

CableFAX Daily™

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What the Industry Reads First

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Blog-o-Sphere: Mediacom-Sinclair Gets Attention, Even Musical Number

As the **Mediacom-Sinclair** standoff enters Day 18, we're wondering just how the impacted subs are fairing. The MSO has declined to provide any numbers on defections, so we've had to turn to the Internet to gauge Joe Public's view. We're not the only one monitoring the blog-o-sphere. Mediacom group vp *Scott Westerman's* name and email appears on several blogs, sometimes thanking customers for their patience and other times urging irate bloggers not to leave the MSO. "I get up at 5:30 every morning and take my Raisin Bran into my home office... and read through the blogs," says Westerman. "If someone says something that I feel needs some clarity or whatever, I comment or if there's an email link, I write them. This is the 1st time we've engaged in this level of detail in the blog-o-sphere." Bloggers' views run the gamut. There's the movie theater owner in the small town of Robinson, IL, who is "teetering on the edge of being an ex-Mediacom user," partly based on past customer service issues with the MSO. One of our favorite finds was a montage of comments from Des Moines subs, set to *James Blunt's* "Goodbye My Lover," by a local radio station. You can find a link to the KSTZ 102.5 production on PurpleWren's blog (http://www.purplewren.com/2007/01/mediacom_is_lis.html). Despite the pro-Mediacom take, *Rocco's* not the producer. Really! The PurpleWren blog, run by *Sandy Renshaw*, has expressed admiration for Mediacom's customer outreach. Renshaw is cofounder of a blog consultancy group that helps small companies build relationships with customers (Mediacom is not among her clients). She started blogging on the spat because she liked how Mediacom handled the distribution of rabbit ears (the bad news is she still can get her local Fox affil with the antenna). "I still haven't heard from Sinclair," she says, adding that she hasn't really thought about leaving MCCC yet. "Yesterday was a hard day [because of the NFC championship game on Fox], but it wasn't life ending. I think I'm in it for a while." -- Mediacom and Sinclair get their turn in front of Iowa legislature Tues morning (1/23) with the Joint Oversight Committee set to question execs from both sides.

Time Warner-Sinclair: **Time Warner Cable** and **Sinclair** reached a deal before midnight Fri that encompasses not only the 1mln former **Adelphia** subs who were set to lose signals but all TW subs in Sinclair markets. (TW previously had a month-to-month retrans pact with Sinclair). Everyone is tight-lipped on the terms, but the deal does run through Dec 31, '09 for all TW-Sinclair markets. The MSO has rights to carry standard and HD signals in all Sinclair markets where HD is available or launches before the end of '09. "This agreement, which represents a mutually acceptable economic agreement between the parties, is further indication of the value of our television stations to cable companies and provides a strong illustration of the successful operation of the free market for negotiation of retransmission consent agreements," said Sinclair pres/CEO *David Smith*. Mediacom has jumped in saying (once again) that it will take the Time Warner deal, which covers the analog and digital signals of 35 TV stations owned or operated by the broadcaster in 22 markets.

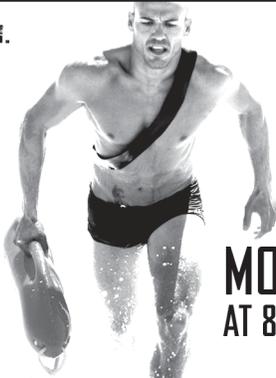
Cleared: Arbitrators ruled that former chmn/CEO *Henry Yuen* won't receive a dime from **Gemstar-TV Guide Intl**

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for his alleged wrongful '03 termination, and also called for Yuen to reimburse Gemstar \$13mln for paid salary and advanced attorneys' fees. Yuen breached representations and warranties made to the company in connection with the Nov '02 management and corporate restructuring, found the arbitrators, who accordingly awarded Gemstar \$80.6mln in compensatory damages. The arbitrators also ruled that the Patent Rights Agreement between Gemstar and Yuen remains in effect until '10. As a result of the rulings, the \$31.3mln liability that Gemstar carried on its balance sheet for restructuring will be reversed in 4Q06 financial statements, and the \$10.7mln liability for the Patent Rights Agreement it carried as of Dec 31 will be reversed within 1Q07 statements.

DTV Transition: Ranking minority Commerce member *Joe Barton* (R-TX), Reps *Fred Upton* (R-MI) and *Dennis Hastert* (R-IL) introduced legislation on educating the public about the Feb 18, 2009, DTV transition hard date. The bill requires cable and DBS ops to include info in their bills notifying subs about the transition and the govt's digital-to-analog converter box program. TV manufacturers would have to put labels on analog sets about the impending transition, and retailers would have to put signage near analog displays. Broadcasters would have to file regular reports with the **FCC** on their consumer education efforts, and the FCC would have to submit progress reports to Congress on the transition.

Competition: **CSTV** is now available to more than 8mln **DirecTV** subs, upping its HH reach to more than 20mln nationally. -- **DirecTV** renewed a pact with **CBS** for "NCAA Mega March Madness," a package of up to 37 out-of-market CBS-produced broadcasts, from the first 3 rounds of the **NCAA** men's basketball championship. -- **AT&T** wireless customers equipped with "Media Net"-enabled mobile phones and accompanying data plans may now search local directory listings through the telco's **Yellowpages.com** subsidiary. -- **DirecTV** extended its contract with **ClientLogic** for customer care and technical support of its subs.

Technology: **Sony** PS3 users may now stream Internet media from PCs to the TV via **Orb Nets'** downloadable tech.

Online: **Maven Networks** launched its Media Services Group to help media companies roll out broadband video businesses, and to drive monetization therein. In concert with Maven Media System—whose clients include **CSTV**, **The Weather Channel**, and **A&E Intl**—the MSG will offer services such as exec briefings, online business strategies, system integration, configuration and solution deployment, lab testing, and training workshops. Former **IBM Global Services** exec *Timothy O' Brien* will head the new division. -- **Turner Sports New Media** and **NASCAR** lifted their joint hood to reveal a Feb 1 relaunch of **NASCAR.com**. It will include a redesign, new interactive app "TrackPass Race View" that allows fans to follow drivers via 3-D animation, and social networking initiative "Infield Community." -- **Showtime** has breathed life into "The L Word in Second Life," a virtual reality world at **secondlife.com** surrounding Showtime's hit show. Included are video clips, speed dating and group discussions about series eps, and customizable elements. Download of the virtual world and a special orientation are available at sho.com/site/lword/second_life.do.

New on Cable360: Our cable portal at www.cable360.net continues to inform and entertain (at least we hope so). This week's video includes *CableWorld* Editor *Seth Arenstein* interviewing **Animal Planet** correspondent *Philippe Cousteau*, grandson of famed oceanographer *Jacques Cousteau*, about his role on "Croc Hunter" *Steve Irwin's* final expedition and documentary, "Ocean's Deadliest," which premiered on **Discovery Channel** and **Animal Planet** on Jan. 21. (Keep checking the site over the next few days for new video segments from CES in Las Vegas and



THE MAKINGS OF A DYNASTY.

In its 1st season,
NFL NETWORK ranked #2.*

PRIMETIME, Men 18-49

ESPN	2.1
NFL NETWORK	1.1
USA	1.1
TNT	1.0



*Source: Nielsen Galaxy Explorer all basic cable networks excluding pay December 2006 M-Su 8-11p Live+SD Coverage Ratings%.

BUSINESS & FINANCE

TCA in Pasadena). Meanwhile, don't miss Arenstein's new blog about Courtney Cox's FX show "Dirt" and other Seth-istic musings.

Programming: Dan Rather will augment HDNet's Tues (8pm ET) coverage of Pres Bush's State of the Union address with coverage of the Democratic response to the speech and an interview with John Edwards.

PA Pathway: An amiable agreement struck between RCN and Commonwealth Telephone may clear the cable overbuilder's way to offer phone services in PA. RCN's app with the PA PUC for CLEC authority in CT's northeastern PA territory is now uncontested, and RCN in return withdrew its opposition to the CT/Citizens Comm merger announced in Sept (Cfax, 9/19). The PA PUC still needs to approve RCN's CLEC app, and an interconnection agreement with CT also requires approval before RCN may launch the service, said RCN svp, strategic & external affairs Richard Ramlall.

People: C-COR appointed Jack Higham vp, IT. -- Larry Most was named dir, ad sales, Sun Sports/FSN FL.

Business/Finance: Chrysalis Ventures led a \$4mln financing round for SinglePipe Comm, a facilities-based wholesale provider of VoIP services to CLECs, ISPs, cable ops and other tech service firms.

CableFAX Daily Stockwatch

Company	01/22 Close	1-Day Ch	Company	01/22 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
BRITISH SKY:	43.28	(0.42)	AVID TECH:	35.66	(0.51)
DIRECTV:	23.99	0.00	BLNDER TONGUE:	1.94	(0.03)
DISNEY:	35.15	(0.35)	BROADCOM:	29.66	(0.52)
ECHOSTAR:	39.86	(0.19)	C-COR:	12.10	(0.08)
GE:	36.75	(0.2)	CISCO:	26.53	(0.17)
HEARST-ARGYLE:	26.26	0.08	COMMSCOPE:	30.93	(0.69)
ION MEDIA:	1.22	(0.03)	CONCURRENT:	1.68	0.02
NEWS CORP:	23.84	(0.29)	CONVERGYS:	26.18	(0.09)
TRIBUNE:	30.26	(0.26)	CSG SYSTEMS:	25.70	(0.12)
MSOS					
CABLEVISION:	30.15	(0.51)	GEMSTAR TVG:	3.65	(0.12)
CHARTER:	3.35	0.07	GOOGLE:	480.84	(8.91)
COMCAST:	44.79	0.18	HARMONIC:	8.31	0.13
COMCAST SPCL:	44.03	0.15	JDSU:	17.32	0.00
GCI:	15.33	(0.39)	LEVEL 3:	5.93	(0.11)
KNOLOGY:	11.66	0.19	LUCENT:	2.55	(0.02)
LIBERTY CAPITAL:	103.41	1.40	MICROSOFT:	30.72	(0.39)
LIBERTY GLOBAL:	30.45	(0.11)	MOTOROLA:	18.72	(0.55)
LIBERTY INTERACTIVE:	24.00	(0.25)	NDS:	46.02	0.49
MEDIACOM:	7.97	(0.01)	NORTEL:	26.93	(0.26)
NTL:	26.16	(0.24)	OPENTV:	2.47	0.01
ROGERS COMM:	31.56	(0.13)	PHILIPS:	37.39	(0.53)
SHAW COMM:	37.01	(0.22)	RENTRAK:	15.14	(0.12)
TIME WARNER:	22.53	(0.09)	SEACHANGE:	10.38	0.14
WASH POST:	753.50	(2.13)	SONY:	46.30	(0.76)
PROGRAMMING					
CBS:	31.34	(0.17)	SPRINT NEXTEL:	17.30	0.07
CROWN:	4.28	0.00	THOMAS & BETTS:	45.67	0.02
DISCOVERY:	17.01	(0.16)	TIVO:	5.48	0.01
EW SCRIPPS:	52.95	0.20	TOLLGRADE:	9.88	0.18
GRUPO TELEVISA:	28.70	0.47	UNIVERSAL ELEC:	20.06	(0.12)
INTERACTIVE CORP:	38.87	(0.2)	VONAGE:	5.96	(0.1)
LODGENET:	25.10	(0.07)	VYYO:	4.20	0.03
NEW FRONTIER:	10.02	(0.1)	WEBB SYS:	0.04	0.00
OUTDOOR:	12.53	(0.13)	WORLDGATE:	1.29	(0.03)
PLAYBOY:	10.99	(0.25)	YAHOO:	27.42	(0.22)
UNIVISION:	35.84	0.01	TELCOS		
VALUEVISION:	12.35	(0.25)	AT&T:	35.27	0.20
VIACOM:	41.44	(0.3)	QWEST:	8.35	(0.07)
WWE:	16.32	(0.07)	VERIZON:	37.25	0.00
TECHNOLOGY					
3COM:	4.01	(0.03)	MARKET INDICES		
ADC:	15.55	(0.38)	DOW:	12477.16	(88.37)
ADDVANTAGE:	2.95	(0.1)	NASDAQ:	2431.07	(20.24)
AMDOCS:	33.12	(0.48)			
AMPHENOL:	64.05	(0.13)			
ARRIS GROUP:	13.60	0.02			

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Symonds Says...

In his *New York Times* review of Robert Stone's memoir "Prime Green," Walter Kim writes about Stone's time in the Navy and his observation that his shipmates hailed from all parts of the country, "a place more varied than younger people today imagine."



Curtis Symonds

With a copy of "On the Road" in his sea bag, Kim reports of Stone's fascination with an America "not yet culturally leveled by TV."

Huh? You mean just because we've systematically squeezed quality shows off our schedules in lieu of inane reality series about mullet-wearing idiots, back-stabbing bim-bos and attention-starved rich kids?

Or because we've bleached and ironed talking heads to the point that we've removed every little trace of regionalism, every cultural idiom, every hint of who they are and where they came from? Cultural levelers? Us?

OK, cheap shot; but homogenization is gnawing away at this country's regional differences like termites. Those regional differences that once made America unique are quickly vanishing.

Don't believe me? Go to a mall in Bend, OR; then one in Lima, OH. Drive past a highway exit in Pascagoula, MS, or one in Duluth, MN. Or turn on the local news in Selma, AL,

then the news in Helena, MT. It all looks, sounds and feels the same. Because for the most part everything is the same.

And this is important for operators, because my sense is Americans are fed up with one-size-fits-all commerce. This is a huge country and those of us who live here take great pride in our little corner of it. And we are willing to shower our love on any company able recognize that fact.

If you don't believe me, follow the glow of the lights on any Friday night during football season. Watch the local pride on display as two high school teams square off, each sideline awash in their team's colors.

Or better yet, ask Time Warner Cable in Milwaukee, whose VOD offering, Wisconsin OnDemand, out-performs most network content almost 2-to-1.

Look, maybe it's because we've grown weary of dealing with customer service reps from India and listening to radio stations programmed by computers half a continent away, or maybe it's because most restaurants are now run by managers, not owners. Either way; now more than ever we love things local.

In his new book, "Fighting for Air," Eric Klineberg lays out an array of indictments against certain consolidated media giants, detailing how many have screwed up locally. He takes the radio industry particularly

to task, especially Clear Channel, and gives some jaw-dropping accounts of abuse, oversight and miscalculation at the local level.

The point is this: with DirecTV and the telcos now offering the same nationally conceived and branded products as cable, how are you going to win? Out-price them? Be nicer?

For my money, the best way to keep cable content indispensable is to exploit its localism. Sure, it's great to know what the weather is like two time zones away, but what I really want to know is, is it going to rain for my picnic tomorrow?

And if I'm an MSO, the splash page of my high speed service would not feature pictures of Dick Cheney, Tony Blair or some B-list celebrity. There'd be a heavy mix of local news. Want to read about Britney Spears? Fine; that's page two. Page one is the mayor's state of the city address, the county budget and local movie times.

And content aside, consider HDTV. Everyone knows that Discovery and ESPN in HD are compelling, but imagine if local cable news networks like New York 1, CLTV or News 8 in Austin were also available in HD?

In short, in a marketplace overrun with products that have a mind-numbing sameness, Symonds says it's time for cable to dare to be different.

Curtis Symonds can be reached at curtissymonds@yahoo.com.

Free Webcast

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