

CableFAX Daily™

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What the Industry Reads First

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No Big Guy: Charter Pleads Its Set-Top Case to FCC

We're not **Comcast**. That appears to be the gist of **Charter's** most recent argument at the **FCC** on why it should receive a waiver allowing it to deploy some low-cost set-tops with integrated security after July 1. The agency's Media Bureau last month announced it was denying a similar waiver request from Comcast, hours after FCC chmn *Kevin Martin* declared that, "It's time for us to move forward, and to say 'no' to some of the larger operators asking for further delay without date certain." Although Charter ranks as the country's 3rd largest MSO, it argues that it's an operator of many small, widely dispersed systems with no national backbone interconnecting them. Charter—which has \$20bln in debt, almost 11 times its annualized EBITDA—says it can't afford separable security in every set-top box it deploys after July 1. Compared to other large multichannel providers, the DTV transition will cost Charter "much more" even though it has far fewer financial resources available, the MSO told the FCC in a recent filing. Comcast has asked the full FCC to review its waiver request for exempting certain boxes for 5 years because it believes the Media Bureau erred in its decision last month. Not surprisingly, **CEA** has asked the FCC to reject Comcast's appeal. "Comcast's filing proves, if anything, that the Commission has been far too generous in the discretionary relief it has afforded to date," CEA said in an FCC filing that called the MSO's request "intemperate." Some consumer groups have filed comments supporting Comcast, including the **Hispanic Federation**, the **League of Rural Voters** and **US Hispanic Chamber of Commerce**. Meanwhile, **Liberty Cablevision of Puerto Rico** has asked for the same waiver relief that the Media Bureau granted **BendBroadband** last month. Liberty says it recently completed its migration to an all-digital network, so approval seems likely. It's unclear how much the FCC's Enforcement Bureau would fine a violation after July 1. Per federal regulations, the FCC can charge up to \$32,500 per violation per day, not to exceed \$325K per act—but there's a lot of wiggle room there (i.e., the fine could be per set-top or there could be an overall fine for a provider with several violations, etc).

More NBCU Changes: With *David Zaslav* now heading **Discovery** and *Jeff Zucker* leading **NBCU**, the company has gotten around to combining its cable content and distribution groups under 1 single organization for the 1st time. "Arguably, this is the structure that should've always been in place," said *Jeff Gaspin*, who will head both groups as pres, NBCU cable and digital content. *Bridget Baker*, pres, TV networks distribution, will now report to Gaspin, and the heads of NBCU's cable nets will continue to report to him. The change up is among Zucker's 1st orders of business as pres/CEO. New titles were also bestowed on *Beth Comstock*, who becomes pres, NBCU integrated media, and *Marc Graboff*, who takes the title of pres, NBCU TV, West Coast. Gaspin said bringing the creative and business sides together has its benefits. "As a brand manager... you want people to eat, sleep and breathe your brand. We have not had that cohesion," he said. "The biggest change I want to make is uniting the 2 groups and making us feel like we're part of the same division."

ANOTHER SEASON
TO EVEN THE SCORE.

HIGH STAKES POKER

THE THIRD SEASON

MONDAYS AT 9PM/8C

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Competition: AT&T introduced a website geared toward small business customers at Att.com/onwardsmallbiz, offering free business advice and online courses. It's part of the telco's "Onward Business" ad initiative that began this month in *USA Today* and *WSJ*, and will continue in local markets with online, print and radio spots. -- **Verizon Wireless** launched with musician *Justin Timberlake* "JT-TV," a new "V Cast" channel on fashion, film, music and lifestyle. -- **EchoStar** ended its relationship with independent Santa Ana, CA, retailer **Jerry Dean Grider** d/b/a **JSR Enterprises** following an investigation into alleged violations of telemarketing laws such as the **FTC's** Do-Not-Call Registry. Meanwhile, a St. Louis judge recently issued a temporary restraining order barring the retailer from making telephone solicitations to consumers in MO.

The Word From Nielsen: All DVR viewing is not the same. When playback of a recorded show is close to the original telecast, the show retains more of its audience for commercials, **Nielsen** found. The ratings service also told clients at its annual meeting in Orlando Thurs that certain genres, such as news and sports, get more live viewing. When those genres are recorded, playback occurs closer to the original telecast than average. A snapshot: • During the first 27 hours after being recorded, primetime broadcast commercials gain 16% in ratings among 18-49s with DVRs. After 7 days, the total gain only increases 6 percentage points to 22%. On the other hand, broadcast programs pick up 35% ratings gains in the first 27 hours and a total increase of 47% after 7 days. • 18-34s watch virtually all sports and news DVR recordings within the same day. • 54% of people watching DVR playback are doing so with someone else. -- Nielsen also probed the use of personal video devices, finding 19% of homes have a least 1. Portable DVD players were the most prominent (10% of HHs), while video-enabled cell phones were in just 5% of homes. Even homes with portable screens don't use them much, with two-thirds reporting it had been more than a week since they had watched content on their players.

Satcasters, Start Your Engines: **ESPN** and **EchoStar** hit the gas on a multi-year pact for the net's NASCAR coverage, highlighted by a **DISH** technology trailer that ESPN's production staff and talent will use to air all NASCAR- and Busch Series-related segments. The "ESPN's DISH Tech Center" will power coverage at all race venues. -- **DirecTV** will offer subs free access to its "NASCAR Hotpass" during Sun's Daytona 500. The service features 5 channels, each proffering real-time stats and in-car audio for a different driver. DirecTV will also roll out mobile lounges at NASCAR events.

VoIP: Cable's explosive growth in digital voice has yet to slay **Vonage**, as it added 166K subs in 4Q to end '06 with 2.22mln. But even as rev surged 91% to \$181mln, the company realized a \$65mln loss and sub additions fell 19%.

Online: **The Weather Channel** unveiled at Weather.com/epic a broadband site exploring the impact of weather on extreme sports like surfing, mountain biking and whitewater rafting. It's a companion property to new net series "Epic Conditions" (Mar 4, 9pm). -- **Gemstar-TV Guide** acquired TVshowsondvd.com, TV-now.com, FansofrealityTV.com, and certain assets of eVoke TV. It expects to re-launch Evoketv.com later this year and will unveil an improved JumptheShark.com Feb 28. -- **MTVN's The N** will press play Mon on "Trendetta," its 1st multiplayer online game at **The-N.com**.

In the States: **Cablevision** added to its channel lineup **SNY in HD**, offering more than 300 hours/month of programming, including all of the NY Mets' regular season games.

On the Circuit: **Cartoon's** "Rescuing Recess," **Cox's** "Take Charge! Takes on Internet Safety" and **MTV's** "Break the Addiction" campaigns are the nominees for **CTPAA's** Golden Beacon award. It will bestow the public affairs honor at CTPAA's annual Forum, Mar 13, DC. -- The **SCTE** will take its "Troubleshooting VoIP" seminar on the road to Boxbor-

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ough, MA, Denver, Chicago, Tampa and San Jose. The tour ends in May.

Programming: MSNBC re-signed *Keith Olbermann* to host news program "Countdown with Keith Olbermann" for an additional 4 years. -- Host *Guy Fieri* looks at how retro food favorites are flourishing today in **Food Net's** "Diners, Drive-Ins and Dives" (Apr 23). -- **Discovery Channel** lured in a 3rd season of "Deadliest Catch" (Apr 3).

People: Superstation WGN salesman *Dennis Gillespie* moves over to **GSN** as svp, distribution. He'll be based in NY and oversee subscriber acquisitions and products such as VOD, broadband and intl distribution. -- **Concurrent** promoted *Kirk Somers* to evp, investor relations and genl counsel, and retained **TechCFO** to provide senior financial guidance while searching for a CFO. -- **Turner** promoted *John Kampfe* to CFO, **TBS**, effective Apr 2. Kampfe will also help parent **Time Warner** on financial forecasting and reporting.

Business/Finance: Corporate raider *Carl Icahn* cut his stake in **Time Warner** by about 64% in 4Q, according to an **SEC** filing. Icahn made headlines last year by pushing for TW to spin off its cable business and buy back \$20bln in shares. -- **Arris Group** enacted its previously announced \$1.2bln tender offer for **Tandberg TV (Cfax, 1/17)**. The Tandberg board has unanimously recommended the offer to its shareholders.

CableFAX Daily Stockwatch

Company	02/15 Close	1-Day Ch	Company	02/15 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
ARRIS GROUP:	14.35	(0.06)	AVID TECH:	33.14	0.60
BRITISH SKY:	44.42	0.05	BLNDER TONGUE:	2.14	0.09
DIRECTV:	24.08	0.16	BROADCOM:	35.36	0.86
DISNEY:	34.67	(0.08)	C-COR:	14.26	0.16
ECHOSTAR:	42.00	(0.04)	CISCO:	27.56	0.10
GE:	36.14	(0.33)	COMMSCOPE:	35.94	1.21
HEARST-ARGYLE:	26.38	0.13	CONCURRENT:	1.38	(0.01)
ION MEDIA:	1.43	0.10	CONVERGYS:	26.62	0.07
NEWS CORP:	24.65	(0.14)	CSG SYSTEMS:	25.38	0.31
TRIBUNE:	30.59	(0.13)	GEMSTAR TVG:	4.16	(0.03)
MSOS					
CABLEVISION:	29.54	0.65	GOOGLE:	461.47	(4.46)
CHARTER:	3.14	(0.04)	HARMONIC:	9.01	0.16
COMCAST:	41.34	(0.02)	JDSU:	16.00	0.01
COMCAST SPCL:	40.80	(0.16)	LEVEL 3:	6.37	0.10
GCI:	15.19	0.04	MICROSOFT:	29.46	0.06
KNOLOGY:	14.57	0.37	MOTOROLA:	19.24	0.03
LIBERTY CAPITAL:	106.13	(0.09)	NDS:	48.82	0.17
LIBERTY GLOBAL:	29.95	(0.02)	NORTEL:	31.05	0.55
LIBERTY INTERACTIVE:	24.02	0.58	OPENTV:	2.72	0.12
MEDIACOM:	7.99	0.07	PHILIPS:	39.07	(0.08)
NTL:	28.22	0.00	RENTRAK:	15.08	0.48
ROGERS COMM:	33.11	0.79	SEACHANGE:	10.51	(0.06)
SHAW COMM:	37.15	1.04	SONY:	51.79	(0.2)
TIME WARNER:	21.65	0.17	SPRINT NEXTEL:	18.58	0.05
WASH POST:	788.13	(1.14)	THOMAS & BETTS:	51.57	0.43
PROGRAMMING					
CBS:	31.88	(0.11)	TIVO:	6.25	0.32
CROWN:	3.96	(0.03)	TOLLGRADE:	12.06	0.00
DISCOVERY:	16.61	0.09	UNIVERSAL ELEC:	20.83	0.22
EW SCRIPPS:	48.40	(0.39)	VONAGE:	5.30	(0.54)
GRUPO TELEVISA:	29.76	(0.36)	VYYO:	4.22	0.05
INTERACTIVE CORP:	39.85	0.00	WEBB SYS:	0.04	0.00
LODGENET:	26.32	(0.42)	WORLDGATE:	1.17	0.02
NEW FRONTIER:	9.32	(0.1)	YAHOO:	31.25	0.59
OUTDOOR:	11.75	(0.1)	TELCOS		
PLAYBOY:	10.79	0.02	AT&T:	37.23	0.04
UNIVISION:	35.93	0.04	QWEST:	8.43	0.24
VALUEVISION:	12.65	(0.02)	VERIZON:	38.40	(0.23)
VIACOM:	40.16	0.02	MARKET INDICES		
WWE:	16.07	(0.04)	DOW:	12765.01	23.15
TECHNOLOGY					
3COM:	3.94	(0.03)	NASDAQ:	2497.10	8.72
ADC:	17.26	0.27			
ADDVANTAGE:	3.73	(0.01)			
ALCATEL LUCENT:	13.16	(0.11)			
AMDOCS:	33.65	0.07			
AMPHENOL:	67.47	(0.08)			



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PROGRAMMER'S PAGE with Chad Heiges and Seth Arenstein

A Gorgeous Reality

VH1 struts out next week new reality series "The Agency" (Tues, 10pm), providing a peek into **Wilhelmina Modeling's** daily dealings with a most fickle and subjective commodity: flesh. As beautiful, poised men and women translate into a graceful bottom line, there's little time for niceties in the business of beauty. You're too short, too tall, too chunky, too ugly, and have bad skin and eyes that are too close together. That's just some of the brutal honesty exhibited by Wilhelmina staffers in the series' initial ep. But soon their nervous/demanding/opportunistic demeanors steal the (fashion) show. "We fell in love with the really big personalities [at the agency]," said VH1 svp, programming and production *Shelly Tatro*. "Most people only see the pretty side of the business, but we hope what people see are great characters, especially the agents." And they may even find out plausible answers to a tricky proposition: what makes a bankable body and face? But before you don your finest silks, apply makeup where necessary (OK, maybe not you, guys) and place every hair just so in hopes of slaying an audition, remember that this reality is most likely never going to be your reality. What it is, however, is part of VH1's recent focus on the reality TV genre, one that has paid off handsomely with smash hits such as "The Surreal Life" and "The Flavor of Love." The success of these series and all reality programming hinges on compelling characters and storylines, said Tatro, who admits that a dearth of both may hamper the reality TV juggernaut. "I'm actually surprised it's still working for everyone," she said. This new series pushes VH1's envelope, as it represents the net's 1st foray into reality content that doesn't feature household names. "We're hoping this opens new doors for us," Tatro said. While for some, a bright smile and a killer body open a lot more than doors. *CH*

Highlights: "Ghosts of Abu Ghraib," Thurs, 9:30pm, **HBO**. A brutal example of mob mentality and scathing indictment of *Donald Rumsfeld's* policy. -- "Longford," Sat, 8pm, **HBO**. A tour de force for *Jim Broadbent* as a supreme if misguided humanitarian. *SA*

Worth a Look: "The Search for George Washington," Sat, 10pm, **History**. An interesting look at GW's looks, culled from a life mask, modern forensics and dentistry (don't bite on the legend of George's wooden teeth). The end products are rigorously researched life-size (Washington stood 6', 3" tall) models for a new museum at Mt Vernon. But things get a touch personal as we witness an investigation of the old man's breeches, for goodness sake, or when depictions of our country's father, unclothed, fill the screen. We're told the opposite sex liked president #1, and he reciprocated. Yep, nothing's sacred. -- "The Agency" Tues, 9pm, **VH1**. This series about NY agents at the cut-throat **Wilhelmina Modeling** agency (see Heiges' review above) seems perfect for VH1. It's entertaining, and the weightiest "issues" are pure flesh as aspiring models must shed or gain pounds. Agent Becky is a reality series creator's dream—a peripatetic, potty-mouthed Brit with the warmth of a snowstorm. Oh, and did we mention a surfeit of toned anorexics in swimsuits? *SA* [More reviews at www.cable360.net]

Basic Cable Rankings (2/05/07-2/11/07) Mon-Sun Prime			
1	USA	2.2	1980
2	DSNY	2.1	1847
3	LIFE	1.5	1370
3	FOXN	1.5	1326
5	TNT	1.4	1329
5	TBSC	1.4	1260
7	NAN	1.3	1198
8	A&E	1.2	1118
8	TOON	1.2	1072
8	CORT	1.2	893
11	ESPN	1.1	1016
11	HALL	1.1	829
13	AMC	1	909
13	SPK	1	905
15	HGTV	0.9	853
15	DISC	0.9	827
15	FX	0.9	802
15	HIST	0.9	793
15	CMDY	0.9	792
15	MTV	0.9	777
15	SCIF	0.9	765
15	TVLD	0.9	762
23	CNN	0.8	719
23	TLC	0.8	698
23	FAM	0.8	698
26	FOOD	0.7	627
27	BET	0.6	495
27	NGC	0.6	362
27	SOAP	0.6	328
27	LMN	0.6	298
31	VH1	0.5	493
31	BRAV	0.5	450
31	MSNB	0.5	431
34	APL	0.4	401
34	ESP2	0.4	394
34	EN	0.4	392
34	HLN	0.4	368
34	TTC	0.4	330
34	CMT	0.4	294
34	WGNC	0.4	251
34	GSN	0.4	243
42	TVGC	0.3	259
42	TWC	0.3	249
42	SPD	0.3	210
42	OXYG	0.3	194
42	TDSN	0.3	188

*Nielsen data supplied by ABC/Disney

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