

CableFAX Daily™

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What the Industry Reads First

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Martin Up: Kerry Gets FCC Promise to Investigate DirecTV-MLB Deal

FCC chmn *Kevin Martin* now plans his own investigation of **DirecTV** and **MLB's** exclusive Extra Innings deal, which was expected to be announced any day now. Sen *John Kerry* (D-Mass), who raised concerns about the deal earlier this month (*Cfax*, 2/1), said Martin promised in a letter received Thurs to investigate "the implications for consumers and any recommended changes to the law to ameliorate any harms to consumers." Martin has already requested details from DirecTV and MLB. "I am concerned whenever consumers cannot purchase the programming they want or are forced to purchase programming they don't want," Martin wrote. Kerry's office provided a copy of the letter late Thurs. Kerry said it's "great news" that Martin's apparently concerned about "a deal that has the potential to deny choice to so many consumers." Meanwhile, **EchoStar** also voiced its objections late Wed. "This MLB exclusive is a dangerous step backwards to an anti-competitive world in which only the chosen few have access to America's favorite," the DBS rival said in a 300-word statement blasting the deal. Despite all the concerns, however, there's some hope the deal might not be as exclusive as once thought. Quoting industry sources, *Sports Business Daily* says the out-of-market package would only be exclusive for the first 3 years of the 7-year term. Of course, that doesn't necessarily mean cable would get the package in 2010. MLB and DirecTV could agree to keep it exclusive, as **NFL** and the DBS provider did in '04 for Sunday Ticket.

Retrans Row: CBS Boasts of 9 Retrans Deals

Considering how much **CBS' Les Moonves** has boasted of cash for carriage over the years, the broadcaster's Thurs announcement that it had inked 9 retrans deals with cable operators was a bit of a letdown. Where was the Moonves that brazenly suggested CBS get 50 cents/sub or a rate along the lines of **USA**, last year's top-rated primetime cable net? Instead, there was only the implication that CBS is getting cash (maybe the boldness will return during Tues' earnings call). "Clearly there is a new paradigm in the marketplace—one that recognizes the value of the content that we bring to our various audiences," Moonves said. "This is a trend that bodes well for us going forward as future retransmission deals are negotiated." CBS announced deals with 9 unnamed ops that cover 1mln subs; some of those ops are top 25 MSOs. All of the deals include analog, digital, multicast and HD rights to programming on CBS owned-and-operated stations (CBS declined to say which O&Os are involved in the pacts). The broadcaster has said most of its large cable deals don't expire until 2009-2010. "Although it is too soon to tell exactly what impact these deals will have, CBS has definitely been pressuring independent operators to sign retrans deals," **ACA's Matt Polka** said Thurs. "And there is definitely a 'cost' to these agreements that consumers will have to bear." Moonves' words bore a striking resemblance to **Sinclair CEO David Smith**, who earlier this month urged broadcasters to demand cash for carriage in this "significant time in history." Sinclair recently inked deals with **Mediacom** and **Time Warner Cable**. **Comcast** is currently negotiating with Sinclair, with 3mln subs at risk of losing 30 stations in 23 markets if the 2 don't reach an agreement by Mar 1. Comcast has said it

EVERYONE PLAYS HARDER IN VEGAS

FEBRUARY 25 - MARCH 4

Tennis Channel welcomes back defending champion **James Blake** to its Las Vegas tournament, in addition to superstar **Lleyton Hewitt** and twin doubles champs **Bob and Mike Bryan**. Thanks to everyone who makes the Tennis Channel Open one of the most thrilling tournaments of the year!

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won't pay cash for the stations. Meanwhile, the **Coalition for Retransmission Reform** (which includes **Cox** and **Bright House**) just last week filed comments at the FCC bemoaning the current regime. "Since there is general consensus that broad attainment of cash compensation for retransmission consent by one network will lead to cash payments for all 4 networks, entry-level basic tier subscribers could soon face fee hikes of roughly 15% on average," the coalition warned.

State Franchising: IL Rep **James Brosnahan** on Wed introduced a state video franchising bill that would place authorization in the hands of the **IL Commerce Commission**. The bill as written allows new video entrants to apply for a statewide license and overbuilders to convert from local to statewide agreements but requires incumbent operators to complete their current pacts before opting for a new deal.

In the Courts: **Cisco** and **Apple** have ended their dispute over use of the "iPhone" name (**Cfax**, 1/12), agreeing Wed to a shared arrangement. Apple will continue to use the moniker for its multimedia device—a hybrid iPod, cell phone and Internet browser—in exchange for exploring interoperability options between the pair's products in security, consumer and business communications. -- **Verizon** claimed Wed in a VA court that **Vonage** has infringed on 5 of its Internet phone service patents, and seeks \$197mln in damages and future royalties. At issue are methods for billing and fraud detection in services such as call forwarding and voicemail, and the use of Wi-Fi handsets in an Internet phone network.

Competition: **Verizon** will offer by the end of Mar user-generated content from **Revver.com** through its entertainment portal at **Surround.verizon.com**. The content will hit FiOS TV later this year and will be free to all VZ video and broadband subs. -- The village of Port Chester, NY, on Wed approved a video franchise for **Verizon**, bringing to 27 the number of NY communities that have greenlit **FiOS TV**. The PA community of Lower Merion Township also awarded VZ a video franchise Wed, lifting the number of state HHs covered by agreements to 516K.

Mobile: **NTN Buzztime** launched a text messaging service allowing mobile users to send text messages to Buzztime TV screens in thousands of restaurants and sports bars across the country.

In the States: Fiber-to-home overbuilder **Optical Entertainment Network** announced commercial availability in Houston of its "FISIONT" triple-play bundle. The IPTV portion offers 85 nets and more than 40 HD channels

Online: **Turner** said its broadband comedy site **Superdeluxe.com** has attracted 1mln unique users since its mid-Jan launch and added **Dimension Films** as a new site sponsor. -- **Brightcove** powered the launch of **Juniper Content's** broadband video service for Latino kids at **Sorpresatv.com**. Programming from the Sorpresa! channel is also available at **Brightcove.com**. -- **IFC Ent** now offers 13 films from its theatrical catalog at **iTunes** for a \$10 download price.

Programming: **C-SPAN's** "American Perspectives" will look at the movie industry and its impact on the economy, Sat, 8pm ET. **MPAA's** *Dan Glickman* and actor *Will Smith* are among those featured. -- **AMC** will follow its initial original series "Mad Men" (summer) with "Breaking Bad" ('08), a drama chronicling the life of a desperate family man who slips into a life of crime. -- **WE tv**, **IFC** and **AMC** will share coverage of Sat's '07 "Film Independent's Spirit Awards," to be hosted by comedian *Sarah Silverman*. WE will handle red carpet coverage (4:40pm ET), IFC will air the ceremony (5pm), and AMC will feature a rebroadcast (10pm). -- Musicians such as *Mary J Blige* relate their personal struggles with mental health issues in **mtvU's** "Half of Us Mental Health Specials: *Mary J, Pete Wentz, Nelly Furtado, Max Bemis,*" part of the net's spring programming slate. -- *John McEnroe* and *Martina Navratilova*

THE ALL-AMERICAN REJECTS THE USED

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will lead the **Tennis Channel's** French Open coverage, beginning in May.

Affil Relations: Kicking off Mon in Orlando is **Nickelodeon's** "Slime Across America" tour, which will hit 20 US cities in promotion of the net's "Kids' Choice Awards" (Mar 31). An additional 30 stops will be slimed starting Apr 1, and several portions of each leg will be featured on the net.

Still Partying: If you're *Fred Dressler*, the good-bye parties just don't stop. Our spies tell us the latest shindig for the retired **Time Warner Cable** vet was set for Thurs night at *Haim Saban's* West Coast pad.

On the Circuit: **WICT** awarded 3 fellowships to its upcoming leadership conference in NYC, Mar 7-8. The winners are: **Comcast Networks' Kristi DeSimone**, **Turner Studios' Erika Feldstein** and **Cox OK City's Sereta Volk**. In the States: **Comcast** added **SOAPNet** to its digital lineup in Spokane, WA, and western portions of the state.

Business/Finance: **Knology's** 4Q rev rose 12% to \$67mIn, while its net loss of \$7.7mIn improved on the \$10.5mIn reported for 4Q05. The company added 3.84K connections in the Q and 29.46K for '06, comprised of 3.15K video, 9.76K voice and 16.56 data. As of Dec 31, Knology passed 759K HHs. '07 guidance includes rev of \$285mIn and capex of \$31mIn.

CableFAX Daily Stockwatch

Company	02/22 Close	1-Day Ch	Company	02/22 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
BROADCASTERS/DBS/			AMDOCS:	35.67	0.56
BRITISH SKY:	44.56	0.22	AMPHENOL:	67.79	(0.13)
DIRECTV:	23.13	(0.27)	ARRIS GROUP:	15.02	(0.24)
DISHNEY:	35.16	0.02	AVID TECH:	33.90	0.08
ECHOSTAR:	42.44	0.09	BLNDER TONGUE:	2.21	0.01
GE:	35.40	(0.23)	BROADCOM:	36.42	0.95
HEARST-ARGYLE:	26.34	0.04	C-COR:	14.96	0.36
ION MEDIA:	1.27	(0.03)	CISCO:	27.40	0.02
NEWS CORP:	24.81	(0.14)	COMMSCOPE:	37.17	(0.08)
TRIBUNE:	30.64	0.01	CONCURRENT:	1.45	(0.03)
MSOS					
CABLEVISION:	29.38	(0.45)	CONVERGYS:	26.73	(0.26)
CHARTER:	3.10	(0.01)	CSG SYSTEMS:	25.58	(0.05)
COMCAST:	27.45	(0.34)	GEMSTAR TVG:	4.25	(0.03)
COMCAST SPCL:	27.18	(0.37)	GOOGLE:	475.85	(0.01)
GCI:	14.79	(0.19)	HARMONIC:	9.18	0.02
KNOLOGY:	14.92	0.21	JDSU:	16.97	0.17
LIBERTY CAPITAL:	106.21	0.46	LEVEL 3:	6.60	(0.07)
LIBERTY GLOBAL:	30.06	(0.04)	MICROSOFT:	29.39	0.04
LIBERTY INTERACTIVE:	24.07	(0.17)	MOTOROLA:	18.96	0.06
MEDIACOM:	7.95	0.02	NDS:	50.51	0.90
NTL:	28.22	0.00	NORTEL:	31.26	0.01
ROGERS COMM:	33.89	(0.4)	OPENTV:	2.85	0.03
SHAW COMM:	37.01	(0.37)	PHILIPS:	38.84	(0.26)
TELEWEST:	24.20	0.00	RENTRAK:	15.20	0.51
TIME WARNER:	21.60	(0.05)	SEACHANGE:	10.83	0.06
WASH POST:	789.77	(1.23)	SONY:	52.47	(0.44)
PROGRAMMING					
CBS:	31.55	(0.15)	SPRINT NEXTEL:	19.24	0.27
CROWN:	4.14	(0.02)	THOMAS & BETTS:	53.76	0.76
DISCOVERY:	16.27	(0.17)	TIVO:	6.51	0.03
EW SCRIPPS:	48.82	(0.14)	TOLLGRADE:	12.45	0.09
GRUPO TELEVISIA:	29.68	(0.16)	UNIVERSAL ELEC:	22.54	0.49
INTERACTIVE CORP:	40.55	0.29	VONAGE:	5.33	(0.04)
LIBERTY:	8.32	0.06	VYYO:	4.20	(0.06)
LODGENET:	27.58	0.29	WEBB SYS:	0.04	(0.01)
NEW FRONTIER:	9.12	(0.35)	WORLDGATE:	1.20	0.05
OUTDOOR:	12.02	0.04	YAHOO:	31.60	(0.05)
PLAYBOY:	10.64	0.04	TELCOS		
UNIVISION:	36.03	0.02	AT&T:	37.05	(0.16)
VALUEVISION:	12.75	(0.03)	QWEST:	8.48	0.16
VIACOM:	40.47	(0.15)	VERIZON:	38.44	0.15
WWE:	16.33	0.13	MARKET INDICES		
TECHNOLOGY					
3COM:	4.15	0.05	DOW:	12686.02	(52.39)
ADC:	17.01	(0.15)	NASDAQ:	2524.94	6.52
ADDVANTAGE:	3.63	(0.01)			
ALCATEL LUCENT:	13.14	0.07			

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PROGRAMMER'S PAGE with Chad Heiges and Seth Arenstein

Hungry For Viewers

What *Takeru Kobayashi* and his counterparts can do is at once impressive and nauseating. The diminutive Japanese man is the best competitive eater among the 6K professionals registered with the **International Federation of Competitive Eating**, and an owner of several world records. Last year he inhaled 54 hot dogs in 12 minutes at the famous Nathan's Coney Island hot dog-eating contest and ate 58 brat sausages in 10 minutes in WI. While there was no word on subsequent stomach pains, **Spike** hopes for nothing but pleasure from a new programming deal with **Major League Eating**, the "sport's" world governing body. The 1st of 4 events will air Mar 17 (7pm) on the net, a "St. Patrick's Day Showdown" from Savannah, GA, where combatants will compare gastrointestinal fortitude in consuming corned beef and cabbage, beef tongue and green donuts. "If you see a guy eating a beef tongue, you are going to stop and watch," said Spike gm *Kevin Kay*. "We want to eventize competitive eating with good hooks and twists, and build fans' allegiance." The net's primarily young male audience will (pardon the pun) eat up these events, said Kay, because competition and food consumption typify the American man. To lure viewers to the initial event—and presumably before the franchise really gets cooking—Spike will air its wildly popular UFC battles. Kay also touts the involvement of MLE execs *George* and *Richard Shea*, who will host the event telecasts. "These guys are great promoters," he said. It's still unclear which of the roughly 100 annual MLE events will adorn the 3 remaining slots. Delicacies being considered (of course all in large amounts) include jalapenos, chili cheese fries, and soft pretzels. Great fun if competitive eating doesn't tie viewers' stomachs in knots. *CH*

Highlights: "A Distant Shore: African Americans and D-Day," Sat, 7pm, **History Channel**. This short special tells the often overlooked story of African-American soldiers' role in the D-Day Invasion, which your subs hear from the soldiers themselves, many of whom remain bitter. And the soldiers offer a description of the invasion, as combatants and African Americans, providing rare insight into the reality of war. *SA*

Worth a Look: "Spoons," Fri (tonight), 11pm ET, **BBC America**. This weekend's BBC America hype surrounds the finale of political thriller "The State Within" (Sun, 9pm ET, BBC A). While the last 2 hours outdo its first 2, the ending's a bit disappointing. That's why our pick is "Spoons," a sketch comedy debuting tonight. While not every Spoons sketch produces laughter, each is short, never overstaying its welcome—an element most comedy troupes don't understand. – "Women on Death Row II," Mon, 9pm, **WE**. Your subs will be torn between pitying these women and hating them for their crimes. – "Decoding Disaster," Wed, 10pm, **Discovery Times**. A slight departure for DT as it investigates crashes, explosions and natural disasters. *SA*

Notable: "Big Break VII: Reunion," Sun, 10pm ET, **Golf Channel**. Players from previous "Big Breaks" (including *Cfax* fave *Pam Garrity-Crikelair*) tee it up in Reunion, FL, of course. *SA*

Basic Cable Rankings (2/12/07-2/18/07)			
Mon-Sun Prime			
1	TNT	2.2	2004
2	DSNY	2.1	1919
3	USA	2	1860
4	TBSC	1.5	1403
5	FOXN	1.4	1311
6	A&E	1.3	1230
6	LIFE	1.3	1221
6	TOON	1.3	1163
6	CORT	1.3	988
10	SPK	1	941
10	AMC	1	894
10	ESPN	1	884
10	HALL	1	780
14	HIST	0.9	853
14	FX	0.9	844
14	DISC	0.9	829
14	HGTV	0.9	827
14	FAM	0.9	811
14	SCIF	0.9	799
14	CMDY	0.9	796
14	TVLD	0.9	769
22	NAN	0.8	744
22	MTV	0.8	734
22	CNN	0.8	711
22	TLC	0.8	694
26	VH1	0.7	650
27	FOOD	0.6	540
27	SOAP	0.6	360
27	LMN	0.6	306
30	BET	0.5	457
30	BRAV	0.5	447
30	HLN	0.5	422
30	MSNB	0.5	397
30	SPD	0.5	368
30	NGC	0.5	322
36	APL	0.4	378
36	EN	0.4	376
36	TWC	0.4	357

*Nielsen data supplied by ABC/Disney

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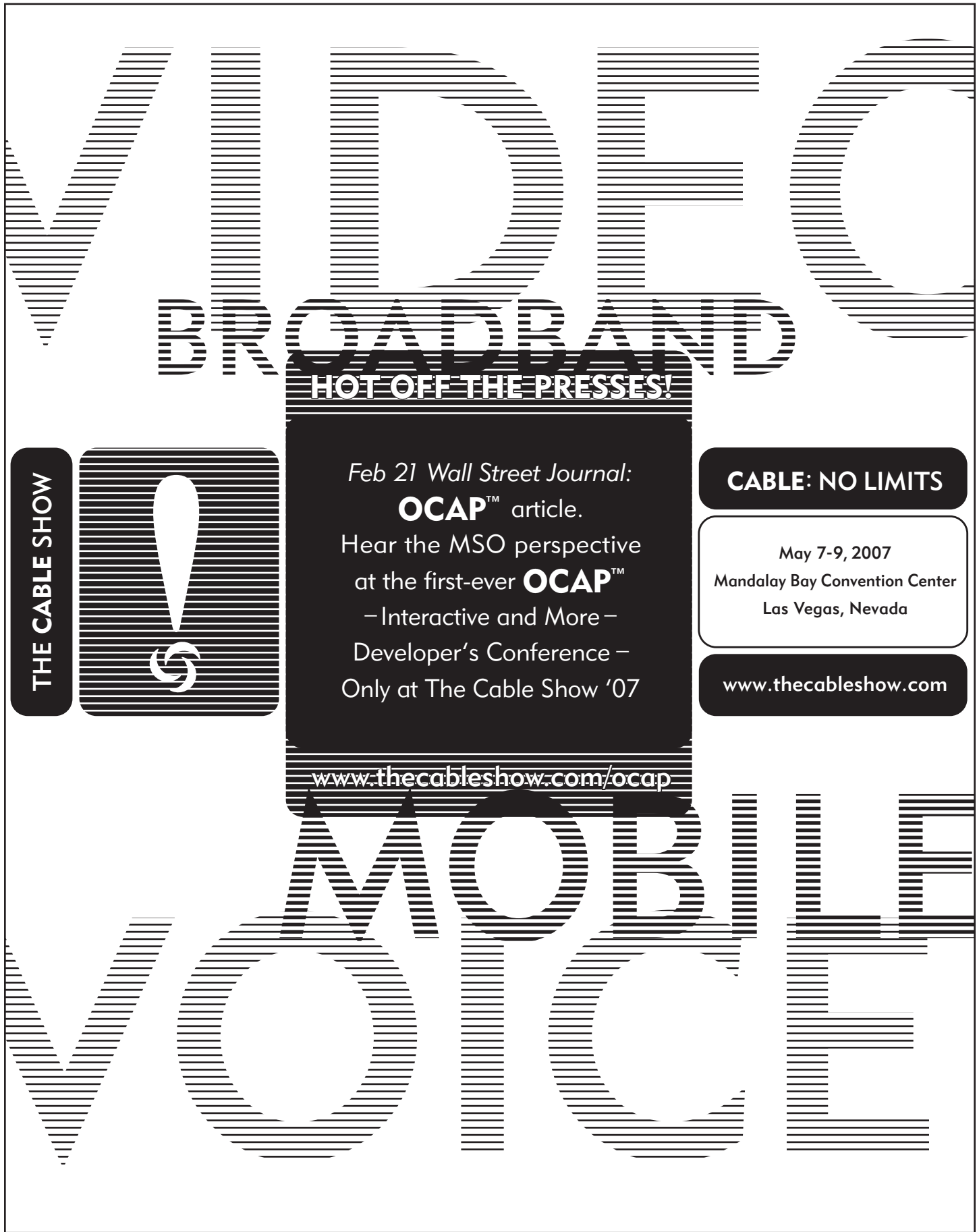
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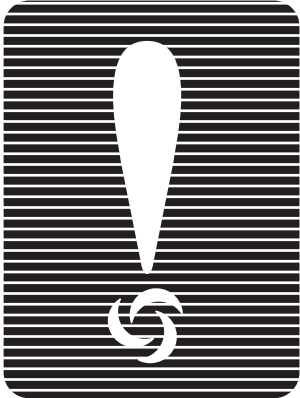
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