

# CableFAX Daily™

Tuesday — January 21, 2014

What the Industry Reads First

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## Retrans Ruckus: Cablevision, Meredith Trade 'Bad Faith' Accusations

Cablevision is still kicking mad over losing Meredith-owned CBS affil WFSB in parts of CT. Case in point, it made its 2nd filing over the blackout at the FCC Friday. This time it filed a bad faith complaint against the broadcaster, telling the FCC that it needs to separate negotiations for carriage of the channel in Litchfield and New Haven Counties from Fairfield County (which receives NY's WCBS). Meredith scoffed at the claims, arguing that CVC could be providing WFSB's signal for what its paying its "high-priced New York and D.C. lawyers." "It is Cablevision that is acting in bad faith. Earlier this week, Meredith made a compelling offer that would enable Cablevision to immediately return WFSB to its customers," Meredith said. "However, unlike other subscription television providers in the area, Cablevision refuses to compensate Meredith fair market value for carriage of WFSB's signal to all of its Connecticut customers." The MSO told the FCC no other major network affil in the Hartford-New Haven DMA charges it a fee for carriage in the NY DMA. WFSB's signal has been dark on Cablevision since Jan 3. If the blackout continues, Litchfield and New Haven CVC subs stand to miss out on the AFC Conference Championship as well as the Grammy awards later this month. On Jan 6, Cablevision asked the FCC to deny Meredith's application for a broadcast license transfer for the St Louis, MO-based CBS affiliate KMOV, saying its violating public interest obligations in CT. The broadcaster has 30 days from the date the petition was filed to respond. On Wed, CVC filed suit in CT State Superior Court, seeking injunctive relief requiring that Meredith negotiate an agreement that does not condition carriage of WFSB in those counties on payment for the station in Fairfield County. Not everyone is still fighting. On Mon (Jan 13), Bonten stations returned to DISH after being off its lineup for a month in 8 markets, including Greenville, NC, and Abilene, TX. Buckeye and Sinclair are still at war though, with the cable operator without NBC affil WNWO since Dec 16. DISH is offering Buckeye customers a \$50 gift card to switch to it. Buckeye and Sinclair have also taken their spat to the FCC, although in this case, the broadcaster filed the complaint, alleging that the operator was illegally duplicating its network signal in the market (*Cfax*, 1/13).

**Hangin' with Les at TCA:** Hats off to CBS Corp chmn/CEO Leslie Moonves, who endured questions from reporters bearing drinks in one hand and recorders in the other at a TCA mixer Thurs night. CableFAX asked him what he thought of a potential Time Warner Cable-Charter merger, especially after the fun retrans negotiations he survived last summer with

## Who deserves to appear in CableFAX's annual power player list?

Nomination Deadline: January 24 | Free to Enter



# 100 CableFAX

The CableFAX 100 salutes the most influential cable executives whose leadership continues to take the industry to new heights. Nominate your colleagues, your boss or even yourself for a coveted spot in the CableFAX 100.

It's free to enter – but you must submit your nominations by January 24.

Enter at [www.cablefax.com/awards](http://www.cablefax.com/awards)

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TWC. “I don’t mind tough,” he said. “Look, [Charter pres/CEO] Tom Rutledge is very tough, and he’s very smart, but I’ll take smart.” So what if the merger happens? “They’ll have more power,” he said. “There’s no question.” But Moonves said he’s used to it, noting that he now competes against Comcast-owned NBC. “That’s a big difference than when GE was there,” he said. “They’re a tougher competitor now. By the way, they’ve got better people, but they’re also a tougher competitor. And you roll with the punches. The business changes drastically, and why we’ve been successful is that we’re really malleable. Even though we’re the same group.” As a mini-gaggle formed, questions ranged from Aereo to the general chaos surrounding the content marketplace. “If the Supreme Court says okay to Aereo, we will have other means of distribution whether it’s becoming a cable network, going over the top, doing something different,” he said. “The government won’t be happy about it because it will mean the local broadcasters will be out of business.” He also slammed comments by some MSO execs that an Aereo win could give ops a way around retrans fees. “Really? They welcome Aereo? Someone is going to say all I need is the five broadcast networks... I’ll pay \$12.50 for the service. This is a threat to the MVPDs, to local stations and to networks... But you know what? We’re not that worried. We’re ready. By the way, I think we’re going to win.” But even if the broadcasters lost, he said bcstrs could create their own service. “If that technology works, you don’t think I could do my own Aereo-type service, bond with the other networks, which we could do, and charge \$8 a month?” Moonves’ best Aereo quote? “More people write about Aereo than are using Aereo.” Ouch. When CableFAX asked about talk that OTT could screw up the TV “ecosystem,” Moonves said: “What ecosystem? We produce content. We deliver content to the public... The world is changing so rapidly. Walk on a college campus. They don’t have any television sets. It’s all computers and iPads.”

**Freeze Out:** Weather Channel was still off DirecTV at our deadline Fri, with no talks taking place all week. Moody’s said the dispute has no immediate impact on The Weather Channel Companies’ B1 corporate family rating or stable outlook, but that it views the development as a credit negative given the potential for material deterioration in debt protection metrics absent a near-term resolution. Weather has marketing saying “Don’t Let DirecTV Control the Weather!” featuring a toll-free number. If you call the number, you’re given the choice to press 1 to switch to DISH. KeepWeatherChannel.com has phone numbers listed for multiple cable operators that unhappy DirecTV subs can call.

**At the Portals:** FCC chmn Tom Wheeler reportedly said he “intends to fight” DC Circuit’s net neutrality ruling, during a Minority Media and Telecom Council event Thurs. “Using our authority we will re-address the concepts in the Open Internet order, as the court invited, to encourage growth and innovation and enforce against abuse,” Wheeler said.

**OTT:** Despite innovation and expansion, “no one has been able to crack the [TV] discovery and navigation experience” which is becoming more complex, TiVo CFO Naveen Chopra said during the Barclays’ 2014 emerging cable tech forum Fri. In addition, despite cable’s 2nd screen effort, it’s been difficult to provide more access to content from various platforms, he said. “Those have to be solved... That’s where we see opportunities for TiVo,” he said. For the MSOs, “there’s a real desire to upgrade user experience... and going toe-to-toe with innovations coming out of Apple and Amazon,” the financial chief said. And part of the goal is to expand services beyond the biggest screen and onto various consumer electronic devices, he said. Since TiVo’s DVR can integrate OTT video with conventional cable channels, the company is hoping more MSOs can add Netflix to their offerings. “The industry has recognized that Netflix is basically another TV channel, just like HBO,” Chopra said. TiVo customer Virgin Media already launched a Netflix app on the TiVo boxes for subs. To learn more about new ways to monetize OTT and emerging business models from TiVo and Roku, check out our Jan 23 webinar at CableFAX.com. -- Online video tech firm NeuLion scored a deal with Microsoft to enable access to live sports content for Xbox One users. Through the NeuLion Sports Platform, Microsoft will “develop, host and operate the delivery of specific live sports content to be determined by Microsoft on the Xbox One,” according to a release. The company already offers access to live programming from the likes of ESPN, UFC, NBA and MLB.

**Aereo:** As Aereo heads to the Supreme Court, it announced a Cincinnati market launch on Jan 21. The service will now be in 11 cities, including NYC, Boston, Atlanta, Miami, Salt Lake City, Houston, Dallas, Detroit, Denver and Baltimore.

**Cable Real Estate:** Time Warner sold its headquarters space at Time Warner Center in NYC’s Columbus Circle for \$1.3bln to a group led by the Abu Dhabi Investment Authority and GIC. Time Warner plans to relocate its corporate hqs and its NYC-based employees to Hudson Yards on Manhattan’s west side. TW already made an initial financial commitment. The sale is “an important step toward moving our New York City-based employees into a dynamic new complex that will foster even more collaboration, creativity, and efficiency across our businesses,” chmn/CEO Jeff Bewkes said in a statement.

## CableFAX Week in Review

Company	Ticker	1/17 Close	1-Week % Chg	YTD %Chg
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**BROADCASTERS/DBS/MMDS**

21ST CENTURY FOX:	FOXA	32.04	(4.24%)	(8.9%)
DIRECTV:	DTV	71.65	(0.61%)	3.75%
DISH:	DISH	54.85	(4.13%)	(5.3%)
DISNEY:	DIS	73.98	(1.87%)	(3.17%)
GE:	GE	26.58	(1.41%)	(5.17%)

**MSOS**

CABLEVISION:	CVC	16.36	(3.08%)	(8.76%)
CHARTER:	CHTR	134.29	(1.56%)	(1.81%)
COMCAST:	CMCSA	53.54	0.00%	3.02%
COMCAST SPCL:	CMCSK	51.65	0.35%	3.55%
GCI:	GNCMA	10.96	(4.2%)	(1.7%)
LIBERTY GLOBAL:	LBTYA	87.80	(2.06%)	39.45%
LIBERTY INT:	LINTA	28.10	(1.47%)	(4.26%)
SHAW COMM:	SJR	22.59	(4.16%)	(7.19%)
TIME WARNER CABLE:	TWC	135.71	1.76%	0.15%

**PROGRAMMING**

AMC NETWORKS:	AMCX	69.20	0.07%	1.60%
CBS:	CBS	60.49	(3.97%)	(5.1%)
CROWN:	CRWN	3.09	(7.49%)	(12.46%)
DISCOVERY:	DISCA	80.91	(3.7%)	(10.52%)
GRUPO TELEVISIA:	TV	30.29	(4.63%)	0.10%
HSN:	HSNI	57.23	(5.58%)	(8.14%)
INTERACTIVE CORP:	IACI	71.83	3.38%	4.63%
LIONSGATE:	LGF	29.56	(2.38%)	(6.63%)
MADISON SQUARE GARDEN:	MSG	56.46	(0.74%)	(1.95%)
SCRIPPS INT:	SNI	74.17	(9.56%)	(14.17%)
STARZ:	STRZA	29.40	(3.32%)	0.55%
TIME WARNER:	TWX	64.40	(2.7%)	(7.63%)
VALUEVISION:	VTV	6.29	(8.58%)	(10.01%)
VIACOM:	VIA	83.28	(3.04%)	(5.12%)
WWE:	WWE	19.55	14.80%	17.91%

**TECHNOLOGY**

ADDVANTAGE:	AEY	3.21	10.31%	19.33%
ALCATEL LUCENT:	ALU	4.13	(4.4%)	(6.14%)
AMDOCS:	DOX	41.95	1.35%	1.72%
AMPHENOL:	APH	92.08	3.07%	3.25%
AOL:	AOL	50.77	12.22%	8.90%
APPLE:	AAPL	540.67	1.45%	(3.63%)
ARRIS GROUP:	ARRS	26.49	7.60%	8.83%
AVID TECH:	AVID	7.74	5.31%	(5.03%)
BLNDER TONGUE:	BDR	0.98	15.28%	(2.01%)
BROADCOM:	BRCM	29.00	0.31%	(2.19%)
CISCO:	CSCO	22.74	2.34%	1.38%
CONCURRENT:	CCUR	7.98	0.50%	(2.33%)
CONVERGYS:	CVG	21.71	0.18%	3.14%
CSG SYSTEMS:	CSGS	31.07	3.81%	5.68%
ECHOSTAR:	SATS	47.83	(5.68%)	(3.8%)
GOOGLE:	GOOG	1150.53	1.80%	2.66%
HARMONIC:	HLIT	6.54	(10.29%)	(11.38%)
INTEL:	INTC	25.85	1.25%	(0.42%)
JDSU:	JDSU	12.04	(7.6%)	(7.31%)
LEVEL 3:	LVT	33.96	(0.12%)	2.38%
MICROSOFT:	MSFT	36.38	0.94%	(2.75%)

Company	Ticker	1/17 Close	1-Week % Chg	YTD %Chg
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MOTOROLA MOBILITY:	MMI	14.87	2.98%	(61.68%)
NIELSEN:	NLSN	44.42	0.70%	(3.2%)
RENTRAK:	RENT	55.00	45.23%	45.16%
SEACHANGE:	SEAC	12.49	4.96%	2.71%
SONY:	SNE	17.05	(4.21%)	(1.39%)
SPRINT NEXTEL:	S	8.97	(5.18%)	(16.56%)
TIVO:	TIVO	12.96	(3.93%)	(1.22%)
UNIVERSAL ELEC:	UEIC	36.71	(2.52%)	(3.67%)
VONAGE:	VG	3.77	14.24%	59.07%
YAHOO:	YHOO	40.01	(2.96%)	(1.06%)

**TELCOS**

AT&T:	T	33.70	0.24%	(4.15%)
VERIZON:	VZ	48.35	1.26%	(1.61%)

**MARKET INDICES**

DOW:	DJI	16458.56	0.13%	(0.71%)
NASDAQ:	IXIC	4197.58	0.55%	0.50%
S&P 500:	GSPC	1838.70	(0.2%)	(0.52%)

### WINNERS & LOSERS

**THIS WEEK'S STOCK PRICE WINNERS**

COMPANY	CLOSE	1-WK CH
1. RENTRAK:	55.00	45.23%
2. BLNDER TONGUE:	0.98	15.28%
3. WWE:	19.55	14.80%
4. VONAGE:	3.77	14.24%
5. AOL:	50.77	12.22%

**THIS WEEK'S STOCK PRICE LOSERS**

COMPANY	CLOSE	1-WK CH
1. HARMONIC:	6.54	(10.29%)
2. SCRIPPS INT:	74.17	(9.56%)
3. VALUEVISION:	6.29	(8.58%)
4. JDSU:	12.04	(7.6%)
5. CROWN:	3.09	(7.49%)

**CableFAX** webinar

Thursday, January 23 | 1:30-3:00 pm ET

## The OTT Opportunity: How to Partner for Profit

Far from a threat to the traditional cable ecosystem, over-the-top services are fast becoming allies in the battle for consumer eyeballs. But what does that partnership look like? How do players that seem to compete for the same audience figure out ways to cooperate? We'll discuss this and more at CableFAX's January 23 Webinar.

Register Today: [www.CableFAX.com/webinars/](http://www.CableFAX.com/webinars/)