

CableFAX Daily™

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What the Industry Reads First

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Box Banter: NTIA Chief Provides Integration Ban Fodder for Cable

The head of **NTIA** indicated Thurs that low-cost digital set-tops, which will be banned from deployment after July 1 under **FCC** rules, could “take pressure off” the govt’s subsidy program to keep analog TV sets working. That was music to the cable industry’s ears, as it has been arguing for nearly a year for waivers that would allow continued deployment for some low-end boxes with integrated security. NTIA dir *John Kneuer*’s comments came during Thurs’ House Telecom subcmte hearing. Rep *Fred Upton* (R-MI) asked whether low-cost digital boxes offered by the cable industry could serve as a complement to the govt’s voucher program for digital converter boxes. “I think any increase in distribution of boxes to consumers... from whatever quarter, will certainly ease the program,” Kneuer said. Much of the hearing, which lasted for several hours, centered on Dems complaining that the NTIA program doesn’t have enough funding to ensure that millions of analog sets will still work after Feb 17, 2009. Initially, all households with analog sets—even if they subscribe to cable or DBS—are eligible for up to two \$40 coupons for a converter box that will ensure their TVs continue to receive signals. After that first wave of about 22.5mln coupons is distributed, the next and final round of vouchers (about 11mln) are limited to homes that only receive over-the-air TV. Upton is clearly in cable’s camp on the set-top integration ban, which forces cable operators to deploy only boxes with separable security after July 1. “Unfortunately, the FCC’s Media Bureau recently denied certain waivers from the integrated set-top box rule, which will have the result of forcing consumers to pay \$2-\$3 more per month to lease a set top box that offers no new features,” Upton said in his opening statement. “I think the integration ban is a bad idea. But when viewed in the context of the government’s strong interest in promoting an efficient transition to digital television with minimal consumer impact, it’s even worse.”

YouTube Killer? NBCU, News Corp Take Internet Distribution to Next Level

Only a week after **Viacom** sued **Google**’s **YouTube** for copyright violations, **News Corp** and **NBC Universal** appear to be taking a different path. At least for now. The 2 media giants on Thurs announced they will launch this summer “the largest Internet video distribution network ever assembled” to license their own ad-supported content to sites across the Internet. Initial licensees are **AOL**, **MSN**, News Corp’s **MySpace** and **Yahoo!**, which must adopt strict copy protections. The venture’s centerpiece will be its own still-unnamed Website, but “this is obviously not a YouTube killer,” insisted News Corp pres/COO *Peter Chernin*. He said talks are already underway with Google CEO *Eric Schmidt* about a possible alliance. In fact, NBCU pres/CEO *Jeff Zucker* stressed that the venture is open to working with any entity that meets its copyright and business terms—a proposition that may interest some content owners frustrated in their dealings with YouTube. Execs also said they’re open to new equity partners. The companies hope the venture will appeal to advertisers, which are often reluctant to associate with unpredictable user-generated and unauthorized premium content. Charter advertisers include **Cadbury Schweppes**, **Cisco**, **Esurance**, **Intel** and **GM**, with **Royal Caribbean**



THE ROAD TO ROLAND GARROS STARTS HERE!

The U.S. Men’s Clay Court Championships open the 2007 clay-court season. Catch Andy Roddick, James Blake and other U.S. stars live from Houston on Tennis Channel, April 14-15.

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and another unnamed advertiser signing up within hours of the deal's unveiling Thurs morning. As for the main "video rich site," the companies promised "a rich consumer experience featuring personalized video playlists, mashups, online communities and video search." (During the press call, execs said the site will include user-generated content but will mainly focus on ad-supported premium fare). The new company will be located in New York and Los Angeles. A transitional management team led by NBCU Chief Digital Officer *George Kliavkoff* and staffed with execs from both companies will work together to launch the site, with permanent management being announced "shortly."

In the Courts: Starz is suing Disney for breach of contract over its deals with Apple and others for Internet distribution of films that the programmer says is exclusively licensed to it. The suit, filed Thurs in the US District Court for the Central District of California, claims that Starz has paid more than \$1bln for periods of exclusive rights to the films. "Disney has been a great partner. We hope to continue our relationship. But our agreements clearly prohibit them from selling their movies by electronic download over the Internet while they are exclusive to Starz," said Starz chmn/CEO *Bob Clasen*. Disney did not return calls for comment by deadline.

At the Portals: The FCC ruled Thurs that wireless broadband service is an "information service," giving it the same de-regulatory status as cable modem, DSL and broadband over power lines. It also launched a net neutrality inquiry—asking for info on how broadband providers behave in the marketplace. The FCC wants info on how traffic is managed, whether providers charge different prices for different services and whether the Commission's policies should distinguish between content providers that charge end users for access to content and those that do not. One other item of business worth noting: Following telco complaints, the FCC sought comment on issues related to the use of exclusive contracts for providing video to MDUs or other real estate developments. The issue has become so hot that **BellSouth** even informed a builder it may choose not to outfit an area for phone service if the builder signs an exclusive video/HSD deal (*Cfax*, 6/1).

Dropping Like Flies: First came Fred. Now comes Lindsay. With word out that **Fox Cable's** affil sale/mktg pres *Lindsay Gardner* is resigning next month, we're left wondering what hard-lined, but well-respected, negotiator will leave the industry next... Gardner is going to explore his new-media passion at **Mediatech Capital Partners**, a banking firm that specializes in developing and funding those type of properties. No word on who will replace Gardner at Fox. If the company goes for an internal candidate, evp, affil sales/marketing *Mike Hopkins* is considered the frontrunner.

Competition: AT&T launched "U-verse OntheGo," which lets its video customers view live TV on a PC using any broadband connection. For \$10/month, OntheGo subs can access nearly 30 channels, including some live programming from **Weather Channel** and **Bloomberg TV**. The offering is made possible under an existing agreement between AT&T and **MobiTV**. In the future, the service will include VOD movie trailers and additional channels, and will eventually be available to AT&T wireless devices.

In the States: **Mediacom** is raising rates in most systems in May, citing higher programming costs, including cash for carriage deals like the one it struck with **Sinclair** in Feb. On average, rates will rise 4-8% per month. Mediacom raised rates in Mar, but those increases only impacted some Internet and digital offerings. The new increase will affect anyone subscribing to video services. -- **Suddenlink** rolled out VoIP to Tyler, Georgetown and Bryan/College Station, TX, the 1st markets in its push to launch phone to 80% of its footprint this year. These are the 1st Sudden-

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Debuting each spring at NCTA's National Show, *CableFAX's "The FAXIES"* is an annual award issue with brief, sometimes irreverent, recognition of the top stories, best MSOs, greatest flacks, most innovative programming, rising stars, best parties, schmoozers, do-gooders and, of course, tchotchkeys.

BUSINESS & FINANCE

link-branded phone rollouts (it offers phone that was started by Cox in W TX markets and has a few offerings in MO). -- As expected, **Cablevision** announced the addition of **Discovery Theater HD** and **Nat Geo HD** to its digital lineup (*Cfax*, 3/22). CVC now offers 23 HD channels, including local broadcast stations. Separately, we hear Discovery HD will launch a new strand of adventure event programming in 4Q. The net selected "Unlimited Vertical: Helicopter Skiing in Canada" (working title) as a pilot for the strand.

Emmys: **ESPN** led all networks in Sports Emmy award noms Thurs, garnering 26 nods. 4 of those went to "One of a Kind: The Rise and Fall of Stu Ungar." **NBC** was 2nd with 24 nominations (mostly Olympic related), followed by **HBO** with 16. Other cable nets with noms: **NFL Net** (9), **TNT** (7), **FSN** (3), **ESPN2** (3), **ESPN Classic** (1), **Biography** (1) and **USA** (1).

Cable Pioneers: This year's class of **Cable Pioneers** features 24 inductees, each with 20+ years experience. The theme for this year appears to be family—**BendBroadband** pres/CEO **Amy Tykeson** will be inducted in Vegas on May 7 along with her father, **Donald Tykeson**, managing partner of **Tykeson/Assoc Enterp**. Also being honored are the **McGinty** brothers—**Charles**, **Edward** and **Robert**—who developed Atlantic City and southern NJ with **Atlantic Coast Cable**.

CableFAX Daily Stockwatch

Company	03/22 Close	1-Day Ch	Company	03/22 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
ALCATEL LUCENT:	11.48	(0.5)	AMDOCS:	36.00	0.32
BRITISH SKY:	44.79	(0.81)	AMPHENOL:	66.08	0.32
DIRECTV:	23.29	(0.46)	ARRIS GROUP:	13.45	(0.31)
DISNEY:	35.33	0.16	AVID TECH:	34.89	(0.51)
ECHOSTAR:	44.17	0.13	BLNDER TONGUE:	1.80	0.00
GE:	35.81	0.33	BROADCOM:	32.11	(1.29)
HEARST-ARGYLE:	26.50	0.00	C-COR:	13.75	0.22
ION MEDIA:	1.34	0.04	CISCO:	26.37	(0.42)
NEWS CORP:	24.75	(0.05)	COMMSCOPE:	43.59	0.19
TRIBUNE:	29.50	0.40	CONCURRENT:	1.40	0.00
MSOS					
CABLEVISION:	30.56	(0.14)	CONVERGYS:	25.58	(0.08)
CHARTER:	2.92	0.01	CSG SYSTEMS:	24.98	(0.07)
COMCAST:	26.73	(0.12)	GEMSTAR TVG:	4.34	(0.03)
COMCAST SPCL:	26.38	(0.06)	GOOGLE:	462.04	5.49
GCI:	14.64	0.13	HARMONIC:	10.29	(0.12)
KNOLOGY:	14.70	0.06	JDSU:	15.40	0.00
LIBERTY CAPITAL:	109.93	(0.32)	LEVEL 3:	6.17	0.00
LIBERTY GLOBAL:	32.39	0.15	MICROSOFT:	28.27	(0.25)
LIBERTY INTERACTIVE:	23.46	(0.1)	MOTOROLA:	17.50	(1.24)
MEDIACOM:	8.02	0.05	NDS:	50.25	0.77
NTL:	28.22	0.00	NORTEL:	24.58	(1.53)
ROGERS COMM:	32.48	(0.64)	OPENTV:	2.55	(0.04)
SHAW COMM:	37.31	1.03	PATH 1:	1.34	0.00
TELEWEST:	24.20	0.00	PHILIPS:	39.03	(0.27)
TIME WARNER CABLE:	38.15	(0.11)	RENTRAK:	15.74	0.34
WASH POST:	768.80	5.80	SEACHANGE:	8.28	0.05
PROGRAMMING					
CBS:	30.75	0.08	SONY:	52.83	0.06
CROWN:	5.28	0.03	SPRINT NEXTEL:	19.45	0.16
DISCOVERY:	17.70	(0.2)	THOMAS & BETTS:	49.32	(0.08)
EW SCRIPPS:	44.50	0.05	TIVO:	6.11	(0.07)
GRUPO TELEVISA:	29.45	(0.15)	TOLLGRADE:	12.02	0.18
INTERACTIVE CORP:	38.05	0.62	UNIVERSAL ELEC:	28.49	(0.53)
LIBERTY:	8.63	(0.07)	VONAGE:	4.05	0.06
LODGENET:	27.42	(0.08)	VYYO:	8.12	1.81
NEW FRONTIER:	9.12	(0.04)	WEBB SYS:	0.05	0.00
OUTDOOR:	10.35	(0.05)	WORLDGATE:	0.88	0.04
PLAYBOY:	10.26	(0.14)	YAHOO:	31.26	(0.03)
TIME WARNER:	19.93	(0.28)	TELCOS		
UNIVISION:	36.14	0.00	AT&T:	39.11	0.25
VALUEVISION:	12.09	0.19	QWEST:	8.83	(0.02)
VIACOM:	41.78	(0.22)	VERIZON:	38.01	0.33
WWE:	15.76	0.01	MARKET INDICES		
TECHNOLOGY					
3COM:	3.79	(0.08)	DOW:	12461.14	13.62
ADC:	16.51	(0.16)	NASDAQ:	2451.74	(4.18)
ADDVANTAGE:	3.55	0.10			

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APRIL 17-18, 2007

PROGRAMMER'S PAGE with Chad Heiges and Seth Arenstein

Pictures Just Aren't the Same

When it comes to *Albin* and *Melanie Ulle*, jealousy has zapped my pragmatism and stolen my sense of reason. The couple from Denver was chosen to embark on an enviable **Travel Channel** odyssey—truly a trip-of-a-lifetime—and I am inconsolable that I didn't land the gig. They explored more than 13 breathtaking locales around the globe, including Nepal, Peru and Australia, and their experiences will be documented in the net's "1,000 Places to See Before You Die" (Mar 29, 9pm), a series inspired by *Patricia Schultz's* eponymous travel book. Schultz helped hammer out the itinerary, and the non-professional "hosts" were selected to give viewers a more visceral experience. "It is really something to see these places through the eyes of someone who's never seen it before," said Travel Channel pres *Pat Younge*. "You really do get that wow factor." Even more exclamations are educed from the 1st ep, in which the Ulles travel throughout Alaska. Traversing glaciers, riding white-knuckled on a dog-pulled vehicle, and observing Orca whales in their natural habitat are just a sample of the featured adventures. Through it all, the likable pair (damn them!) lends credence to Younge's point by providing unvarnished reactions and uneducated inquiries. It's real people along for an oh-so-real ride, and all the footage was shot in HD. "There are so many moments you can't capture with pros," said Younge, who noted the trip's "profound, life-changing experiences." The net is augmenting the linear series with online content, including travel videos, interviews and a community for those afflicted with wanderlust. A sweepstakes lets viewers text on-screen codes shown during eps for a chance at \$50K and feeding their own excursionist dreams. You can bet I'll be texting like a madman. *CH*

Highlights: "Rome," series finale, Sun, 9pm, **HBO**. One thing's certain, with the possible exception of "Six Feet Under," you can't accuse HBO of waiting too long to pull the plug on series. While its finale doesn't rival Six Feet's memorable music video coda, "Rome" ends well, if a bit sadly, as death claims kings and common folk, and blood flows in Antony's palace in Egypt and in the nondescript Roman hills as Vorenus and Pullo take their last journey together. *SA*

Worth A Look: "Cheerleader U," Wed, 10pm, **WE tv**. The camerawork in eps 1&2 of this 6-parter illustrates the physicality of co-ed college cheerleading, but little else. Are good cheerleaders made or born? Perhaps the next 4 eps will illuminate (more depth on **CMT's** Dallas Cowboys Cheerleader vehicle "Making the Team," which fortunately was renewed). If **ABC Family's** original "Bring It On—All or Nothing" (Sun, 8pm), starring *Hayden Panettiere* (oh, the irony), answers that question, it'll be news to us. **ABC F** didn't send preview screeners. – "Acceptable TV," Fri, 10pm, **VH1**. Jack Black's clever spin on user generated content, as viewers watch (on TV or online) 3-min shorts, including a user generated entry. The top vote getters return. The shorts from Black's Acceptable TV crew were amusing. *SA* [More reviews, including **Lifetime's** "The Party Never Stops," at www.cable360.net]

Basic Cable Rankings			
(3/12/07-3/18/07)			
Mon-Sun Prime			
1	USA	2.1	1929
2	DSNY	2	1809
3	TNT	1.5	1382
4	TBSC	1.3	1224
4	TOON	1.3	1179
4	FOXN	1.3	1169
4	NAN	1.3	1168
8	A&E	1.2	1116
8	LIFE	1.2	1101
8	FX	1.2	1072
8	HALL	1.2	925
12	CORT	1.1	989
13	DISC	1	967
13	SPK	1	932
13	AMC	1	905
13	HGTV	1	900
17	HIST	0.9	859
17	SCIF	0.9	838
17	ESPN	0.9	799
17	MTV	0.9	785
21	CMDY	0.8	773
21	FAM	0.8	740
21	TVLD	0.8	688
21	BET	0.8	634
25	TLC	0.7	665
25	FOOD	0.7	634
27	VH1	0.6	584
27	CNN	0.6	579
29	BRAV	0.5	466
29	MSNB	0.5	405
29	NGC	0.5	336
29	SOAP	0.5	293
29	LMN	0.5	289
34	APL	0.4	397
34	HLN	0.4	393
34	ESP2	0.4	370
34	EN	0.4	367
34	TTC	0.4	353
39	CMT	0.3	252
39	TVGC	0.3	243
39	OXYG	0.3	242
39	WGNC	0.3	238
39	SPD	0.3	226
39	GSN	0.3	205
39	TDSN	0.3	193
39	DHLT	0.3	187

*Nielsen data supplied by ABC/Disney

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