

CableFAX Daily™

Monday — February 7, 2011

What the Industry Reads First

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Wonkfest: Policy Gurus Press FCC on Net Neutrality, Spectrum, USF

The FCC spent a day on the hot seat Fri in D.C. as policy wonks—including the 2 Republican commissioners—blasted the agency for overreaching and for sometimes forgetting its core mission, all while debating the finer points of everything from net neutrality to spectrum policy to, yes... even rate-of-return regulation. The event, sponsored by the free-market think tank **Free State Foundation**, lined up an impressive slate of speakers who all challenged telecom policymakers to scrap old rules and think outside the box. "It's time for more experimentation," said **Comcast** svp, external affairs and public policy counsel *Joe Waz*, noting Comcast's voluntary commitments that eventually became part of the FCC's Comcast-**NBCU** deal conditions were "developed in a policy conversation rather than a government mandate, which I think is an important point." As **C-SPAN** cameras rolled live, FCC Comr *Meredith Attwell Baker* said the agency needs to "partner more closely with those with the power to invest," later calling USF reform "the biggest quagmire" facing the Commission in '11. **Aspen Institute** fellow *Blair Levin*, who was dir of the FCC's National Broadband Plan, called "stupid" the current telco subsidy system based on rate-of-return regulation and called upon Republican FCC Comr *Robert McDowell* and other conservatives to support moving away from a system so removed from the free market. Later during a luncheon Q&A, McDowell declined to get specific because of the sunshine rules (The FCC plans to tackle USF reform at its Feb 8 meeting on Tues) but said "let's put all the options on the table" as the USF proceeding goes forward. Referencing Levin's challenge, McDowell said, "There will be ample opportunity... to comment on any ideas, just such as that." **AT&T** senior evp, external and legislative affairs *Jim Cicconi* urged the FCC to take bold steps now to reform USF before the dwindling number wired telco access lines puts the entire public switched telephone network at risk. "If the FCC doesn't do that in the meeting next week, I fear it's a lost opportunity," he said. Panelists also tackled spectrum reform, with Levin again challenging the FCC. With Congress unable to decide whether to allocate that spectrum to public safety or for commercial use, Levin urged the Commission to simply start the auction process in hopes of pressuring Congress to make a decision. "There's no harm to a deadline, and there's a lot of benefit to it," he said. **T-Mobile USA** vp, govt affairs *Thomas Sugrue* added that "if presented properly, it wouldn't be a hostile act" to put Congress on notice. *Kathy Brown*, **Verizon** svp, public policy development and corp responsibil-

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ity, agreed that Congress needs to move faster. "I'd like to see some urgency behind getting a public-safety network done," she said. While all panelists tried to move beyond net neutrality, it reared its head several times, with most predictably arguing that the FCC's recent action won't hold up in court. And in reference to the D.C. Circuit's decision on Thurs to deny Verizon's request that net neutrality challenge go to the same panel of judges who decided for Comcast in the network mgmt case, Brown said the courts will overturn the order regardless of the venue. And McDowell put it even more succinctly: "At the end of the day, I think the order goes down in flames." **[Video of the sessions is available at <http://www.c-spanvideo.org/program/FreeSta>]**

Landing the Sharks: DISH inked a carriage pact with **CSN CA**, ending a standoff dating back to Nov when DISH dropped the RSN after losing in baseball-style arbitration that it initiated at the **FCC**. The deal returns **San Jose Sharks** and **Sacramento Kings** games plus other content back to the DBS op's lineup, and also resolves pending arbitrations for **CSN Bay Area**, **CSN Chicago** and **CSN Mid-Atlantic**. DISH continues to carry the latter 3 nets. Not included is CSN NW, which DISH has never distributed. **MSG** and **MSG Plus** remain dark on DISH as they have been since Oct 1.

At the Portals: The **FCC**'s staging a conference Wed entitled "Accelerating Broadband Investment: Removing Regulatory Barriers to Broadband Buildout," which will look at barriers to accessing utility poles, rights-of-way, and sites for wireless towers. Separately, *Amy Levine* was tapped as special counsel to FCC chmn *Julius Genachowski*.

Advertising/Marketing: **TiVo.com/ad-scorecard** now offers free interactive analysis of how effective a brand's TV commercials are at retaining viewers and how well they are performing relative to competing brands. Users can compare up to 3 brands with national and cable spots through a graphical weekly performance display. -- **Toyota** signed on as the official sponsor of **ESPN Deportes'** sports and ent show "Nacion ESPN" (Feb 14), which also lured **Farmers Insurance**, **Burger King**, **AT&T** and **Miller Lite** as official sponsors.

Social Media: Cable and broadcast are embracing social media, right? Wrong, says **Reveille** managing dir *Howard Owens*. Networks' social media isn't really social, it's mostly for promotional purposes, he this week told a RealScreen Summit panel on the changing face of media. "I'm surprised" networks haven't embraced the extensions **Facebook** and **Twitter** can bring to TV brands, he says. By contrast, **NBC's** "Biggest Loser" created by Reveille has extended that brand into an online weight-loss club that has 33K members paying an average of \$19.99/month, Owen noted.

Viewer Engagement: **Lifetime's** "Army Wives" led all cable series last year in **Rentrak's '10 Stickiness Index**, an engagement metric based on the avg percent viewed of the top 500 series watched by all viewers divided by the avg percentage viewed for all series of corresponding duration during and Mon-Fri and Sun prime. **TNT's** "Rizzoli & Isles" ranked 2nd, followed by **USA's** "Covert Affairs" and "Royal Pains" and **TNT's** "Memphis Beat." **Lifetime's** "Project Runway: Finale, Part 2" paced the cable mini-series, specials and movies category, ahead of **NFL Net's** post-game coverage and **Nickelodeon's** "True Jackson, VP: Mission Gone Bad; Trapped in Paris." **Lifetime Movie Net's** "Nightmare Honeymoon" and **Hallmark Channel's** "*Debbie Macomber's* Call Me Mrs. Miracle" completed the top 5. Among regular broadcast series, 4 from **Univision** hit the top 14, led by "Sortilegio" in 6th.

On the Circuit: **SCTE's** accepting sign-ups at SCTE.org for courses to prepare engineers/ops pros for the IPv6 transition. Webinar course "Migration to an IPv6 Infrastructure" is scheduled for Mar 16, and a 7-week online course begins Apr 4.

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CableFAX Week in Review

Company	Ticker	02/04 Close	1-Week % Chg	YTD %Chg
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BROADCASTERS/DBS/MMDS

DIRECTV:	DTV	42.81	1.52%	28.37%
DISH:	DISH	21.84	1.06%	5.15%
DISNEY:	DIS	40.71	4.79%	26.23%
GE:	GE	20.56	1.78%	35.89%
NEWS CORP:	NWS	18.38	10.03%	15.42%

MSOS

CABLEVISION:	CVC	36.03	5.81%	39.54%
CHARTER:	CHTR	41.99	(0.12%)	0.00%
COMCAST:	CMCSA	23.27	1.89%	38.02%
COMCAST SPCL:	CMCSK	21.95	2.28%	37.10%
GCI:	GNCMA	12.33	2.41%	93.26%
KNOLGY:	KNOL	14.81	2.21%	35.62%
LIBERTY CAPITAL:	LCAPA	70.25	7.99%	194.18%
LIBERTY GLOBAL:	LBTYA	41.28	1.72%	88.58%
LIBERTY INT:	LINTA	16.33	3.03%	50.65%
MEDIACOM:	MCCC	8.83	2.44%	97.54%
SHAW COMM:	SJR	21.78	3.42%	5.88%
TIME WARNER CABLE:	TWC	69.15	3.02%	67.07%
VIRGIN MEDIA:	VMED	25.93	4.01%	54.07%
WASH POST:	WPO	434.84	(0.84%)	(1.08%)

PROGRAMMING

CBS:	CBS	20.22	4.88%	43.91%
CROWN:	CRWN	2.44	2.09%	68.28%
DISCOVERY:	DISCA	41.69	7.84%	35.93%
GRUPO TELEVISIA:	TV	24.51	4.48%	18.06%
HSN:	HSNI	28.26	(0.6%)	39.97%
INTERACTIVE CORP:	IACI	30.42	7.99%	48.54%
LIBERTY:	L	41.40	3.60%	13.89%
LIBERTY STARZ:	LSTZA	68.66	2.48%	48.78%
LIONSGATE:	LGF	6.16	1.32%	6.02%
LODGENET:	LNET	3.41	(0.87%)	(38.34%)
NEW FRONTIER:	NOOF	2.10	18.64%	11.11%
OUTDOOR:	OUTD	8.00	0.63%	37.93%
PLAYBOY:	PLA	6.13	0.00%	91.56%
SCRIPPS INT:	SNI	48.55	5.57%	16.99%
TIME WARNER:	TWX	35.92	9.55%	23.27%
VALUEVISION:	VVTV	6.09	(5.58%)	26.88%
VIACOM:	VIA	50.17	5.04%	59.26%
WWE:	WWE	12.02	0.42%	(21.59%)

TECHNOLOGY

ADVANTAGE:	AEY	3.00	(1.96%)	52.28%
ALCATEL LUCENT:	ALU	3.42	3.32%	3.01%
AMDOCS:	DOX	29.36	(0.51%)	2.91%
AMPHENOL:	APH	57.52	4.54%	24.56%
AOL:	AOL	21.94	(7.89%)	(5.76%)
APPLE:	AAPL	346.50	3.09%	64.43%
ARRIS GROUP:	ARRS	12.99	5.18%	13.65%
AVID TECH:	AVID	19.08	15.64%	49.53%
BIGBAND:	BBND	2.63	1.94%	(23.55%)
BLNDER TONGUE:	BDR	2.39	(0.83%)	109.65%
BROADCOM:	BRM	45.82	3.38%	45.60%
CISCO:	CSCO	22.05	5.35%	(7.89%)
CLEARWIRE:	CLWR	5.84	10.40%	(13.61%)
CONCURRENT:	CCUR	5.08	(3.05%)	28.28%

Company	Ticker	02/04 Close	1-Week % Chg	YTD %Chg
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CONVERGYS:	CVG	13.80	(1.15%)	28.37%
CSG SYSTEMS:	CSGS	20.17	4.72%	5.66%
ECHOSTAR:	SATS	29.21	8.63%	45.03%
GOOGLE:	GOOG	610.98	1.66%	(1.45%)
HARMONIC:	HLIT	9.84	20.74%	55.70%
INTEL:	INTC	21.68	2.85%	6.27%
JDSU:	JDSU	22.76	34.50%	175.85%
LEVEL 3:	LVL	1.22	4.27%	(20.26%)
MICROSOFT:	MSFT	27.77	0.07%	(8.89%)
RENTRAK:	RENT	28.96	7.34%	63.89%
SEACHANGE:	SEAC	8.77	4.78%	33.69%
SONY:	SNE	35.63	2.44%	22.86%
SPRINT NEXTEL:	S	4.40	2.09%	20.22%
THOMAS & BETTS:	TNB	53.86	13.92%	50.49%
TIVO:	TIVO	10.77	15.06%	5.80%
TOLLGRADE:	TLGD	9.52	1.49%	55.81%
UNIVERSAL ELEC:	UEIC	26.61	(0.63%)	14.60%
VONAGE:	VG	3.63	14.15%	159.29%
YAHOO:	YHOO	16.79	6.03%	0.03%

TELCOS

AT&T:	T	27.97	1.75%	(0.21%)
QWEST:	Q	7.19	1.96%	70.75%
VERIZON:	VZ	36.31	1.91%	9.60%

MARKET INDICES

DOW:	DJI	12092.15	2.27%	15.96%
NASDAQ:	IXIC	2769.30	3.07%	22.04%
S&P 500:	GSPC	1310.87	2.71%	14.51%

WINNERS & LOSERS

THIS WEEK'S STOCK PRICE WINNERS

COMPANY	CLOSE	1-WK CH
1. JDSU:	22.76	34.50%
2. HARMONIC:	9.84	20.74%
3. NEW FRONTIER:	2.10	18.64%
4. AVID TECH:	19.08	15.64%
5. TIVO:	10.77	15.06%

THIS WEEK'S STOCK PRICE LOSERS

COMPANY	CLOSE	1-WK CH
1. AOL:	21.94	(7.89%)
2. VALUEVISION:	6.09	(5.58%)
3. CONCURRENT:	5.08	(3.05%)
4. ADVANTAGE:	3.00	(1.96%)
5. CONVERGYS:	13.80	(1.15%)

CableFAX Social Media Boot Camp

February 23, 2011 8:45am-4:00pm NYC

How Cable Can Leverage Twitter and Facebook to Advance PR

CableFAX's one-day social media boot camp will focus on how to create the best strategy for a cable operator or programmer's social media presence, how to be sure it is integrated with the overall communication presence and what audiences want and need from the brand, and—ultimately—how to create a social media infrastructure that can expand to new places online as its audiences migrate.

Questions: Elizabeth Brown at ebrown@accessintel.com or 301-354-1610.

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