a full-blown wildfire, with media outlets large and small reporting the news. Trade associations and consumer groups were so caught up in the frenzy that many issued statements commending Genachowski before his appointment was made official (at press time, Obama still hadn't made an announcement). Could the hullabaloo signal excitement over waving bye to current chmn *Kevin Martin*? Cable may be more than ready to move past Martin (and a la carte), but **NCTA** wasn't among those offering pre-congratulations Tues. Those came from everywhere from **Public Knowledge** (which hinted that it expected him to be friendly to the idea of open networks/net neutrality) to **NAB** (Genachowski has "deep understanding of the important role that free and local broadcasting plays in American life"). **ACA**, the group representing independent cable ops, also chimed in, saying Genachowski's record of accomplishments and reputation make him a good choice. Most recently, he served as co-founder and managing dir of venture capital firm **Rock Creek Ventures**. He has done time in the cable world, working as gen counsel of **USA Networks** in '00, and has also worked at *Barry Diller's* **IAC**. Obama's pick still must be approved by the Senate. That process can take months, but it's possible it may happen faster given the impending (or not) DTV transition. One of the FCC's Democrats—*Michael Copps* or *Jonathan Adelstein*—are expected to serve as interim chmn. "We would expect Mr. Genachowski to pursue the Obama communications agenda (which he helped develop) of promoting greater broadband deployment and access, an open Internet and network neutrality, competition and innovation, and media diversity, among other broad goals," **Stifel Nicolaus** said Tues, suggesting that the regulatory initiative will shift to new entrants and other non-traditional telecom and media players (ie, **Google**, **eBay**, etc). "We would not expect [him] to be the particular thorn for cable operators (e.g., CMCSA, TWC, CHTR) that current FCC chmn Kevin Martin has been." Martin, in an interview with **C-SPAN's** "Communicators" that airs Sat, said he has met Genachowski a couple times, and he's "very talented." Martin said his time as an FCC staffer would serve him well.

DTV Doings: Diverse opinions continue over whether to delay the scheduled Feb 17 DTV transition. Outgoing FCC chmn *Kevin Martin* said he thinks there is a 50/50 chance the transition will be postponed, during an interview with **C-SPAN's** "Communicators" (Sat, 6:30pm ET). "I think it is critical that we take some kind of action to fix the coupon program," said Martin, who is concerned by the prospect of moving the date. "In order for us to go forward, we have to make sure those coupons are flowing again." He said he thinks Congress can address some other issues while freeing up coupons, including extending the 90-day expiration or enabling them to be re-issued. Asked whether he thought the Bush Administration managed the program well, Martin said he thought it was well managed for its resources. "I think it was foreseeable that it

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was going to run out of money,” he added. Even the Bellheads can't agree on what to do. **AT&T** gave the thumbs up this week to a delay of up to 90 days, while **Verizon** has said a delay should be rejected as it would likely cause disruption and consumer confusion. Over at his blog, **Insight** CEO *Michael Willner* repeats cable's mantra that whenever it happens, cable will be ready and subs won't lose their signals. He did add that if Congress is able to fix the converter coupon program quickly, he wonders if the country should go ahead and make the switch. “No matter when the transition actually occurs, there will be many people who are unprepared, so I question whether a delay would meaningfully reduce the unavoidable confusion or simply add more because of the changing date,” Willner wrote.

At the Portals: The drama over a trio of program carriage complaints continues at the **FCC**, with an administrative law judge opting Tues to stay the proceedings while the FCC considers petitions for emergency stay and appeal of an order that removes the cases from the ALJ and puts them with the Media Bureau. The Bureau cited the ALJ's failure to reach decision within the 60-day timeframe it specified. The 5-page order from ALJ *Richard Sippel* questions why the Media Bureau didn't attempt to terminate the ALJ's authority on Dec 11, when the 60-day deadline passed. Instead, the Bureau's order remanding the case came Dec 24, with Sippel saying he wasn't made aware of the decision until the defendants (**Comcast**, **Time Warner Cable**, **Bright House** and **Cox**) filed motions for a stay and appeal. **MASN**, **NFL Net** and **Wealth TV** have filed complaints against the operators. The ALJ said the Media Bureau orders created a state of confusion over jurisdiction. In ordering the stay, Sippel wrote that it was “accordingly, and regrettably, without recognizing or conceding that the Media Bureau has lawfully or effectively asserted exclusive jurisdiction to adjudicate its own Hearing Designation Order...” Bottom line: everyone continues to wait.

Carriage: **Comedy Central HD** launched Tues through distribution on **Cablevision**, and launches are expected later this month on **Cox** and **DirectTV**. The net will offer nearly 200 hours of native-HD content, in which the forthcoming seasons of “South Park” and “Reno 911” will also be presented.

Beta: Perhaps more important now than ever, **Beta** released data Tues from its study in which ad execs evaluate basic cable and broadcast nets. Importantly, **Discovery Channel** is the most popular cable net for increased ad spending over the next 12 months, followed by **ESPN**, **TBS**, **Food Net** and **USA**. Of the top 10 nets in the metric, ad spending intentions increased compared to '07 for 4 nets: Discovery, Food, **TLC** and **HGTV**. As for nets' provision of innovative multi-platform ad opportunities, **ESPN/ABC Sports** ranked highest, followed by Discovery, **MTV** and **Scripps Nets** collectively, with the former 3 bettering all of the top 4 broadcast nets in the metric. The top 6 regarding strategies to retain audience attention during ad breaks: **ESPN/ABC Sports**, **Turner**, Discovery Nets, MTV, Scripps Nets and **VH1**.

Competition: D.C. mayor *Adrian Fenty* approved Mon a city-wide video franchise for **Verizon**. The 15-yr agreement will make FiOS TV available throughout the city over the next 9 years.

TCA Notebook: At **HBO's** session with former New Life Church leader *Ted Haggard*, whose career was shattered 2 years ago by a drugs and gay sex scandal, TCA scribes seemed barely interested in the doc “Trials of Ted Haggard” (Jan 29 premiere). Instead, they peppered Haggard about his past—“I made the wrong choices”—and his present sexual orientation. “Sexuality is confusing,” he said. Yet, “I am thoroughly satisfied with the relationship I have with my wife.” The aforementioned *Gayle Haggard* told the TCA crowd that she's “prouder” of her husband “now than ever... he has risen above the

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hypocrisy." Amen. -- Clips for returning HBO series "Big Love" (Jan 18) and "In Treatment" (Apr) coyly limited plot details. To make it easier for viewers, HBO has shifted IT's nights. Instead of Season 1's nightly shows, there will be 2 eps on Sun nights and 3 on Monday. -- HBO's marketing and press depts may have to work hard to get viewers to sample its original "Taking Chance" (Feb). On the surface, it's a procedural piece about a Marine Corps officer (*Kevin Bacon*) escorting the remains of a Marine who died in Iraq home for burial. Yet as director *Ross Katz* told TCA, "It's literally something you haven't seen ever before." He's right. -- There's plenty to talk about with HBO's "The #1 Ladies Detective Agency" (Mar premiere). It's *Anthony Minghella's* last film, and the *Weinsteins* and the late *Sydney Pollack* are 3 of its exec producers. *Alexander McCall Smith*, on whose 10 novels the series is based, says the sweetness of the series' characters is a reflection of its setting, Botswana, one of the most politically stable countries in Africa.

Honors: In a nod to former **Time Warner Cable** exec *Fred Dressler*, **SNY** has named in his honor the championship trophy bestowed to the winner of the SNY Invitational, an annual high school tourney broadcast live on the net. This year's tourney tips off Jan 23.

People: Ex-MTVN vice chair *Herb Scannell* joined **SiTV's** board. -- **Discovery Comm** upped *Rebecca Glashow* to evp, digital media distribution.

CableFAX Daily Stockwatch

Company	01/13 Close	1-Day Ch	Company	01/13 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
BRITISH SKY:	24.81	(0.36)	AMDOCS:	19.65	0.04
DIRECTV:	21.21	(0.34)	AMPHENOL:	22.75	(1.96)
DISNEY:	21.20	(0.66)	APPLE:	87.71	(0.95)
ECHOSTAR:	12.57	(0.12)	ARRIS GROUP:	7.48	(0.27)
GE:	14.94	(0.89)	AVID TECH:	11.42	0.05
HEARST-ARGYLE:	5.58	(0.04)	BIGBAND:	5.55	0.74
NEWS CORP:	9.19	0.02	BROADCOM:	16.69	(0.01)
MSOS					
CABLEVISION:	17.73	(0.35)	CISCO:	16.45	0.05
CHARTER:	0.14	(0.01)	CLEARWIRE:	3.98	(0.12)
COMCAST:	15.33	(0.37)	COMMSCOPE:	14.78	(0.97)
COMCAST SPCL:	14.64	(0.23)	CONCURRENT:	3.27	(0.2)
GCI:	7.69	0.34	CONVERGYS:	7.28	(0.02)
KNOLOGY:	5.04	(0.21)	CSG SYSTEMS:	14.84	(0.71)
LIBERTY CAPITAL:	5.14	(0.35)	ECHOSTAR HOLDING:	14.71	0.70
LIBERTY ENT:	17.66	0.63	GOOGLE:	314.32	1.63
LIBERTY GLOBAL:	17.68	(0.11)	HARMONIC:	5.69	(0.12)
LIBERTY INT:	3.25	(0.15)	INTEL:	13.67	(0.12)
MEDIACOM:	4.47	(0.02)	JDSU:	4.37	0.11
SHAW COMM:	16.67	0.00	LEVEL 3:	1.23	0.02
TIME WARNER CABLE:	19.36	(0.3)	MICROSOFT:	19.82	0.35
VIRGIN MEDIA:	4.47	(0.28)	MOTOROLA:	4.32	(0.18)
WASH POST:	411.97	(1.43)	NDS:	59.89	1.49
PROGRAMMING					
CBS:	7.59	(0.23)	NORTEL:	0.32	(0.1)
CROWN:	1.97	0.12	OPENTV:	1.15	(0.01)
DISCOVERY:	15.00	0.41	PHILIPS:	19.26	0.16
EW SCRIPPS:	1.98	0.09	RENTRAK:	11.94	0.27
GRUPO TELEVISA:	14.53	0.02	SEACHANGE:	7.01	0.22
HSN:	4.63	(0.27)	SONY:	22.24	(0.86)
INTERACTIVE CORP:	14.77	(0.09)	SPRINT NEXTEL:	2.48	0.03
LIBERTY:	26.32	(0.24)	THOMAS & BETTS:	23.16	(0.04)
LODGENET:	1.04	0.05	TIVO:	7.03	0.35
NEW FRONTIER:	2.08	0.02	TOLLGRADE:	5.25	0.06
OUTDOOR:	6.17	(0.16)	UNIVERSAL ELEC:	14.76	(0.06)
PLAYBOY:	1.86	(0.19)	VONAGE:	0.63	0.04
RHI:	5.00	(0.63)	YAHOO:	12.10	(0.12)
SCRIPPS INT:	23.44	(0.22)	TELCOS		
TIME WARNER:	9.81	(0.08)	AT&T:	25.99	0.05
VALUEVISION:	0.48	0.03	QWEST:	3.53	0.00
VIACOM:	19.11	(0.08)	VERIZON:	31.50	(0.29)
WWE:	10.33	(0.1)	MARKET INDICES		
TECHNOLOGY					
3COM:	2.44	0.09	DOW:	8448.56	(25.41)
ADC:	5.24	0.04	NASDAQ:	1546.46	7.67
ADVANTAGE:	1.78	(0.17)			
ALCATEL LUCENT:	2.13	(0.03)			

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