

CableFAX Daily™

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What the Industry Reads First

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Here We Go: Comcast-NFL Net Clashes Continue

With a court case and FCC complaint pending, no one had much hope that **Comcast** and **NFL Net** would quietly renew their programming pact. More evidence backing that up came in the past week when Comcast began notifying subs that they could lose the channel May 1. "To our Sports Entertainment Pack Customers: In spite of Comcast's efforts, the NFL may terminate Comcast's right to carry NFL Network, as a result, the network may be removed from your lineup on May 1," said a notice Comcast sent to some set-top boxes recently. Notices also are being mailed with bills. While the FCC requires 30-day notification before channel changes, some LFAs require more warning. Comcast says it has offered to carry the net under the terms of its current affiliation agreement while litigation continues. "We believe our proposed extension is in the best interest of our customers and NFL fans so that they can continue to have the same access to the Network that they now enjoy," a spokesman said. "Because the NFL has not accepted our offer, we are required by regulations to notify our customers of the possibility that the NFL may terminate Comcast's right to carry the network." NFL Net said it hopes to work out an agreement with Comcast before the contract expires May 1, but it does not believe it belongs on a tier, noting that Comcast had carried the net in a larger number of homes without the avg \$5/month sports tier charge for the first 3 years of their agreement. "Comcast refuses to sit down and reach an agreement with NFL Network on a contract extension that would make the network more widely available to a larger number of subscribers on its cable systems without the extra monthly fee that Comcast now sets and collects," an NFL rep said. It's been estimated that about 2mln Comcast subs receive the sports tier. While an ongoing court case over Comcast's decision to move the channel to a sports tier continues in NY Supreme Court, an administrative law judge is gearing up to hear NFL's FCC carriage complaint against Comcast next month. There has been a flurry of motions from both sides in the ALJ case over the past few months, with Comcast recently objecting to the taking of depositions of CEO *Brian Roberts*, COO *Steve Burke* and programming head *Matt Bond*. The 3 have already been deposed in the course of the NY case, but NFL wants to depose them in the ALJ case too. Comcast argues that it is unnecessary to depose them again. If the sr Comcast execs are deposed, then the MSO wants to be able to take 2nd depositions of NFL witnesses. To sum up: it feels like we have a long way to go...

Retrans: **Midcontinent** could lose its **Fox** affil serving Bismarck, Mino and Williston, ND, with its agreement with **KXND** and **KNDX** set to expire Mar 31. The stations, owned by **Prime Cities Broadcasting**, simulcast the same signal to much of the western part of the state. The broadcaster has already issued a lengthy statement on its Web-sites warning subs of a potential blackout. **KXNC** and **KNDX** say they're seeking 1 penny/sub per day—an amount that they claims is only .4% of Midcontinent's estimated revenue from subs in Western ND. Midcontinent's vp, public policy *Tom Simmons* said that the MSO continues to hope the 2 will come to terms, but that there has been no movement from the broadcaster. He didn't know the number of subs who could be impacted, but described it as

What's the best way to
reach Hispanic homes?
Reach Hispanic hearts.



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“fairly substantial.” In making its case, the broadcaster is directing consumers to an old **Parents TV Council** pro-a la carte website (www.howcablesouldbe.com) that purportedly shows what your cable bill would be if you could pick your channels. But if you read the site’s fine print, it states, “The data should not be presented as necessarily factual or accurate.” That’s because the programming rates used are a guess since those contracts aren’t public.

On the Hill: Pres Obama intends to nominate Democratic FCC commish *Jonathan Adelstein* as administrator of the **Dept of Ag’s Rural Utilities Service**, which oversees some broadband grants as well as new grants under the stimulus bill. Once nominated, he’ll have to be confirmed by the Senate. SC PSC commish *Mignon Clyburn*’s name has been floated for months as a potential replacement for Adelstein, whose term expired last year.

Competition: **DirectTV** has inked with **Warner Bros** a deal to air eps of erstwhile broadcast series “Smiths” (Apr), “The Nine” (May) and “Eyes” (July) for feature on **The 101**. Separately, the DBS op has partnered with **Common Sense Media** to help its customers find age-appropriate programming for their families through reviews at DirecTV.com. -- **AT&T** has added 5 new Asian-language nets, including a Mandarin news channels and Hindi entertainment net. -- **Nexstar Broadcasting** agreed to manage **Four Points’** 7 TV stations located West Palm Beach, Salt Lake City, Austin and Providence. -- **EchoStar Satellite Services** bowed an IP-Prime Conversion Program designed to provide video transport services for telcos’ IP-headend facilities across the country.

VOD: **TVN Ent** has been contracted to handle sales, licensing and distribution partnerships surrounding **UFC On Demand**, currently available in more than 6mln homes via **Insight**, **FiOS TV** and others. The pair said the channel will launch in approx 10mln additional homes over the coming months.

Technology: **Cox** tapped **NDS** to implement an enhanced suite of interactive apps on its **tru2way** set tops, including integrated telephony services and mosaic video channels. -- **Advanced Digital Broadcast** has integrated **Zodiac Interactive**’s tru2way framework into its STBs and software to allow ops to offer interactive services including local restaurant searches and photo sharing. -- **BIAP**’s EBIF platform has been added to **itaas**’ developer program that enables the deployment of interactive and enhanced TV apps on **Cisco** set tops. -- **Concurrent** plans to allow its customers to deliver and monetize video across multiple screens by integrating its various tech. -- **Showtime** will demo an ITV app at **Cable Show** that allows subs to order the premium net via TV. It’s platform agnostic for leading ITV platforms, including **ActiveVideo**, **OpenTV**, **EBIF** and other technologies. The net’s working with **FiOS** to deploy the app.

Corporate Changes: **NBCU**’s reorg of its TV Nets Distribution segment includes additional state and/or regional oversight for West-Midwest vp *Bridget Farley*, East vp *Heather McCallion* and Southwest vp *Bruce Levinson*. -- **Sony Pictures TV** is combining its US and intl operations, with oversight charged to the unit’s pres *Steve Mosko*.

Ratings: The Fri night series finale of **Sci Fi**’s “Battlestar Galactica” garnered 2.4mln total viewers to become the show’s most-watched ep since ’06. -- **Lifetime**’s “Nora Roberts’ Northern Lights” delivered more than 4.5mln total viewers Sat night to become the net’s most-watch original movie premiere of ’09.

Programming: **Cartoon Network** announced a partnership with the **NBA** to develop long- and short-form basketball-themed programming across a variety of platforms. To coincide with the fall NBA season tip-off, the net is developing short-form series “My Dad’s a Pro,” which follows the offspring of NBA players. -- **Sci Fi** has bought 3 miniseries from



BUSINESS & FINANCE

RHI Ent that will debut in the '09-'10 TV season. They are: "Riverworld" (based on Phillip Farmer's novels), "Phantom" (based on the super hero) and "Alice" (a reimagining of "Alice's Adventures in Wonderland"). -- **Comedy Central** inked ventriloquist/comedian *Jeff Dunham* to a content deal that includes a series order, a stand-up special and tour, DVDs and a consumer products partnership.

Business/Finance: **Time Warner** has agreed to invest \$242mln in European media firm **CME**. As part of the deal expected to close in 2Q, it will receive both Class A and Class B common shares of CME. Separately, **Warner Bros** and CME have agreed to partner to operate and launch thematic TV channels in CME territories. -- *Richard Parsons* and *Reuben Mark* will not stand for re-election to **Time Warner's** board at the company's annual stockholder meeting, but each will remain a dir until then. -- **Time Warner Cable** has commenced an underwritten public offering of debt securities with maturities of 5 and 10 years and reportedly worth \$3bln, with the proceeds expected to repay all of the borrowings outstanding under a \$1.93bln sr unsecured term loan facility that TWC used in part to fund the special dividend related to its separation from Time Warner. -- **Cox** is offering \$3.80/share in cash, or approx \$69mln, for the publicly held 22% minority interest in **Cox Radio** in an effort to complete full ownership of the company.

CableFAX Daily Stockwatch

Company	03/23 Close	1-Day Ch	Company	03/23 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
AMDOCS:	17.86	0.84	AMPHENOL:	29.60	1.67
BRITISH SKY:	27.05	0.96	APPLE:	107.66	6.07
DIRECTV:	23.45	1.66	ARRIS GROUP:	7.66	0.55
DISH:	11.32	0.97	AVID TECH:	9.82	0.40
DISNEY:	18.92	1.47	BIGBAND:	6.79	0.36
GE:	10.43	0.89	BLNDER TONGUE:	0.86	(0.09)
HEARST-ARGYLE:	2.26	0.14	BROADCOM:	21.49	2.09
NEWS CORP:	7.68	0.79	CISCO:	16.98	1.07
MSOS					
CABLEVISION:	13.91	1.31	CLEARWIRE:	4.32	0.14
CHARTER:	0.05	0.00	COMMSCOPE:	9.91	0.88
COMCAST:	14.08	1.36	CONCURRENT:	3.21	(0.13)
COMCAST SPCL:	13.17	1.26	CONVERGYS:	7.75	0.82
GCI:	7.54	1.89	CSG SYSTEMS:	13.95	0.54
KNOLOGY:	3.95	(0.05)	ECHOSTAR:	15.75	1.11
LIBERTY CAPITAL:	6.55	0.53	GOOGLE:	348.60	18.44
LIBERTY ENT:	20.32	1.61	HARMONIC:	6.51	0.71
LIBERTY GLOBAL:	14.05	1.19	INTEL:	15.52	0.87
LIBERTY INT:	3.42	0.32	JDSU:	3.64	0.24
MEDIACOM:	4.91	1.00	LEVEL 3:	0.74	0.00
SHAW COMM:	16.40	0.79	MICROSOFT:	18.33	1.27
TIME WARNER CABLE:	27.32	1.72	MOTOROLA:	4.31	0.35
VIRGIN MEDIA:	5.49	0.16	OPENTV:	1.45	0.05
WASH POST:	369.00	29.75	PHILIPS:	16.61	1.11
PROGRAMMING					
CBS:	4.42	0.37	RENTRAK:	8.93	(0.07)
CROWN:	2.00	0.20	SEACHANGE:	6.32	0.58
DISCOVERY:	16.60	0.73	SONY:	21.69	1.76
EW SCRIPPS:	1.82	0.13	SPRINT NEXTEL:	3.70	0.25
GRUPO TELEVISA:	13.89	1.14	THOMAS & BETTS:	24.45	1.24
HSN:	4.65	0.01	TIVO:	7.26	0.58
INTERACTIVE CORP:	14.90	0.18	TOLLGRADE:	5.99	0.08
LIBERTY:	23.51	0.81	UNIVERSAL ELEC:	18.32	1.74
LODGENET:	1.16	0.16	VONAGE:	0.43	0.04
NEW FRONTIER:	1.44	(0.11)	YAHOO:	14.09	0.49
OUTDOOR:	6.64	0.57	TELCOS		
PLAYBOY:	2.09	0.25	AT&T:	26.92	1.59
RHI:	1.48	0.06	QWEST:	3.69	0.28
SCRIPPS INT:	22.32	1.33	VERIZON:	31.07	1.46
TIME WARNER:	8.62	0.76	MARKET INDICES		
VALUEVISION:	0.43	(0.02)	DOW:	7775.86	497.48
VIACOM:	19.50	1.74	NASDAQ:	1555.77	98.50
WWE:	11.76	1.04	TECHNOLOGY		
TECHNOLOGY					
3COM:	2.80	0.15			
ADC:	3.52	0.07			
ADVANTAGE:	1.48	0.08			
ALCATEL LUCENT:	1.74	0.15			

ACA's 16th Annual Summit

On April 27-29 in D.C., independent operators will give policymakers a different perspective

Hosted by the American Cable Association Register and review sponsor opportunities at www.acasummit.org

EYE ON ADVERTISING

Advertising Dance Card

With all eyes on the Sweet Sixteen, CBS is eyeing a pretty sweet advertising sweep. Despite no-shows from former key financial advertisers, ad buys for the NCAA tournament held strong thanks to multiplatform deals with sponsoring companies like General Motors, which passed on the Super Bowl but upheld its multiyear NCAA deal. CBSSports.com was looking at a 30% jump in revenue for the tournament (translation - just shy of \$30 million), and a record number of VOD hours means record advertising opportunities on cable. John Bogusz, CBS' EVP of sports sales and marketing, and Steve Herbst, EVP/GM at CBS College Sports Network, tell Cathy Applefeld Olson where they got hit this year and which categories shine at the big dance.

What trends did you see in the deals leading up to this year's tournament?

JB: The overall environment is challenging, and the biggest trend is that the financial companies are not spending as they were in the past. That category represented a fair amount of volume for us and while we still have some financial companies with us, a number of them—like AIG and Wachovia—are not back.

Did any new companies or categories embrace tournament advertising this year?

JB: Autos have been there; fast foods have been there. I'd say the category that has picked up this year has been the tech category, including Microsoft and others.

CBSSports.com was angling for record advertising, as was VOD programming this year. Was there a lot of vying for ad dollars among the various media?

JB: We work a lot of the deals together, and the digital component continues to grow. We're trying to grow the whole pie. Clients are aware that the tournament does very well against affluent men and upscale, college-

educated consumers.

There is an unprecedented number of VOD hours around this year's tournament. Did this help ad sales for CBS College Sports?

SH: We are up significantly for 2009 for our overall advertising take, just looking at TV. Six of the eight official [overall tournament] corporate sponsors are advertising with us this year—Pontiac, AT&T, State Farm, Lowe's, Coke and Hershey. Because of our ability to produce unique shows around the tournament like the pregame show and highlights show, our goal is to have people watch the games on CBS, then come over and get updates on what's happening around the tournament, press conferences, and analyses from studio experts.

Who else is new to the cable network this year?

SH: IBM joined this year. They do something with an in-game voting feature where you pick who you think will be the outstanding player of today's game and text in your answer. It's something they've been doing during the season. There's a real interactive element with the fans. The movie business is also new for our network. We've never had non-sports movie advertising on our air, and this year through Warner Bros. and 20th Century Fox we have a nice movie business as well.

What was the biggest advertising surprise this year?

JB: This may be a little bit of a twist, but the field seems wide open this year, so a lot can happen. Last year the four No. 1 seeds made it to the Final Four, but this year there seems to be a little more overall parity so as we move through these games we could have more surprises. And for advertisers, that means people continue to be engaged.

(Longtime entertainment industry reporter Cathy Applefeld Olson is delighted to be documenting media's wild ride into the 21st century)



CableFAX Awards Luncheon

Celebrating: The Faxies Finalists, Women on the Move, and CableFAX's 20th

Don't miss this year's Awards Luncheon where we honor top marketing and PR in cable. Plus we'll celebrate Women on the Move and CableFAX's 20th. A can't miss event!

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12:00 PM - 2:00 PM EST
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15503

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