

CableFAX Daily™

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What the Industry Reads First

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Telco Gatekeepers: Verizon's Terry Denson Takes Disciplined Approach

Terry Denson, Verizon's VP content strategy and acquisition, is a busy guy. With a freshly inked Apple deal and series of recent announcements aimed at making FiOS programming available where ever customers want to access it, Denson talked with Cathy Applefeld Olson about plans for expanding distribution and its "best-of-breed" content strategy. **What are your plans to integrate FiOS with the iPad/iPhone?** Our strategy is to integrate our content and experience across all platforms, so regardless of whether we had a deal with Apple or not we've been developing apps for Apple devices and really all platforms. We've got the Verizon wireless platform—with 90 million customer relationships—and we're the leader in 4G technology, so we have all the opportunities to showcase in way that customers aspire to consume their content. And on the wireline side, with FiOS, we've got more applications and services and content than any other platform. **What is the status of FiOS moving to authentication?** Instead of others who are putting prodigious amounts of content on a Web site and hoping consumers find it, we're taking a more disciplined approach by partnering with best-in-breed brands and making sure there's an integration between the launch of our authenticated content and awareness to the consumer in a way they will see value. **Define best of breed.** We have deals with Turner, HBO and ESPN for authenticated content. As much television as anyone watches, they are still not watching 10,000 programs. To the extent that you can hone in on content that has the greatest degree of emotional connectivity, that's where you want to be. We have the first authenticated deal the NFL has done, and we also have a relationship with MTV, Comedy Central and Nickelodeon. You end up touching 60% of all [video] consumption with the brands we've partnered with. And if you reach that percentage and make it easy for consumers to access it, you have a winner. **What's your take on 3D?** We believe consumption is going to be on an event basis, and that kind of consumption may or may not lend itself to a 24/7 linear channel. Of course I say this today knowing people said a similar thing about HD and now everyone wants to watch it 24/7. **What are your thoughts on Comcast's purchase of NBC Universal?** That form of vertical integration I don't believe is necessary to be successful in this space. Different businesses have different core competencies. If I had the choice between having the leading wireless business in the country or one of the leading content companies, which do you choose? Comcast chose their pathway long ago, and

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certainly that initiative where a few cable operators tried to get a little wireless initiative off the ground didn't work out so well. So maybe that's a harbinger for us. If I'm thinking of buying a movie studio, maybe I should think again. **Speaking of content, what are shaping up to be the most contentious aspects of licensing deals this year?** What they've always been—price and distribution. Once we get past that, the more challenging discussions are really around the windowing of content and platform access as the food chain grows and there's more competition both across the platforms and with respect to vying for the mind share of the customer, if you will... If you go back to VOD at its early stages, we wanted more video on demand because we thought it was a way to distinguish ourselves from the current competition. There were questions over the VOD model, and we believe, as a distributor, that VOD should be included as part of underlying package. Why are we paying twice for the same content? Those conversations were the same as we had five to seven years ago. - *Cathy Appelfeld Olson*

Over the Rainbow: When **Cablevision** completes its spin-off of **Rainbow Media** this summer as expected, **AMC** will receive the marquee nod for the new publicly traded entity to be named **AMC Networks**. *Josh Sapan* will head the unit as pres/CEO, charged with oversight of **AMC**, **WE tv**, **IFC** and **Sundance Channel**, plus intl programming business **AMC/Sundance Global**, indie film business **IFC Ent** and network programming origination business **AMC Network Comm**. The leveraged transaction will be structured as a tax-free pro rata spin-off to Cablevision stockholders.

Broadband \$: There are more broadband dollars up for grabs, but this time they are coming from the '08 Farm Bill. **USDA** had to put the funding on the shelf to deal with the broadband programs in the '09 economic stimulus. Ag Sec announced Thurs that it was accepting applications for the program. No word yet on how much money is involved. **RUS** will schedule training opportunities for applicants on new program requirements.

On the Hill: Reps *Anna Eshoo* (D-CA), *John Shimkus* (R-IL) and *Mike Doyle* (D-PA) introduced legislation that would allow more than 2 **FCC** Commissioners to talk outside of an official public meeting. **FCC** commish *Michael Copps* has long called for such an amendment to Sunshine rules. The legislation would allow 3 or more Commissioners to hold nonpublic collaborative discussions as long as no agency action is taken. It also ensures a member of each political party is represented in such discussions. -- The **Senate Commerce Cmte** will hold an online privacy hearing Wed to examine commercial practices that involve collecting, maintaining, using, and disseminating large amounts of consumer info. Cmte chmn *Jay Rockefeller* (D-WV) calls online privacy a top priority.

Technology: **NDS** launched a fully scalable platform enabling TV ops to extend their video offering to companion devices and connected CE devices through 3rd-party apps. The platform's open Web services infrastructure links digital TV platforms with social networks and other Internet content and features a portal for the app dev community. **NDS** also intro'd its **Infinite TV Exchange**, the 1st global B2B content marketplace and delivery system that brings together service providers and content owners to build special-interest channels and expand operators' offering by leveraging OTT delivery.

Ratings: **NBA TV**'s Tues night Heat-Blazers coverage notched with 681K the most total viewers of any regular season game in net history. The contest also scored 527K HHs and 133K men 18-34. -- **NFL Net** said a record 6.6mln viewers tuned into its coverage of the '11 NFL Scouting Combine (+27% over '10). Sun's 7 hours of live coverage averaged 406K viewers. **NFL.com** logged 9.3mln views.

Programming: **Nickelodeon** plans to roll out 450 eps of new animation content over the next 3 years, with nearly 200 eps slated for Sat morning premieres in '12. -- **Outdoor Channel** inked a deal with **B.A.S.S.** to air "The Bassmasters" beginning Mar 28. -- "Kidnapped by the Kids," which puts kids in charge of their workaholic parents, bows on **OWN**, Apr 4, 9pm.

On the Circuit: **NAMIC** wants noms for its Next Generation Leaders Awards to be presented during the annual **NAMIC Breakfast** at the Cable Show (June 16). More info at www.namic.com. -- **House Communications subcmte** chmn *Greg Walden* (R-OR) and **FCC** commish *Mignon Clyburn* will address the **ACA**'s annual Summit in DC, Apr 11-13. -- **The Cable Center** seeks noms for its inaugural **Bresnan Ethics in Business Award**, which honors the late *Bill Bresnan*. The award will be presented during the Center's Hall of Fame event June 14 in conjunction with the **Cable Show**.

Public Affairs: **MTV** announced a coalition including the **NAACP**, **National Council of La Raza**, **Anti-Defamation League** and **GLAAD** to fight bullying and intolerance online. Also, as part of its "A Thin Line" campaign meant to empower America's youth to draw their own line between digital use and digital abuse, **MTV** rolled out Thurs a series of

BUSINESS & FINANCE

related PSAs online and on-air, and announced it will premiere an original movie based on the true-life story of *Abraham Biggs*, who streamed his suicide online in '08.

Honors: WICT's Rocky Mountain Chapter named **Integrated Broadband Services** CMO *Cynthia Carpenter* and **Ubee Interactive** Americas pres *Maria Popo* as its Women of the Year. They'll be recognized May 12 during the 12th annual Walk of Fame along with 10 others (Hyatt Regency Denver Tech Center).

People: Chmn *John Stanton* is now serving as **Clearwire's** interim CEO following *Bill Morrow's* resignation for personal reasons. A new search cmte has been formed to fill the post. The company upped CFO *Erik Prusch* to COO and former svp/treasurer *Hope Cochran* takes over as CFO. Chief commercial officer *Mike Sievert* and CIO *Kevin Hart* are leaving Clearwire to pursue other opportunities. -- **Kroger** chmn/CEO *David Dillion* was appointed a **DirectTV** board member. -- **Bravo Media** upped *Ryan Pinette* to vp, prod and ops. -- **CSG** tapped longtime employee *Bret Griess* as COO.

Business/Finance: **DirectTV** said Thurs it had closed the sale of approx \$4bln of sr notes, some of which may be used for share buy-backs. The company sold \$1.5bln of 3.5% sr notes due in '16, \$1.5bln of 5% sr notes due in '21, and \$1bln of 6.37% senior notes due in '41.

CableFAX Daily Stockwatch

Company	03/10 Close	1-Day Ch	Company	03/10 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
DIRECTV:	45.60	(0.76)	BLNDER TONGUE:	1.82	(0.13)
DISH:	23.34	(0.5)	BROADCOM:	39.38	(1.36)
DISNEY:	42.47	(0.65)	CISCO:	17.92	(0.2)
GE:	20.10	(0.53)	CLEARWIRE:	5.75	0.37
NEWS CORP:	17.74	(0.37)	CONCURRENT:	5.73	UNCH
MSOS					
CABLEVISION:	35.21	(0.41)	CONVERGYS:	13.79	(0.28)
CHARTER:	47.48	(0.52)	CSG SYSTEMS:	19.81	(0.42)
COMCAST:	24.72	(0.59)	ECHOSTAR:	35.33	(1.11)
COMCAST SPCL:	23.34	(0.64)	GOOGLE:	580.30	(11.47)
GCI:	11.48	(0.42)	HARMONIC:	9.10	(0.39)
KNOWLOGY:	13.34	(0.37)	INTEL:	20.79	(0.41)
LIBERTY CAPITAL:	72.45	(2.46)	JDSU:	21.27	0.13
LIBERTY GLOBAL:	42.53	(0.44)	LEVEL 3:	1.37	(0.01)
LIBERTY INT:	16.27	(0.21)	MICROSOFT:	25.41	(0.48)
SHAW COMM:	20.84	(0.26)	RENTRAK:	24.88	(1.19)
TIME WARNER CABLE:	68.62	(1.66)	SEACHANGE:	9.14	(0.12)
VIRGIN MEDIA:	27.32	(0.64)	SONY:	34.26	(0.73)
WASH POST:	418.15	(7.35)	SPRINT NEXTEL:	4.90	0.20
PROGRAMMING					
CBS:	23.69	(0.33)	THOMAS & BETTS:	56.12	(1.88)
CROWN:	2.55	(0.42)	TIVO:	8.51	(0.4)
DISCOVERY:	40.51	(0.74)	TOLLGRADE:	10.00	(0.01)
GRUPO TELEVISA:	23.52	(0.12)	UNIVERSAL ELEC:	26.51	(0.98)
HSN:	30.63	(0.43)	VONAGE:	4.22	(0.08)
INTERACTIVE CORP:	30.10	(0.5)	YAHOO:	17.06	(0.59)
LIBERTY:	41.81	(0.95)	TELCOS		
LIBERTY STARZ:	76.29	(1.41)	AT&T:	28.61	(0.18)
LIONSGATE:	5.94	(0.17)	QWEST:	6.68	(0.05)
LODGENET:	3.25	(0.09)	VERIZON:	36.40	(0.25)
NEW FRONTIER:	1.94	(0.01)	MARKET INDICES		
OUTDOOR:	7.32	(0.22)	DOW:	11984.61	(228.48)
SCRIPPS INT:	50.01	(0.77)	NASDAQ:	2701.02	(50.7)
TIME WARNER:	35.69	(0.84)	S&P 500:	1295.11	(24.91)
VALUEVISION:	6.63	0.01			
VIACOM:	51.97	(0.69)			
WWE:	13.58	(0.1)			
TECHNOLOGY					
ADVANTAGE:	3.09	(0.04)			
ALCATEL LUCENT:	5.14	(0.18)			
AMDOCS:	29.37	(0.28)			
AMPHENOL:	56.44	(1.29)			
AOL:	19.00	(0.34)			
APPLE:	346.67	(5.8)			
ARRIS GROUP:	12.37	(0.38)			
AVID TECH:	22.26	(0.18)			
BIGBAND:	2.55	(0.04)			

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PROGRAMMER'S PAGE with Chad Heiges and Seth Arenstein

En Fuego

At the 4As conference this week, **US Census Bureau** dir *Robert Groves* said the growth in the Hispanic population over the last decade will be “one of the headlines of the 2010 Census.” I think we all expected a sharp increase in the demo, but with data now released covering more than half the states it's clear that an explosion of C-4 proportions has occurred. As a result, **Univision** and many Hispanic-leaning cable nets, having already achieved viewership blowouts in '10, are well positioned to reap the benefits. According to Census data, Hispanics contributed nearly 60% of the overall population growth in the 27 states for which data is available—even KS, SD and OK shared in the surge—and the Hispanic population increased by 41% for the group. Boom! Indeed, it's no longer shocking to see Univision beat **CBS, ABC** and **NBC** in weekly delivery among 18-34s, or learn the broadcaster is set to beat NBC during the Feb sweeps period among 18-34s and 12-34s. Bang! **Mun2's** viewership rise, however, may help to salve **Comcast**. The net grew total viewers in prime by 49% in '10 and 21% in total day, while **Galavision's** respective growth tallied 13% and 22%. Moreover, **Discovery en Espanol** blazed through '10 with growth in 18-49 among HHs (+23%), overall (+22%), men (+31%) and women (+6%), and **Fox Deportes** delivered increases in HHs (+5%), overall (+8%) and men (+11%). Pow! The trick for these and other Hispanic cable nets, of course, is to extend the ratings growth and capitalize on the Hispanicization of America. Their relatively small viewership base will likely help with ratings, but as past research has documented, the Hispanic demo is trickier than most. A single Hispanic's age and birth country, for example, heavily influence whether that person prefers to watch Hispanic-focused TV in English or Spanish. Still, the exploding Hispanic marketplace no doubt makes any potential wrinkle appear more manageable. *CH*

Worth a Look: “Nature's Matchmaker,” Sun, 8p, **Smithsonian**. A better title here might be “Nature's Frankenstein,” as *Dr JoGayle Howard* of DC's National Zoo has done much more than successfully breed endangered species. She's used insemination and other techniques to bring back to life species thought to be extinct. But it's more than just putting a female and male in a cage or inseminating. In some species, like the clouded leopard, neither of those techniques worked (in captivity, male leopards were attacking females). Sadly, with all she did to preserve animal life, Howard, known affectionately as “The Sperm Queen,” passed last week of cancer at 59. She left no immediate family, but many animals who wouldn't be alive without her pioneering work. Thus this previously scheduled doc has become a tribute. – “Beast Hunter,” Fri, 9p, **Nat Geo**. Does a dinosaur-like creature still live? Sightings were reported as recently as last year. *Pat Spain* heads to West Africa to find the so-called Mokele-Mbembe. *SA*

Notable: Serious journalist *Lou Dobbs* returns to cable Mon (7p ET, **Fox Business**) with “Lou Dobbs Tonight.” Dobbs “means business,” Fox Biz says. Indubitably. – The Super Bowl is a toddler compared to rugby's Calcutta Cup, est 1879. **BBC America** has England vs Scotland live from London Sun, 10:30a ET.

Basic Cable Rankings			
(2/28/11-3/06/11)			
Mon-Sun Prime			
1	USA	2.2	2211
2	DSNY	1.8	1812
3	FOXN	1.6	1548
4	TNT	1.3	1340
4	HIST	1.3	1310
4	ESPN	1.3	1274
7	NAN	1.2	1173
8	TBSC	1.1	1152
8	A&E	1.1	1107
8	FX	1.1	1050
11	MTV	1	1019
11	ADSM	1	978
11	HGTV	1	967
11	TRU	1	894
15	FOOD	0.9	946
15	CMDY	0.9	905
15	FAM	0.9	861
15	LIFE	0.9	854
15	SYFY	0.9	844
15	NKJR	0.9	637
21	TLC	0.8	821
21	DISC	0.8	813
21	AMC	0.8	769
21	MSNB	0.8	748
21	TVLD	0.8	743
26	BRAV	0.7	691
26	ID	0.7	467
28	SPK	0.6	602
28	EN	0.6	589
28	BET	0.6	583
28	LMN	0.6	482
32	CNN	0.5	541
32	HALL	0.5	433
32	NGC	0.5	334
35	APL	0.4	436
35	VH1	0.4	429
35	TRAV	0.4	381
35	OXYG	0.4	287
35	GSN	0.4	275
35	SOAP	0.4	269
35	NKTN	0.4	234
35	HMC	0.4	163
43	ESP2	0.3	332
43	HLN	0.3	332
43	DXD	0.3	268
43	CMT	0.3	246

*Nielsen data supplied by ABC/Disney

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