

CableFAX Daily™

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What the Industry Reads First

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Mood Sighting: Content Search Company Offers Creative Filtering

Feel like watching a clever, award-winning drama that features suburban life and workplace intrigue? Try **AMC's** "Mad Men." How about a melancholy crime show featuring dark humor? Check out **Showtime's** "Dexter." These suggestions are courtesy of **Jinni**, a content search engine company deemed by attendees to have the best product idea at the **CableLabs Winter Conference's** Innovation Showcase. Jinni's search functionality is "powered more by tastes... than time of day or channel," said CEO **Mike Pohl**, noting that while **Google's** trawling for words, "we're trawling for emotion." Users of the "taste engine" may search for TV shows and movies by mood, plot, genre, place/time period and other parameters, said Pohl, the goal being to "expose the customer to more enjoyable content" and increase visibility for programmers. Pohl said Jinni is in various stages of engagement with cable ops to license the tech for Web portals initially and set tops in the near-term, with cable rollout "absolutely" expected this year. **Charter CTO Marwan Fawaz** said Jinni execs are "very pragmatic" about the tech's applications (VOD platforms, for example), adding that its quick turnaround time to market implementation may have earned it best product honors over other entries from categories including social networking and Internet video. Plus, said Fawaz, Jinni could play well in TV Everywhere concepts from operators and programmers. Get more info at **Jinni.com**, where Pohl said the co is busy mapping the genomes of movies and TV shows.

In the States: **Rentrak** inked a deal to integrate **DISH's** TV viewing data with its audience measurement service. As a result, Rentrak is the only provider of media measurement in all 210 TV markets, with more than 15mln TVs nationwide when combined with telco TV and cable viewing data. -- **Pacific Northwest Net** tapped **RCN Metro** to provide Ethernet service in the NE corridor between Boston and NYC. -- **The Africa Channel** is sponsoring and producing The Night of Tribute awards event at this year's **Pan African Film Festival** in L.A. (Feb 10-17), which it will air later this month, and is co-sponsoring with **Time Warner Cable** a related special event focused on **Nelson Mandela**.

Troy Ploy: Super Bowl advertisers including 1st-timer **truTV** seem to have gotten their money's worth, irrespective of public opinion. Based on **Nielsen's** estimate of 106mln avg viewers for the big game—the largest program audience ever, exceeding the series finale of M-A-S-H—and an approx ad cost of \$2.5mln, advertisers spent approx 2 cents/viewer. As for viewers' figurative 2 cents, **USA Today's** Ad Meter showed the Snickers spot featuring **Betty White** was the biggest hit, with truTV's commercial, which spotlighted new series "NFL Full Contact" with the help of miniaturized NFLer **Troy Polamalu** and a spoof of Groundhog Day, ranked 21st. "We're very happy with the response to truTV's Super Bowl ad," said truTV evp/gm **Marc Juris** in a statement. "truTV is still a young brand, and one of the major goals in purchasing a spot during the game was to raise the network's profile. We also wanted to create a fun spot." **TiVo** has truTV's ad ranked as 9th best. **HBO**, meanwhile, said it's pleased with

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positive feedback across its Facebook page and Twitter feed related to its Super Bowl spot for forthcoming mini-series "The Pacific" (Mar).

Project Wong: Few were shocked late Fri when word spread that *Andrea Wong* would relinquish her post as CEO of **Lifetime**. **AETN** closed its purchase of the net last fall (*Cfax*, Sept 17) and didn't waste any time consolidating operations, which quickly resulted in the elimination of more than 100 positions, including long-time evp, communications *Meredith Wagner*. Wong, however, stayed on to help integrate the net into AETN, and now with that process nearly complete, she'll stick around another few weeks to tie up loose ends. In a letter to Lifetime employees, Wong praised sales, distribution, digital and marketing/communications staffs. And while Lifetime has been a work in progress under Wong, she did achieve a coup of sorts when she wrestled hit show "Project Runway" away from **Bravo** last year. Wong credited staffers' "teamwork and passion" for making the show's Lifetime premiere the highest rated in its history. "I leave with treasured memories and lifelong friends and wish the new company and each of you the very best and continued success," she wrote. No word on new leadership at Lifetime, although rumors abound that **History** pres/gm and AETN superstar *Nancy Dubuc* will play a prominent role.

Healthy ROI: Cable's cost/hire may be 17% greater than in other industries and its HR expense/employee may be more than double, according to **CTHRA's** Annual Human Capital Metrics Survey, but the ROI achieved through cable employees likely makes the hiring costs far more palatable. Using a ratio called rev/full time employee, which is determined by dividing total rev by total full time employees, CTHRA said cable's rev/FTE is approx \$750K, or 78% higher than in other industries. The inter-industry disparity is even more pronounced regarding net income/FTE, with cable tallying approx \$335K and other industries approx \$60K. Since its '08 survey was conducted, CTHRA noted that 53% of participants for the current study reported significant org restructuring and 29% had layoffs, leading to efficiencies in managing costs and increasing sales. Also of note: cable's voluntary turnover rate is 10%, compared to other industries' 28%.

Advertising: **Cox Media** launched in all markets SpotXpress, an all-digital system for managing ad distribution that offers uploads of spots via a secure online portal and creates operational efficiencies by reallocating resources previously dedicated to shipping, receiving and tracking materials.

Technology: **CableLabs** and **Canoe Ventures** completed and issued the latest EBIF spec, which features functionality developed to meet competitive iTV market requirements and widens the range of EBIF-enhanced programming, advertising and apps. The pair launched **EBIF.tv** as a resource. -- **Rovi** and **FourthWall Media** are partnering to offer an integrated Enhanced TV Solution, including FourthWall's EBIF User Agent, ETV Server, and TV Widgets as part of Rovi's IPG solutions. The widgets include **eBay** on TV, **Yellow Pages** on TV, news, weather, and sports. -- **BelAir Nets** bowed for cable ops a WiFi product that combines DOCSIS 3.0 tech and aims to deliver higher throughput, broader and more consistent coverage, better voice, video and multimedia performance and improved battery life for mobile devices. -- **Broadcom** bowed what its says is the industry's 1st digital transport adaptor 4.9 system-on-a-chip solution that features an integrated tuner and switchable content protection.

Online: Late last week, **The Weather Channel** found out that there ain't no business like snow business. Owing mainly to expectations of, preparations for and updates on heavy snowfall in the Mid-Atlantic region (2-3ft fell in **CableFAX** territory), the net achieved Fri its biggest day ever across all digital platforms.

Programming: **TV Guide Net's** "Precious: The Story Behind the Movie" (Feb 20) features never-before-seen footage from the 6-time Academy Award-nominated film, plus exclusive interviews with the director and cast. -- **Bio's** "Scott Hamilton: Return to the Ice" (Mar 8) chronicles the Olympic skater's return after defeating a life-threatening brain tumor.

People: **WICT's** '10 Atlanta board includes **TBS' Paula Wagner** as pres, **Turner Network Sales' Kathy Hatala** as vp, **Cox's Amy Cohn** as immediate past pres and **TBS' Veronica Sheehan** as chapter advisor/national mentor.

Business/Finance: **Fox Cable Nets** is in advanced talks to sell **Fuel TV** to **Viacom** for a sum in the low- to mid-nine figures, according to *Sports Business Journal*. Fox and Viacom declined comment. -- **Hasbro** shares surged 12.7% Mon on solid '09 results and a sunny '10 outlook based partly on the potential of **The Hub**, the co's kids channel

BUSINESS & FINANCE

ju with **Discovery Comm.** Hasbro reported \$3.9mln in '09 rev from the ju and an investment of \$25mln in royalty advances to the net. -- With **MSG** set to spin off from **Cablevision** Tues, **Collins Stewart** analyst *Thomas Eagan* cited now as an opportune time to purchase CVC shares, which he rates as 'buy.' "We expect CVC will grow 2010 EBITDA by 6% (the highest among the cable operators we cover) and continue to grow customers at a rate above most operators," wrote Eagan, who foresees a value of \$28-30 for CVC shares post-spin. -- After purchasing **Verizon's** northern New England landline business in early '08, **Fair-Point Comm** filed Mon a delayed reorg plan calling for an approx two-thirds reduction in debt and issuance of new shares to debtors. Current shares will be dissolved.

Editor's Note: Did you miss the early deadline to nominate worthy candidates for the **CableFAXIES**? No worries. The late deadline is Feb 12. More info at: <http://www.cablefax.com/cfp/awards/cablefaxies2010/>.

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CableFAX Daily Stockwatch

Company	02/08 Close	1-Day Ch	Company	02/08 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
BRITISH SKY:	32.49	(0.42)	AMPHENOL:	38.96	0.10
DIRECTV:	30.34	(0.28)	AOL:	23.60	(0.05)
DISH:	17.75	0.00	APPLE:	194.12	(1.34)
DISNEY:	29.48	(0.06)	ARRIS GROUP:	9.61	0.06
GE:	15.60	(0.19)	AVID TECH:	12.52	(0.23)
NEWS CORP:	14.80	(0.43)	BIGBAND:	2.96	0.03
MSOS					
CABLEVISION:	25.15	(0.09)	BLNDER TONGUE:	1.06	0.01
COMCAST:	15.21	(0.21)	BROADCOM:	28.80	(0.59)
COMCAST SPCL:	14.56	(0.1)	CISCO:	23.50	(0.2)
GCI:	5.32	(0.08)	CLEARWIRE:	6.26	0.07
KNOLGY:	10.72	(0.04)	COMMSCOPE:	25.62	(0.15)
LIBERTY CAPITAL:	26.74	(0.13)	CONCURRENT:	4.49	0.10
LIBERTY GLOBAL:	24.15	(0.15)	CONVERGYS:	10.68	(0.1)
LIBERTY INT:	10.51	(0.22)	CSG SYSTEMS:	20.08	(0.27)
MEDIACOM:	4.05	(0.04)	ECHOSTAR:	18.68	(0.12)
RCN:	9.84	0.08	GOOGLE:	533.47	2.18
SHAW COMM:	18.21	(0.19)	HARMONIC:	6.02	(0.03)
TIME WARNER CABLE:	44.27	(0.85)	INTEL:	19.35	(0.12)
VIRGIN MEDIA:	14.04	0.01	JDSU:	8.13	0.22
WASH POST:	416.46	(5.04)	LEVEL 3:	1.36	0.03
PROGRAMMING					
CBS:	12.72	(0.23)	MICROSOFT:	27.72	(0.3)
CROWN:	1.44	(0.03)	MOTOROLA:	6.57	0.17
DISCOVERY:	28.51	0.05	OPENTV:	1.52	(0.01)
GRUPO TELEVISA:	18.30	(0.47)	PHILIPS:	28.38	(0.57)
HSN:	18.09	(0.77)	RENTRAK:	17.37	1.61
INTERACTIVE CORP:	21.16	(0.01)	SEACHANGE:	6.54	(0.05)
LIBERTY:	34.76	(0.61)	SONY:	33.01	(1.25)
LIBERTY STARZ:	46.52	(0.68)	SPRINT NEXTEL:	3.51	0.08
LIONSGATE:	5.05	(0.09)	THOMAS & BETTS:	33.73	(0.49)
LODGENET:	5.26	0.23	TIVO:	8.76	(0.04)
NEW FRONTIER:	2.02	(0.03)	TOLLGRADE:	6.30	0.06
OUTDOOR:	5.12	0.00	UNIVERSAL ELEC:	22.74	(0.53)
PLAYBOY:	3.14	(0.04)	VONAGE:	1.42	0.02
RHI:	0.33	(0.02)	YAHOO:	14.99	(0.2)
SCRIPPS INT:	42.08	(0.06)	TELCOS		
TIME WARNER:	26.92	(0.11)	AT&T:	24.98	(0.26)
VALUEVISION:	4.08	0.15	QWEST:	4.29	(0.12)
VIACOM:	29.70	(0.46)	VERIZON:	28.37	(0.37)
WWE:	16.00	(0.1)	MARKET INDICES		
TECHNOLOGY					
3COM:	7.46	(0.02)	DOW:	9908.39	(103.84)
ADC:	5.38	(0.12)	NASDAQ:	2126.05	(15.07)
ADVANTAGE:	2.18	0.10			
ALCATEL LUCENT:	3.14	(0.13)			
AMDOCS:	28.16	(0.09)			

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CableFAX Daily™

WHAT THE INDUSTRY READS FIRST.



EYE ON ADVERTISING

Reach and Frequency

The big winner of Super Bowl XLIV could well be **Hyundai**. If you caught the game on **CBS**, you were hard-pressed to miss the auto manufacturer's ad blitz. But Hyundai also is mad for cable these days. As the company increases its scope, it increasingly is looking to cable to spread the word. Chris Perry, Hyundai director of advertising, tells contributor Cathy Applefeld Olson why it's casting a wide net across cable networks, and details the company's multipronged integration with **USA Networks**.

Hyundai is making more ad dollars available to local dealers this year. How does that affect your television advertising?

CP: A lot of the dollars going to the dealers are ear-marked for TV. We have seven new models coming out in the next 24 months, [including] the all-new Tucson, Sonata and the new Equus. We're spending tier one dollars to launch these new products but we still need a push behind our tier two message, and that's what's behind the decision to funnel some of the money out. If we're going to put dollars into launching these cars, we need to make sure we maintain a strong retail message in the local markets.

How does cable fit in with your TV advertising plan?

CP: We need to continue to show people we're a viable option versus the competitors out there, and TV seems to be the best way to do that. We are a pretty big cable buyer. Our ad ran immediately following Obama's [acceptance] speech on CNN last year, which was big for us. Right now we have a comprehensive program going on with [USA Networks'] "Burn Notice," the No. 2 [ad-supported] show on cable.

What does the "Burn Notice" integration entail?

CP: There are Hyundais being driven on the show, we have product placements, and an online game. [The game, "Covert Ops: Vegas Heist," launched in early

Feb and features a video game version of the Hyundai Genesis that Fiona drives in the series]. This is our first integration with "Burn Notice," but we did a similar type of program with "Leverage" last year that worked great.

What's your take on cable vs. broadcast these days?

The way we look at it, broadcast is the reach and cable is the frequency. Both are important, but the reach of broadcast is diminishing, and the reach of cable is expanding so that just makes cable that much more important. And because the cable networks are more specific, we can be more targeted. We have a lot of different models that are appropriate for a broad range of consumers so we play on all the major cable networks [including Discovery, USA, TBS, History, Food, Weather, Lifetime, Bravo and ESPN]. We are selective, but not minimal.

Are you doing more integrations these days?

CP: Cable is more open to these types of programs. Certainly in cable there's a narrower audience, and the ratings aren't as high—but there is some passion behind those ratings. The viewers are really engaged, so the question becomes, "How do we leverage that engagement to help grow our brand beyond a 30-second spot?" With "Leverage" and now "Burn Notice," we are reaching those viewers online and in the show. The other thing about cable is that we are aligning ourselves with consumers' passions—for soccer, for politics like with the CNN campaign last year.

You mentioned soccer...

CP: We have a significant package coming up with ESPN for the World Cup, both broadcast and online. Hyundai is the global sponsor of the World Cup, we have been for the past two or three years and it's been a tremendous opportunity for us.

(Longtime entertainment industry reporter Cathy Applefeld Olson is delighted to be documenting media's wild ride into the 21st century).



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