

CableFAX Daily™

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What the Industry Reads First

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Docket Talk: Verizon Allows Peek At Hill Agenda

Verizon hopes '08 will become the year of nationalization for oversight of broadband and other IP-based telco services. In fact, evp, public affairs *Tom Tauke* told reporters at a Mon media briefing that Verizon's DC agenda will focus heavily on cementing a national legislative framework covering VoIP services. "We need to begin the process of treating voice like data... a bit is a bit is a bit," he said, suggesting abolishment of intrastate access charges related to VoIP. Tauke declined, however, to comment directly on whether the telco will target **Comcast**, **Time Warner Cable** and others with VoIP patent infringement suits it has already slapped on **Cox** and **Charter**. "It is important for us to invest in our intellectual property," he said. Meanwhile, Tauke said the Hill should stay focused on full US broadband deployment and expanding RUS Broadband Loan Program funds. He applauded the FCC's recent order against exclusive cable contracts within MDUs and argued that legislators have done "a lot more to help cable and others into voice than they have done to ease our video entry." And how about this as a nice backhand to cable? Tauke said Verizon has no issues with online peer-to-peer traffic because "frankly, we have a more robust network [than cable ops]."

At Deadline: **Comcast**, **Time Warner Cable** and **Bright House** filed a complaint at the **FCC** Mon against **Verizon**.

The MSOs asked the Commission to take action on certain marketing practices they claim Verizon uses by gleaning carrier proprietary information. For example, if Verizon learns directly from a customer that the customer is leaving its service, Verizon can launch marketing retention efforts. However, the MSOs claim Verizon is violating rules by launching similar retention efforts when it learns a customer is leaving only after a competitor company calls to have Verizon port a customer's number. The MSOs said they have lost thousands of customers due to Verizon's practices.

At the Portals: The **FCC** released its order Mon re-establishing a 30% horizontal cap on cable ownership. The Commission actually suggested 28% was more appropriate, but opted to round up to 30%, saying "this small upward adjustment is unlikely to cause harm." **Comcast** evp *David Cohen* said the MSO plans to challenge the FCC order in the courts. "The FCC action in this case is perplexing from the same Commission that approved the largest telecommunications deal in history with the AT&T merger, as well as two other Bell Company mega-mergers in the past 3 years," Cohen said. "As these FCC decisions have strengthened the hands of our Bell competitors, it is unthinkable that the government would constrain the ability of cable companies like Comcast to compete with these colossal companies that have virtually unlimited financial resources." **NCTA** pointed to the US Court of Appeals rejecting the 30% cap in '01. "We are confident that a court will again reject conclusions that are completely at odds with the realities of a dynamic and competitive marketplace that is providing greater consumer choice and value," an NCTA spokesman said.

Innovation: In **CableLabs'** 3rd Innovation Showcase, cable operators voted **Ruckus Wireless'** 802.11n wireless



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networking system as the “best new idea that is most likely to succeed.” Ruckus demo’d a tech currently in beta testing, with 3 concurrent MPEG-2 HD IPTV streams transmitted using WiFi to 3 discrete HDTVs using a single Ruckus 802.11n Smart Wi-Fi system. Each HD IPTV stream pumped data at 20Mbps while the network was used to make a voice over Wi-Fi phone call, access the Internet and stream video content to an Apple iPhone. **Comcast** svp, strategic planning **Mark Coblitz** said “what we’re seeing in Ruckus is that this might actually work in a consistent way.” Ruckus releases its first 11n products at the end of 1Q, with MSOs already expressing interest in trials, according to pres/CEO **Selina Lo**.

In the States: Comcast is doubling its fastest HSD tier in the Bay Area to 16Mbps, at no additional cost. The automatic upgrade to the new speed tier, called BLAST!, will begin Feb 22 for those who currently subscribed to Comcast’s 8Mbps “Performance Plus” service.

In the Courts: Verizon sued **Charter**, claiming the MSO is infringing on 8 patents for providing phone service on a data network. Verizon wants cash compensation and a court to block Charter from using the technology. The telco filed a similar suit last month against **Cox**.

Carriage: Smithsonian Channel inked with **Charter** and **Verizon** carriage deals, including access to VOD offerings.

DTV Doings: Wal-Mart says 3400 of its stores are stocked with Magnavox’s digital converter box, which retails for \$49.87. The first of the gov’t’s \$40 converter coupons should begin mailing in the next few weeks. **Best Buy** and **Radio Shack** also say they will have boxes in stores by Sun.

VOD: Comcast Spotlight, Comcast’s ad sales arm, will feature some of **HealthiNation’s** VOD programming in Atlanta, Boston, Chicago, Detroit, Philly and Seattle, with rollout across all of Comcast’s markets in May. Comcast Spotlight will offer local sponsorship opportunities to hospitals and other health service providers for HealthiNation’s programs.

Programming: A&E greenlit its 1st original scripted drama in more than 6 years. “Cleaner,” starring **Benjamin Bratt**, is inspired by a true story. William “The Cleaner” Banks (Bratt) strikes a tentative deal with God—in exchange for a 2nd chance, he’ll kick his addictions and dedicate his life to helping others do the same. It’s tentatively slated to premiere this summer. -- **NBCU** added **Oxygen** as an additional platform for its ‘08 Beijing Olympic coverage. Oxygen’s Olympic coverage will air weekdays from 6-8pm ET and will feature a daily look at gymnastics. NBCU will present more than 3600 hours of Olympics coverage. -- **Jack Black** will host **Nick’s** 21st annual “Kids’ Choice Awards,” Mar 29, 8pm. -- Roomies from 20 seasons of **MTV’s** “The Real World” will join together for “The Real World Awards Bash: Roast ‘Em and Toast ‘Em,” Mar 29. The categories and nominees will be revealed on “TRL” this week, and viewers will cast votes online. The awards show will premiere before the Apr debut of RW’s 20th season, “The Real World: Hollywood.”

Online: Yahoo!’s board rejected **Microsoft’s** unsolicited \$44.6bn offer, saying the \$31/share proposal undervalues the Web company. -- **Gospel Music Channel** unveiled its new Website at www.gospelmusicchannel.com. New features include an online community and an e-commerce section developed with Christianbook.com, walmart.com, amazon.com and itunes.com.

On the Circuit: ACC announced the finalists for the ‘08 Beacon Awards. Check out the list at <http://www.cablecommunicators.org>. Winners will be named during the Beacon Awards Gala, Apr 1, Renaissance Mayflower, DC.



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BUSINESS & FINANCE

People: Discovery named Clark Bunting as pres of the newly created emerging nets group (*Cfax*, 2/11), and promoted Carole Tomko to his old gig as pres, **Discovery Studios**. Tomko will continue her duties as gm, **Discovery Health**, **FitTV** and **Discovery Kids**. -- **ESPN** upped Lynn Kadri to vp, special events marketing. -- **Insight** promoted Melani Griffith to svp, programming and video services. The MSO also promoted Scott Schneiderman to svp, strategy and operational finance. -- **Suddenlink** upped Craig Rosenthal to svp. He'll continue his role as gen counsel. Five others were promoted to vps: Chris Bartlow (IT infrastructure), Jeff Bryant (database marketing & analysis), Andy Parrott (technical training & reporting), Frederick Ricker (corporate tax) and Mike Zarrilli (govt relations, sr counsel). -- **Discovery** named former **Cablevision** exec Darin Prill as svp, architecture and development. -- **TV One** hired Scott Perkins as vp, creative services. -- **TV Guide Net** tapped **Tennis Channel's** Timothy Russell as vp, natl ad sales. -- **Disney/ESPN Media's** Lori Conkling will join **Lifetime** Mar 1 as evp, distribution.

Business/Finance: ION Nets will voluntarily delist its Class A common stock from the AMEX upon implementation of its previously announced reverse stock split of Class A and Class B stock. The split is expected to be effective Feb 19.

CableFAX Daily Stockwatch

Company	02/11 Close	1-Day Ch	Company	02/11 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
BRITISH SKY:	43.09	0.25	APPLE:	129.45	3.97
DIRECTV:	23.28	0.15	ARRIS GROUP:	8.57	0.04
DISNEY:	31.93	(0.19)	AVID TECH:	20.98	0.30
ECHOSTAR:	29.19	0.01	BIGBAND:	6.10	0.29
GE:	34.01	0.17	BLNDER TONGUE:	1.80	0.00
HEARST-ARGYLE:	21.70	(0.32)	BROADCOM:	21.68	0.23
ION MEDIA:	1.44	(0.02)	CISCO:	23.52	(0.02)
NEWS CORP:	20.16	(0.14)	COMMSCOPE:	44.80	(0.67)
MSOS					
CABLEVISION:	25.04	(0.03)	CONCURRENT:	0.84	(0.01)
CHARTER:	0.99	(0.01)	CONVERGYS:	14.84	0.20
COMCAST:	17.03	(0.03)	CSG SYSTEMS:	12.14	0.02
COMCAST SPCL:	16.84	(0.02)	ECHOSTAR HOLDING:	34.86	2.78
GCI:	6.09	(0.91)	GEMSTAR TVG:	4.31	(0.03)
KNOLGY:	10.88	0.42	GOOGLE:	521.16	4.47
LIBERTY CAPITAL:	108.68	(0.36)	HARMONIC:	9.51	0.08
LIBERTY GLOBAL:	37.92	0.51	JDSU:	13.59	1.65
LIBERTY INTERACTIVE:	15.60	0.23	LEVEL 3:	2.85	(0.15)
MEDIACOM:	4.64	(0.01)	MICROSOFT:	28.21	(0.35)
ROGERS COMM:	42.97	0.00	MOTOROLA:	11.57	0.31
SHAW COMM:	20.11	0.04	NDS:	51.19	(0.23)
TIME WARNER CABLE:	24.44	0.34	NORTEL:	10.89	(0.18)
VIRGIN MEDIA:	14.54	(0.09)	OPENTV:	1.04	0.00
WASH POST:	739.21	7.21	PHILIPS:	37.70	(0.21)
PROGRAMMING					
CBS:	24.52	(0.06)	RENTRAK:	11.13	(0.38)
CROWN:	5.05	(0.03)	SEACHANGE:	6.43	0.07
DISCOVERY:	21.73	(0.35)	SONY:	43.50	0.51
EW SCRIPPS:	42.10	0.02	SPRINT NEXTEL:	9.73	0.29
GRUPO TELEVISA:	21.66	0.33	THOMAS & BETTS:	40.82	(1.6)
INTERACTIVE CORP:	21.96	(0.15)	TIVO:	8.84	0.36
LODGENET:	16.25	0.05	TOLLGRADE:	5.93	0.08
NEW FRONTIER:	4.79	0.01	UNIVERSAL ELEC:	20.98	(1.92)
OUTDOOR:	7.62	(0.01)	VONAGE:	1.96	(0.03)
PLAYBOY:	8.62	0.02	VYYO:	1.37	(0.1)
TIME WARNER:	15.63	0.04	WEBB SYS:	0.06	0.02
UNIVISION:	36.23	0.00	YAHOO:	29.87	0.67
VALUEVISION:	5.97	(0.06)	TELCOS		
VIACOM:	39.50	(0.06)	AT&T:	36.87	0.50
WWE:	15.31	(0.01)	QWEST:	5.13	0.00
TECHNOLOGY					
3COM:	3.97	(0.02)	VERIZON:	36.79	0.37
ADC:	13.75	(0.07)	MARKET INDICES		
ADDVANTAGE:	4.51	(1.48)	DOW:	12240.01	57.88
ALCATEL LUCENT:	6.01	0.01	NASDAQ:	2320.06	15.21
AMDOCS:	31.59	0.15			
AMPHENOL:	38.32	0.84			

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