

# CableFAX Daily™

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What the Industry Reads First

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## Weather Report: FCC Looks For Better Ways to Communicate in Crisis

More than 3 months after Superstorm Sandy devastated parts of NY and NJ, the **FCC** is trying to improve communications during future severe weather or crisis situations. One of the complaints voiced by city officials during the Commission's day-long meeting in NY and NJ was that it was hard to communicate with the providers. "It's the information sharing," **Time Warner Cable** Chief Security Officer *Brian Allen* said. He said it's vital to ensure that emergency management offices understand that cable ops provide very similar services to telcos and utilities. Sometimes TWC would be let into an area and told to fix phone and Internet, dubbed critical, but not video, with officials not understanding that it's all part of the same plant, he said. Another issue was simply obtaining licensing as TWC had to bring in a lot of outside contractors—from fuel providers to security. "It was so massive, it was difficult to rely on people locally," Allen said. NJ assemblyman *Upendra Chivukula* advocated for a way to turn off local zoning laws during times of disaster and called for more sharing of cell towers, etc between companies during such events. **Verizon** vp, state govt affairs for the NY region *Jim Gerace*, said replacing copper with fiber during restoration has "a lot of advantages. It's made out of glass vs metal, so it's not as susceptible to salt water, which really devastated the cables in lower Manhattan. We made the decision really quickly to pull it all. Even if we were able to restore it, it would deteriorate over time. Fiber is very resilient [even for wind]." Verizon has restored service to about 90% of customers in lower Manhattan. **Hughes Networks Systems** vp *Tony Bardo* said emergency planning should account for different ways to offer service. "Many federal agencies say we have Carrier A and B, but A and B are going down the same path," he said, calling on govt at all levels to employ path diversity where possible. "We're not here to say we're the answer to everyone's problems, but... that mixture is key." Satellite had limited or no disruption during the storm, Bardo said, adding that Hughes worked with **FEMA** to open about 40 Disaster Recovery Centers within 48 hours after the request was made. Sandy did foster teamwork with the electrical utility, said Gerace. Previously, electrical crews had to clear the way before other providers could go into an area and work on restoring service. But with Sandy, the electrical crews couldn't keep up. With Verizon's help, electric utilities created a mapping type of software that "allowed us to see where they had turned power off so we could go in even though there was no electric crew in sight," he said, explaining that VZ could help put poles up for power and vice versa.



**food network**

**FAVORITE STARS. FAVORITE SHOWS. FAVORITE NETWORK.**

**#1 FAVORITE AMONG WOMEN 25-54.**

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SOURCE: EXPERIAN SIMMONS SPRING 2012 MME; PAST 7 DAYS VIEWING. TOP 2 BOX DATA. BASE: WOMEN 25-54. RANKED AMONG 77 NATIONAL, AD-SUPPORTED NETWORKS (EXCLUDING HISPANIC, CHILDREN AND NON-NIELSEN-RATED NETWORKS).



FX recorded the most-watched month in its history in January, and posted gains of +40% in P18-34, +37% in P18-49, and +33% in P25-54 vs. prior year.<sup>1</sup>

FX Movie Channel recorded the most-watched month in its history in January, and posted gains of +104% in P18-34, +82% in P18-49, and +70% P25-54 vs. prior year.<sup>2</sup>

FX was cable's #1 entertainment network in total U.S. reach among P18-49 in primetime in January.<sup>3</sup>

# FX NETWORKS SOAR TO RECORD HEIGHTS

FX was the #1 cable network in P18-49 the week of January 14-20.<sup>4</sup>

*American Horror Story: Asylum* ranked as the most-watched scripted primetime cable program in January.<sup>5</sup>

The Season 4 premiere of *Justified* was the most-watched episode in its history.<sup>6</sup>

The Season 4 premiere of *Archer* was the most-watched episode in its history.<sup>7</sup>

**FX**

**FXM**

Source: Nielsen, Jan., 2013 = 12/31/12 - 1/27/13, Prior Year, Jan., 2012 = 12/26/11 - 1/29/12. (1) and (2) = Mon-Sun, 800 - 1100P (Viewing Source), Live 000s (1995-2005), Live+Same Day 000s (2006 - 2013). (3) NPower, qualifications = 6+ minutes standard unification, Mon-Sun, 800 - 1100P (Program), Live+3 000s, excludes sports programming. (4) = Mon-Sat, 800 - 1100P; Sun, 700 - 1100P (Program), Live+Same Day 000s. (5) = P18-49, Mon-Sun, 800 - 1100P, Most Current 000s = Live+7, 12/31/12 - 1/20/13, Live+Same Day, 1/21 - 1/27/13. (6) = P25-54 and Total Viewers, Live+7 000s. (7) = P18-49 and Total Viewers, Live+7 000s.

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**Going for Gold:** NBCU is kicking things off earlier next year, announcing that competition for the Winter Games will begin 1 day prior to the Opening Ceremony. That makes it the 1st US media company to offer dedicated primetime coverage to competition (Winter or Summer Olympics) prior to the Opening Ceremony. It's all because the IOC has added 12 new events. The ceremony for the '14 Sochi Olympics is set for Feb 7. NBCU will distribute promotional messages across its assets on Wed celebrating being 1 year out from Day 1. At 8pm ET/PT, nearly all of NBCU's 19 cable and broadcast nets will air a 60-sec promo for the Games. What sports will be in that first day of coverage? Team figure skating and men's and women's slopestyle snowboarding, which are new Olympic events, along with women's freestyle moguls.

**Deals:** Liberty Global shares slid on the news that it's in talks with pay TV operator **Virgin Media**, which is 2nd only to **BSkyB** in the UK. The stock closed down 2%, while Virgin shares soared, closing up nearly 18% Tues. **CNBC's David Faber** reported the boards of both companies approved a cash and stock deal with a price below \$50.

**Disney 4Q:** Disney posted a \$1.38bln profit in Q4 after the bell, down 6% YOY. Media networks for the quarter increased 7% to \$5.1bln, and segment operating income increased 2% to \$1.2bln. Operating income at cable nets decreased \$15mln to \$952mln for the quarter due to a decrease at **ESPN**, partially offset by growth at the domestic **Disney Channel**, **ABC Family** and **A&E**. The decrease at ESPN was due to higher programming and production costs, partially offset by higher affil revenue. The rising programming costs reflected rate increases for college football and the **NFL**, as well as an increase in the number of **NBA** games due to the lockout in the prior year. At Disney Channel, growth was driven by higher affil revenue due to contractual rate increases. ABC Family improvement was driven by higher ad sales and lower marketing costs.

**Through the Grapevine:** Charter shares jumped 6% Tues. Why? Who knows? But we heard speculation (as did **Deadline.com** apparently) that something could be brewing, given the hiring of **Guggenheim's Charles Fisher (Cfax, 2/5)** and the supposed close tab that the MSO is keeping on expenses. Of course, Charter's no stranger to M&A rumors. You can count on them to show up almost as regularly as **DISH-DirecTV** combo talk.

**On the Hill:** Keep the Internet free. That's the message from Rep **Greg Walden (R-OE)**, chmn of the **House Communications** subcmte, to countries seeking to expand the authority of **ITU** over Internet policy. Despite opposition from the US, a majority of countries at a Dubai conference voted in Dec to approve the new treaty. To make it the official policy of the US government to promote a free Internet, Walden announced his plan to introduce Internet freedom legislation. According to a draft, the proposal would make it formal US policy to "promote a global Internet free from government control and to preserve and advance the successful multi-stakeholder model that governs the Internet." Republican **FCC** commish **Robert McDowell** testified at the hearing, warning the ITU now "has unprecedented authority over the economics and content of key aspects of the Internet." However, merely saying "no" to any changes is a losing proposition, he said, urging backers of Internet freedom to work to offer alternate proposals like improving the non-governmental, multi-stakeholder model of Internet governance. **Public Knowledge** svp **Harold Feld** cautioned that "we must recognize the diversity of interests from nations" that share concerns for free expression. Continued engagement with global civil society will remain critical, he said.

**Show Biz:** **The Cable Show** (June 10-12, DC) will feature a career fair aimed at connecting veterans, reservists and military spouses with cable industry jobs. The "Hiring Our Heroes" job fair is set for June 11 and is being conducted by the **US Chamber of Commerce Foundation** in partnership with **NCTA**, **CTHRA** and other local and industry partners. Walk-in job seekers are welcome, but pre-registration is recommended (hiringourheroes.org).

**Enterprise Business:** **Comcast** inked an enterprise deal with **Philadelphia Technology Park**, a data center located in the Philadelphia Navy Yard. The deal allows both to expand their connections in the region. Philadelphia Navy Yard businesses, including Comcast customers and perspective customers alike, will now have access to Comcast's network. Meanwhile, sports teams have become a new revenue stream for Comcast Business. Check out the full story at **CableFAX.com** -- **Cablevision**-owned **Lightpath** signed a deal with **Kings Harbor Multicare Center** to provide Ethernet service. The Bronx, NY-based nursing care facility will work with the company to design a 100% fiber network that will enable continuous use of existing analog equipment and support access to digital patient records hosted remotely.

**Ratings:** That other Bowl did pretty well Sunday, too. **Animal Planet's** "Puppy Bowl IX" snagged 12.4mln P2+ over its 12-hour marathon, its largest audience ever. During the Super Bowl, Puppy Bowl hit 1.1mln viewers from 8:51-9pm.

# BUSINESS & FINANCE

**Programming:** AMC and Double Feature Films announced a 2-year, 1st look deal, marking the first time Double Feature has entered into such a pact to produce TV projects for a cable net. Double Feature is in post-production on "Runner Runner" with *Justin Timberlake* and *Ben Affleck* and in pre-production on the feature adaptation of "A Walk Among the Tombstones" with *Liam Neeson*. -- **WE tv** is developing a docu-series with singer-songwriter *Bruno Mars*' sisters who make up the pop band, "The Lylas." The unscripted series will chart the sisters' path from Hawaii to L.A. -- Mixed martial arts and rising film star *Randy Couture* agreed to a multi-year creative partnership with **Spike TV**. The deal includes multiple unscripted projects, including "Fight Master: Bellator MMA," and "MMA Rescue," both of which have been greenlit to air.

**Upfronts:** It may feel way early, but the upfront season is already underway. **Oxygen** was slated to bring out *Naomi Campbell* at its event Tues night to celebrate model competition series "The Face" (Feb 12, 9pm premiere). The net announced a 20% increase in original programming for '13, expanding its nights of originals to 3 from 2. Oxygen signed a first-look deal with talk show host *Wendy Williams*. It also announced "Secret Celebrity" featuring stars in disguise surprising fans, and new pilot "This Week the Award Goes To," a comedic talk show featuring pop culture newsmakers.

## CableFAX Daily Stockwatch

Company	02/05 Close	1-Day Ch	Company	02/05 Close	1-Day Ch
<b>BROADCASTERS/DBS/MMDS</b>					
DIRECTV:	52.37	1.19	CSG SYSTEMS:	18.64	0.39
DISH:	37.20	0.54	ECHOSTAR:	37.54	1.38
DISNEY:	54.29	0.39	GOOGLE:	765.74	6.72
GE:	22.54	0.23	HARMONIC:	5.36	0.07
NEWS CORP:	28.62	0.20	INTEL:	21.18	0.24
<b>MSOS</b>					
CABLEVISION:	14.61	0.44	JDSU:	15.18	0.16
CHARTER:	81.53	4.86	LEVEL 3:	24.61	0.41
COMCAST:	39.24	1.05	MICROSOFT:	27.50	0.06
COMCAST SPCL:	37.77	0.85	RENTRAK:	20.41	(0.18)
GCI:	8.20	(0.05)	SEACHANGE:	11.18	(0.02)
LIBERTY GLOBAL:	67.88	(1.58)	SONY:	15.83	0.35
LIBERTY INT:	21.15	0.30	SPRINT NEXTEL:	5.71	(0.03)
SHAW COMM:	23.39	0.03	TIVO:	12.81	(0.27)
TIME WARNER CABLE:	88.21	(0.92)	UNIVERSAL ELEC:	18.74	(0.31)
VIRGIN MEDIA:	45.61	6.92	VONAGE:	2.48	(0.07)
WASH POST:	383.85	0.84	YAHOO:	19.66	0.32
<b>PROGRAMMING</b>					
AMC NETWORKS:	57.71	(0.12)	<b>TELCOS</b>		
CBS:	42.33	0.47	AT&T:	35.35	0.12
CROWN:	1.94	0.06	VERIZON:	44.56	0.04
DISCOVERY:	70.30	0.79	<b>MARKET INDICES</b>		
GRUPO TELEVISIA:	28.80	0.21	DOW:	13979.30	99.22
HSN:	59.47	0.32	NASDAQ:	3171.58	40.41
INTERACTIVE CORP:	42.39	1.23	S&P 500:	1511.29	15.58
LIONSGATE:	18.93	0.02			
OUTDOOR:	7.51	0.02			
SCRIPPS INT:	61.70	0.43			
TIME WARNER:	49.96	(0.48)			
VALUEVISION:	2.78	(0.15)			
VIACOM:	61.73	0.63			
WWE:	8.51	0.01			
<b>TECHNOLOGY</b>					
ADVANTAGE:	2.16	(0.04)			
ALCATEL LUCENT:	1.72	0.03			
AMDOCS:	35.92	0.43			
AMPHENOL:	68.89	1.39			
AOL:	30.50	0.08			
APPLE:	457.84	15.53			
ARRIS GROUP:	16.38	0.28			
AVID TECH:	7.45	0.03			
BLNDER TONGUE:	1.25	0.07			
BROADCOM:	32.61	0.16			
CISCO:	21.08	0.26			
CLEARWIRE:	3.24	0.07			
CONCURRENT:	8.16	0.41			
CONVERGYS:	16.96	0.22			



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