

CableFAX Daily™

Friday — January 16, 2009

What the Industry Reads First

Volume 20 / No. 009

Bye Kevin: Martin Finally Tips His Hand, Cap

We don't expect many in the cable industry shed a tear Thurs when **FCC** chmn *Kevin Martin* finally got around to announcing that he will leave the Commission. His resignation takes effect Tues, with the 42-year-old heading to the **Aspen Institute** as a sr fellow. He dropped the news at a Commission meeting—which, predictably, started late. Also on Martin's agenda is more time for fatherhood. His wife, *Cathy*, is expecting the couple's 3rd child. The chmn's 2 toddler sons were at Thurs' farewell meeting, with the youngest lad climbing onto Dad's lap to bang his gavel before declaring he'd rather sit with Mom. It's doubtful that the moment was cute enough to chip away much of the bitterness the cable industry has toward Martin, with the 2 clashing over a la carte, cable prices, franchise reform, ownership caps, must carry and just about everything else since he took over the chairmanship in '05. Martin is the 4th consecutive FCC chmn to take a fellowship at the non-partisan Aspen think tank following his time at the Commission. Martin's departure was somewhat expected. It would be unusual for a former chmn to stick around as a commissioner under the new administration, but Martin has a reputation of being unpredictable. And until Thurs, he was mum on his plans. One immediate consequence of his departure may be a vote on **Time Warner Cable's** separation from parent **Time Warner Inc**—a transaction originally expected to close last Q. **Pali's Rich Greenfield** expects Martin's departure to clear the way for a 3-person Commission to approve the deal next month, with a closing of the split in Mar. Time Warner stockholders hold a special meeting on the TWC Fri. With Martin out and former *Reed Hundt* adviser *Julius Genachowki* supposedly in, the new parlor game in DC will be predicting which Republican *Obama* will nominate for the Commission to replace Martin. **Worth Noting?** Our inbox was full earlier this week with congratulatory announcements for Genachowski—Obama's expected, but yet unnamed, pick as FCC chmn. At deadline, we'd only received a handful of statements thanking Martin for his service. Martin critics who complained that he was pro-telco probably aren't surprised that one was from telco trade group **US Telecom**. "The state of US broadband is better for his leadership and his pro-investment policies. His is a record to build on in the years to come," said US Telecom head *Walter McCormick*. NAB's *David Rehr* said the group respects Martin's intellect and "belief in the lifeline role played by local broadcasters."

On the Hill: An outline released Thurs of a proposed stimulus package recommends \$650mln in new funds for the


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DTV transition, as well as \$6bln for broadband grants. The DTV money would be used to provide more DTV converter coupons. US Sec of Commerce *Carlos Gutierrez* wants Congress to pass legislation that would give NTIA \$250mln in increased budget authority to distribute additional coupons, instead of delaying the transition. That amount is based on an estimated equivalent amount expected to come from de-obligating funds from coupons that expire after Mar 31. Gutierrez claims that would allow **NTIA** to issue more than 6mln coupons soon and up to another 3.5mln through the end of the program. The broadband grants would go to underserved areas to strengthen the economy and provide business and job opps. "For every dollar invested in broadband the economy sees a ten-fold return on that investment," said the House Appropriations Committee's outline. Said **NCTA**: "We look forward to learning more details of the broadband grants and will continue to work with Congress and the new Administration to expand broadband access and adoption in the U.S."

More Charter Doings: Charter shares slipped by a penny to close at 12 cents after 2 of the MSO's subsidiaries failed to make scheduled interest payments totaling approx \$74mln on certain outstanding notes. The related debt carries a 30-day grace period (Feb 15), after which the note holders can demand full payment on notes totaling approx \$1.2bln. But the defaults are ostensibly part of talks with bondholders. **S&P** maintained its "hold" rating on Charter shares, calling the defaults unsurprising. The firm did say, however, that the "latest news raises serious concerns about CHTR's financial condition absent cash infusion from Chairman *Paul Allen* or major asset sales."

Competition: DirecTV will serve more interactive programming this year, beginning Sun with its 1st-ever interactive coverage of the **Australian Open** featuring 400 hours of tourney content from **ESPN2** and **Tennis Channel**. In another 1st, the DBS op's 6-screens-in-one Mix Channel will offer content in HD. Separately, DirecTV has added **The Sportsman Channel** to its Choice Xtra programming package. -- **DISH** has added HD local channels in 7 additional markets including Louisville and Little Rock.

In the States: Time Warner Cable has launched a campaign to help educate and prepare the Hispanic community in L.A. for the DTV transition. The MSO has adopted *Jose Ulloa* to help support the campaign, which will include free bi-lingual forums at various **Dearden's** locations throughout Southern CA over the next 2 months.

In the Courts: Attorneys for **HDNet** boss *Mark Cuban* have asked a federal court to dismiss the insider trading charges brought against him by the **SEC**, claiming in a court filing that Cuban had no fiduciary duty of trust to the search firm **Momma.com** when he made the transaction in question. The filing also claims the SEC is too broadly applying established insider trading laws.

Research: Internet users ages 15-17 go online 19.9 hours a week on average, with most (79%) visiting social networking sites at least on a weekly basis, **Horowitz's** latest research found. 47% said **MySpace** is the Website they visit most frequently. 35% view movies online, while 27% watch entire TV shows online on a weekly basis.

Mobile: After enjoying a '08 that featured triple-digit usage growth across its mobile services, **Discovery Comm** has inked new mobile content services and distribution deals covering **Discovery Channel**, **Animal Planet** and **TLC**. Content from the former pair is now available on certain **Apple** mobile devices through **vSNAX Videos**, for example, and a partnership with **Transpera** allows for the launch of ad-supported video across Discovery's mobile websites, including clips of TLC's "Jon & Kate Plus 8."

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Programming: Sanford Bernstein's *Craig Moffett* is slated to appear on **Bloomberg TV** at 11am ET Fri to discuss telecom downgrades and **Time Warner's** shareholder meeting. At 9pm, "Money & Politics" will interview outgoing **FCC** chmn *Kevin Martin*. -- **Sundance Channel** scooped up 26 indie films for '09 premieres, including 2 full-length features and 6 shorts from *David Lynch*. -- **NHL Net's** coverage of the NHL All-Star Celebration begins Jan 22 and features 15 hours of live HD coverage. -- **The Sportsman Channel** is planning 6 news series in '09, including "Handguns" and "Fly Fisherman."

TCA Notebook: **Starz** proved it's really coming into its own with original content, unveiling "Party Down" (premieres Mar) about a group of wanna-bes working at a Hollywood catering company while pursuing dreams of stardom. The show revolves around star *Adam Scott*, whose comedic turn is quite a departure from his last regular TV gig as a conflicted husband on **HBO's** drama "Tell Me You Love Me." It's also good to see a lighter side of actress *Lizzy Caplan* after her character literally exploded following a monster bite in the theatrical movie "Cloverfield." -- Starz left critics wanting more as it previewed "Spartacus" (premieres summer), a reimagining of the *Stanley Kubrick/Kirk Douglas* classic as a series stylized in the vein of a graphic novel (think "Sin City" or "300"). No footage yet, but critics were intrigued when head writer *Steven DeKnight* promised plenty of sex and violence. -- Congrats to Starz' "Head Case" star *Alexandra Wentworth*, whose attempts to stay in character during her last tour appearance didn't go over well with critics but whose articulate, honest and straightforward answers at this TCA more than made up for it. Who knew that hubby *George Stephanopoulos* sometimes gives her advice on the show? -- Fresh ideas from **BBC America**, especially for returning hit about 16-18-year-olds "Skins" (spring premiere). Creator *Jamie Brittan* (now 23, but 21 when he penned season 1) brought in an entirely new ensemble for season 3. Clips of *Skins'* edgy antics involving sex and drugs indicated the series' mix of humor and gravity. -- Four 30-something women bonding and talking about relationships. "Sex and the City," right? No, it is BBC A's "Mistresses" (Feb 20, 8pm), which offers that infidelity can happen to anybody as friends lean on each other for support, creator *SJ Clarkson* says. "Friendships are the new family," Clarkson says. -- **BBCA** chief *Garth Ancier* says his net will attempt "to be different" from other networks' inauguration coverage starting with 4-part special "The American Future: A History," (starts Jan 19, 8pm). The piece features noted British historian *Simon Schama* traveling America and looking at the roots of some of the country's current issues. -- "Life on Mars" co-creator *Ashley Pharoah* thought it would be fun to pair a liberated female detective from the present with the old-school male detective *Gene Hunt (Philip Glenister)* from Mars... that's the premise of "Ashes to Ashes" (Mar 7, 9pm). As it turns out, not only does Hunt begrudgingly accept some of his new partner's police theories, he finds he's drawn to her personally. -- **Travel Channel** unveiled "Bridget's Sexiest Beaches" (premieres Mar 12) starring the perky and almost exceedingly friendly *Bridget Marquardt*, who has parlayed her fame as one of **Hugh Hefner's** girlfriends on **E!** series "The Girls Next Door" into her own show in which she travels the globe in the hunt for sexy beach fun. "I like to completely immerse myself in it," she said of her taste for adventure. "I want every part of it. I want everything." -- Lots of people have wondered whether youth-oriented **Current** could survive the **YouTube** onslaught, but the net continues to defy the odds with original programming. In fact, it looks like "60 Minutes" has nothing on *Current's* ongoing "Vanguard" news series in which young correspondents go to dangerous places like Iraq, China and nearly 4 dozen other countries to highlight underreported stories. "We look at ourselves as a new generation of journalists for a new generation of viewers," said correspondent *Laura Ling*. Bravo. -- Meanwhile, *Current* also featured its lighter side with satirical news series "InfoMania" and topical animated series "SuperNews!" which present a "The Daily Show"- and "South Park"-esque take on news/pop culture, respectively. So will the no-drama Obama Administration make it hard to mine comedy? "The closer he brings the enemy, the closer he brings the comedy," said *Josh Fuare-Brac*, *SuperNews!* creator and director.

On the Circuit: Educators looking for programming and online resources for the Inauguration can check out **Cable in the Classroom's** Website (<http://www.ciconline.org/inauguration2009>). -- **NBCU** pres/CEO *Jeff Zucker* will serve as the keynote speaker at **Media Summit NY** (Mar 18-19), an event that will also feature **Time Warner Cable** COO

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BUSINESS & FINANCE

Landel Hobbs and MTVN evp, digital distribution and business dev Greg Clayman. -- Online registration for **SkiTAM** will be available until Mar 17—unless it sells out earlier. Best not to delay since the **CTAM Rocky Mtn** event for the US Adaptive Ski Team has sold out early in past years. Details at www.ctamm.com/skitam.htm.

People: XO Comm appointed Daniel Wagner pres, business services. -- Melissa Rudman was promoted to vp, scheduling, acquisitions and network ops for **Fox Reality Channel**. -- A&E named Molly Thompson vp, **A&E Indie Films**.

Editor's Note: Entries for the **Faxies Awards** saluting PR and Marketing excellence are due Fri, Jan 16; late entries due Jan 23. Winners will be honored in **CableFAX: The Magazine** and during an awards event March 30 in D.C. For more info visit www.CableFaxiesAwards.com or contact Mary Lou French (mfrench@accessintel.com). -- Your next issue of **Cfax** will be dated Tues, Jan 20 because of the **MLK** holiday.

Business/Finance: **LIN TV** has received notice from the **NYSE** for non-compliance because the avg market capitalization of its Class A common stock was less than \$75mln over a consecutive 30 trading-day period. The broadcaster's shares closed Thurs at \$1.48.

CableFAX Daily Stockwatch

Company	01/15 Close	1-Day Ch	Company	01/15 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
BROADCASTERS/DBS/			AMDOCS:	19.42	(0.28)
BRITISH SKY:	24.15	(0.48)	AMPHENOL:	24.54	2.64
DIRECTV:	21.37	0.65	APPLE:	83.38	(1.95)
DISH:	12.46	0.13	ARRIS GROUP:	7.22	0.34
DISNEY:	21.36	0.56	AVID TECH:	10.82	0.01
GE:	13.77	(0.34)	BIGBAND:	5.91	0.02
HEARST-ARGYLE:	4.74	(0.29)	BLNDER TONGUE:	0.79	(0.04)
NEWS CORP:	8.61	(0.14)	BROADCOM:	16.72	0.57
MSOS					
CABLEVISION:	17.92	0.38	CISCO:	15.81	0.07
CHARTER:	0.12	(0.01)	CLEARWIRE:	3.99	0.01
COMCAST:	15.01	0.20	COMMSCOPE:	13.94	0.26
COMCAST SPCL:	14.40	0.25	CONCURRENT:	3.23	0.08
GCI:	6.64	0.08	CONVERGYS:	7.08	0.07
KNOLOGY:	4.95	0.26	CSG SYSTEMS:	14.89	0.30
LIBERTY CAPITAL:	5.30	0.45	ECHOSTAR:	14.58	0.08
LIBERTY ENT:	17.66	1.04	GOOGLE:	298.99	(1.98)
LIBERTY GLOBAL:	17.68	0.42	HARMONIC:	5.51	0.25
LIBERTY INT:	3.20	0.11	INTEL:	13.29	0.21
MEDIACOM:	4.72	0.58	JDSU:	3.58	(0.18)
SHAW COMM:	16.76	0.76	LEVEL 3:	1.14	0.06
TIME WARNER CABLE:	19.34	0.43	MICROSOFT:	19.24	0.15
VIRGIN MEDIA:	4.55	0.24	MOTOROLA:	4.43	0.32
WASH POST:	404.59	5.69	NDS:	57.21	(2.34)
PROGRAMMING					
CBS:	7.10	(0.12)	OPENTV:	1.09	(0.03)
CROWN:	1.99	0.03	PHILIPS:	17.80	0.36
DISCOVERY:	14.72	(0.03)	RENTRAK:	11.81	(0.13)
EW SCRIPPS:	1.99	(0.01)	SEACHANGE:	6.34	0.00
GRUPO TELEVISA:	14.83	0.48	SONY:	22.56	0.24
HSN:	4.59	0.22	SPRINT NEXTEL:	2.29	0.02
INTERACTIVE CORP:	15.09	0.24	THOMAS & BETTS:	22.67	0.70
LIBERTY:	24.95	0.39	TIVO:	7.00	0.19
LODGENET:	0.96	0.01	TOLLGRADE:	5.40	0.40
NEW FRONTIER:	1.99	(0.16)	UNIVERSAL ELEC:	14.27	0.64
OUTDOOR:	5.77	0.27	VONAGE:	0.61	0.00
PLAYBOY:	1.77	0.08	YAHOO:	11.61	(0.8)
RHI:	4.61	0.37	TELCOS		
SCRIPPS INT:	22.30	(0.08)	AT&T:	25.12	(0.29)
TIME WARNER:	9.43	0.00	QWEST:	3.59	0.19
VALUEVISION:	0.48	0.01	VERIZON:	29.90	(0.66)
VIACOM:	17.99	(0.17)	MARKET INDICES		
WWE:	10.52	0.30	DOW:	8212.49	12.35
TECHNOLOGY					
3COM:	2.43	0.04	NASDAQ:	1511.84	22.20
ADC:	4.51	(0.32)			
ADVANTAGE:	1.61	(0.02)			
ALCATEL LUCENT:	2.05	0.07			

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PROGRAMMER'S PAGE with Chad Heiges and Seth Arenstein

Splitsville

Dat dere new **Showtime** show ("The United States of Tara," Sun, 10pm) got some nutjob woman and a bunch of uppity white folk, but it do go well with beer. And I loves my beer. -- What show? I don't watch much TV. Well, except for maybe "The Hills." Please, I'm too busy texting and shopping and looking for boys. I'm done with all this now. Go away. -- Oh my, that show is something! All the foul language and sex on TV these days, it just upsets me so. I say we should just turn it off and have some nice, warm apple pie. — The previous guest opinions of Showtime's anticipated series were provided by approximations of the alter egos inhabiting the lead woman therein—a good ole boy who drinks, smokes and degrades females; a promiscuous teenager that's crass and disrespectful; and a June Cleaver type straight from the staid 50s. Truth is, I can't quite articulate my own assessment of the show. It gets high marks for inventiveness, an important staple of premium cable projects and increasingly of basic originals as well. The cast includes the very capable *Toni Collette* in the lead and the likable and talented *John Corbett* as her husband. And the legendary *Steven Spielberg* exec produces. But I imagine most people already know all this, given the tremendous marketing thrust behind the show. Bottom line, though, is that regardless of the talent involved the series is an oddity at best, a perplexing disappointment at worst. Perhaps that's the point, to leave viewers a tad confused and disbelieving because, after all, schizophrenia has no equal as a wacky mental disorder. Admittedly, I don't know much about the disorder, which may help to explain why I demand to know how the show's characters can be so accepting of the alter egos. Are their reactions even plausible? I won't be sticking around for the answers. *CH*

Highlights: "Battlestar Galactica," premiere ep of final season, Fri, 10pm, **Sci Fi**. It takes 29 mins before the 1st of the final 10 eps of "BSG" awakens. Maybe the scene Sci Fi removed from the screener to protect a "highly sensitive reveal" would've helped. *SA*

Worth A Look: "The Beast," Thurs, 10pm, **A&E**. Last week at **TCA**, critics were told cancer-stricken *Patrick Swayze* exhibited no signs of fatigue working on "The Beast." Indeed Swayze's muscular swagger is perfect to play a grizzled, unconventional **FBI** agent who mentors a rookie. And The Beast, although loaded with clichés, is decent. Yet in the overcrowded law enforcement genre, The Beast is notable only for its star. That's enough for some. -- "The L Word," Sun, premiere ep of final season, 9pm, **Showtime**. Jenny's dead. We consider it a mercy killing. *SA*

Notable: With networks from **ESPN** to **Nickelodeon** providing inaugural coverage, cable subs of all ages face tough choices. Some picks: **C-SPAN's** special about Blair House (Sat, 7pm), where the *Obamas* are living until Tues; **HBO's** all-star celebration at the Lincoln Memorial (Sun 7pm, live on **hbo.com** and available globally on HBO-branded nets and elsewhere); and **BBC America** begins a 4-part special on the colonies, er, the US, with *Simon Schama's* "The American Future" (Mon, Tues 8pm). *SA*

Basic Cable Rankings			
(1/05/08-1/11/08)			
Mon-Sun Prime			
1	USA	2.3	2251
2	NAN	1.7	1632
3	DSNY	1.6	1569
3	TNT	1.6	1565
5	FOXN	1.5	1458
6	TBSC	1.4	1351
7	HIST	1.3	1243
7	FX	1.3	1203
7	HALL	1.3	1142
10	A&E	1.2	1199
11	ESPN	1.1	1114
11	FAM	1.1	1026
13	TOON	1	975
13	LIFE	1	965
13	HGTV	1	928
16	DISC	0.9	937
16	SPK	0.9	895
16	TRU	0.9	856
16	AMC	0.9	854
16	SCIF	0.9	840
21	CNN	0.8	816
21	MSNB	0.8	712
21	LMN	0.8	512
24	FOOD	0.7	723
24	CMDY	0.7	719
24	TLC	0.7	667
24	TVLD	0.7	628
24	NOGG	0.7	470
29	MTV	0.6	609
29	VH1	0.6	594
29	HLN	0.6	561
29	BRAV	0.6	549
29	BET	0.6	499
34	NGC	0.5	370
35	APL	0.4	424
35	TTC	0.4	384
35	EN	0.4	372
35	ESP2	0.4	371
35	OXYG	0.4	325
35	SOAP	0.4	261
35	ID	0.4	190
42	CMT	0.3	308
42	WGNA	0.3	236
42	GSN	0.3	230
42	TDSN	0.3	218
42	SPD	0.3	195

*Nielsen data supplied by ABC/Disney

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