

CableFAX Daily™

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What the Industry Reads First

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Boom Boom Pow: Faster, Better, Stronger Broadband

At the same time **NTIA** announced that 30% of people don't use the Internet at all, **FCC** chmn *Julius Genachowski* said his agency broadband plan will set goals for 100m HHs at 100 Mbps. "And we should stretch beyond 100 megabits. The US should lead the world in ultra-high-speed broadband testbeds as fast, or faster, than anywhere in the world. In the global race to the top, this will help ensure that America has the infrastructure to host the boldest innovations that can be imagined," Genachowski said at the **Natl Assoc of Regulatory Utility Commissioners'** conference in DC Tues. The **FCC's** National Broadband Plan, which describes a 2020 broadband vision, is due to Congress next month. The plan's recommendations will include development of public/private partnerships to increase adoption (like **NCTA's** A+ program to bring broadband to low-income middle schoolers and their families) and recommendations to free up significant spectrum in the years ahead for licensed and unlicensed use. NTIA's report released Wed is a 1st look at data collected through the Internet Usage Survey of more than 50K HHs, commissioned by NTIA and conducted by the **US Census Bureau** in Oct. One of the findings is that the digital divide is narrowing, though it has a way to go. 66% of urban homes had broadband in '09 vs 54% of rural homes. In Oct '07, the gap was 54% vs 39%. Broadband Internet access at home grew to 64% of HHs last year from 51% in Oct '07. The 2 most common reasons cited for not having broadband is that it's perceived as not needed (38%) or too expensive (26%). At the same time, **Sanford Bernstein's** *Craig Moffett* sent out a research note Tues calling the deficiency in broadband penetration rates among homes passed that don't subscribe to cable video the "industry's greatest single opportunity." While broadband take rates are high among video subs, cable broadband penetration for non-video subs (primarily DBS users) is "dismal," Moffett said, pointing to 12-13% penetration at **Cablevision** and **Time Warner Cable**. While Washington is fixated on increasing broadband adoption, Moffett hopes cable will make the transition over the next 5-10 years to "telecommunications providers, of bits and bytes rather than 'channels.'" "Linear video will, no doubt, continue to exist, and even to thrive, but broadband will by then almost inarguably be the core business for the cable MSOs," he wrote. Sounds like some are already trying to portray that message. TWC sent out a news release Tues announcing that it had recently reached 9m HHs (more than 62% of its sub base takes residential high-speed data). It ended '09 as the 3rd largest ISP in the US in terms of total number of residential and commercial broadband customers.



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Getting Wild: Fox Reality's changeover to **Nat Geo Wild** (*Cfax*, 10/19) is closer to reality, with **Time Warner Cable** informing Southern CA subs the changeover will happen Mar 29. A similar notice for NYC suggests a switch around Mar 24. The channel is already available in 50 counties, including France and Australia. According to Nat Geo Wild's Website, others, including **Comcast**, will carry the net. If it keeps Fox Reality's distribution, it will launch next month in nearly 50mlns homes.

Love Me Tender: Carl Icahn tendered an offer for up to 13.2mln shares of **Lionsgate** at \$6 per, which together with his current holdings would up his stake in the TV/film studio to 29.9%. Lionsgate said its board will review the offer, which could trigger a default on its credit facility whereby lenders are able to demand accelerated repayment. Icahn said the default could be avoided through a waiver from lenders or prepayment of the debt.

Competition: Qwest reported mass markets segment rev of \$1.2bln, down 13% YOY in increased wireless substitution and unemployment and low business formation. The telco added 23K net broadband subs to total nearly 3mln (FTTN customers tally 420K), 23K **DirecTV** customers and 64K wireless subs. At the end of the Q, approx 15% of Qwest's primary access line customers were subscribing to DirecTV services.

In the Courts: A NY court denied Tues **DirecTV's** request for a temporary restraining order to prevent **DISH** from running certain ads featuring comparative pricing of video service packages offered by the DBS ops (*Cfax*, 2/16). Pleased by the ruling, DISH expressed confidence that it would also prevail in the related lawsuit.

VOD: Suddenlink added to its on-demand slate free content from **ABC**, **ABC Family**, **Disney Channel** and **ESPN**, including "The Secret Life of the American Teenager," "Handy Manny" and X Games content, and disabled the fast-forward option for all ABC content. -- **Comcast** subs snowed in for Snowpocalypse I and II last week fired up the VOD. Comcast's Eastern Div reports an almost 20% increase in VOD orders on Feb 5 and 6, compared to the same Fri/Sat a year ago. The top 5 transactional movies ordered from customers during that period: "Love Happens," "Cloudy with a Chance of Meatballs," "Tyler Perry's I can Do Bad All By Myself," "Amelia" and "Paranormal Activity."

Advertising/Marketing: MTVN is using **Quantcast** to offer advertisers enhanced audience targeting across its domestic online portfolio, including **MTV.com**, **VH1.com**, **ComedyCentral.com** and **Spike.com**. Partners may now target video and display activity at the impression level based on audience criteria such as "moms with kids" or "high-income men." -- **Adult Swim** expanded its promotional relationship with **Burger King** to include "Big Uber Network Sampling," which allows viewers to now vote at BK-branded portal AdultSwim.com/buns, on which pilot eps should make the net's air on Mar 22. Starting Apr 26, the pair will invite fans to develop their own programming blocks, with fans voting on 2 winners' lineups and one's to air on the net during the week of Jul 5.

Programming: **CNBC's** *Charlie Gasparino* signed a multi-year deal with **Fox Business** to serve as a sr correspondent. He'll make his debut on the net Mon. -- **Syfy** greenlit "WWE NXT" (Feb 23), a hybrid live event/reality show featuring 8 **WWE** wrestling stars tutoring 8 rookies. -- **Centric** original docu-series "Model City" (Thurs) spotlights the experiences of minority male models in the fashion industry. -- **Discovery Channel's** "King Tut Unwrapped" reveals over 2 nights (Feb 21, 22) the true identity of the boy king's parents and grandparents, his cause of death and other new details.

Obit: The industry is mourning the loss of **CTAM's** *Howard Marcentel*, who suffered a heart attack and died suddenly Mon. He served as vp, educational events for the association for the past 2 years, leading development of the content

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BUSINESS & FINANCE

for the annual CTAM Summit, Research Conference and other educational programs. Prior to that, Marcen-tel spent time at **Discovery Comm**, **NAB** and **NCTA**. "He led us to new thinking, paved the way to success, and kept us laughing at every turn. He is dearly missed," CTAM said.

People: Animal Planet tapped **Histo-ry** vet **Andy Weissberg** as vp, program planning and scheduling. -- **RHI Ent** named **Susan Sheppard** svp, business and legal affairs. -- **The Weather Channel** promoted **Sheri McGaughy** to vp, legal. -- **NESN** promoted **Ray Guilbault** to COO/CFO and **Vanessa Brown** to vp, human resources and organizational dev. -- **Johanna Fuentes**, formerly of **Bravo**, joined **Showtime Nets** as vp, corporate public relations.

Business/Finance: With **Charter** expected to file for **NASDAQ** listing of its common shares this year, **Paul Allen** recently exchanged the final 0.19 Holdco Unit for an additional 213K shares of Charter common stock. 100 total Holdco units were issued to Allen and certain affils as part of the MSO's reorg. -- **ReelzChan-nel** acquired movie site Hollywood-PressTV.com in a deal that brings site co-founder **Steve Patterson** to the net as a correspondent. -- **Comcast's** investment arm led a \$16mln round of Series B funding for **TidalTV**, a firm focused on online advertising optimization. **Comcast Interactive Capital's** managing dir **David Horowitz** will join TidalTV's board.

CableFAX Daily Stockwatch

Company	02/16 Close	1-Day Ch	Company	02/16 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
BROADCASTERS/DBS/			AMPHENOL:	41.30	1.42
BRITISH SKY:	33.30	0.15	AOL:	23.76	(0.1)
DIRECTV:	30.90	0.21	APPLE:	203.40	3.02
DISH:	19.06	0.68	ARRIS GROUP:	10.28	(0.03)
DISNEY:	30.47	0.40	AVID TECH:	13.37	0.28
GE:	16.04	0.49	BIGBAND:	2.99	0.04
NEWS CORP:	15.85	0.37	BLNDER TONGUE:	1.11	0.03
MSOS					
CABLEVISION:	22.17	(0.25)	BROADCOM:	31.57	0.62
COMCAST:	15.67	0.33	CISCO:	24.00	0.24
COMCAST SPCL:	14.83	0.31	CLEARWIRE:	7.03	0.30
GCI:	5.66	0.05	COMMSCOPE:	27.19	0.08
KNOWLOGY:	11.25	0.08	CONCURRENT:	4.61	0.18
LIBERTY CAPITAL:	28.63	1.39	CONVERGYS:	12.31	0.51
LIBERTY GLOBAL:	24.73	0.42	CSG SYSTEMS:	20.31	0.21
LIBERTY INT:	11.00	0.13	ECHOSTAR:	19.26	0.10
MEDIACOM:	4.28	0.03	GOOGLE:	541.30	8.18
RCN:	10.67	0.46	HARMONIC:	6.15	0.02
SHAW COMM:	18.72	0.38	INTEL:	20.72	0.29
TIME WARNER CABLE:	45.68	0.53	JDSU:	9.60	0.35
VIRGIN MEDIA:	14.97	0.76	LEVEL 3:	1.32	(0.06)
WASH POST:	414.77	6.21	MICROSOFT:	28.35	0.55
PROGRAMMING					
CBS:	13.27	0.36	MOTOROLA:	7.26	0.11
CROWN:	1.58	0.06	NORTEL:	0.32	0.00
DISCOVERY:	28.94	0.25	OPENTV:	1.54	0.02
GRUPO TELEVISA:	19.10	0.46	PHILIPS:	29.17	0.15
HSN:	19.53	(0.04)	RENTRAK:	19.43	0.73
INTERACTIVE CORP:	21.60	0.06	SEACHANGE:	7.00	0.13
LIBERTY:	36.12	0.95	SONY:	34.22	0.16
LIBERTY STARZ:	47.11	(0.19)	SPRINT NEXTEL:	3.15	(0.01)
LIONSGATE:	5.48	0.25	THOMAS & BETTS:	35.36	0.78
LODGENET:	5.74	0.02	TIVO:	9.83	0.24
NEW FRONTIER:	1.93	0.07	TOLLGRADE:	6.43	(0.07)
OUTDOOR:	5.17	0.00	UNIVERSAL ELEC:	23.42	0.65
PLAYBOY:	3.38	0.02	VONAGE:	1.54	0.05
RHI:	0.35	0.01	YAHOO:	15.41	0.24
SCRIPPS INT:	39.25	0.63	TELCOS		
TIME WARNER:	28.70	0.82	AT&T:	25.32	0.25
VALUEVISION:	3.76	0.04	QWEST:	4.45	0.02
VIACOM:	31.15	0.49	VERIZON:	29.18	0.25
WWE:	16.10	0.02	MARKET INDICES		
TECHNOLOGY					
3COM:	7.52	(0.02)	DOW:	10268.81	169.67
ADC:	6.60	(0.05)	NASDAQ:	2214.19	30.66
ADVANTAGE:	2.25	0.03			
ALCATEL LUCENT:	2.78	0.09			
AMDOCS:	28.98	0.12			



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