

CableFAX Daily™

Friday — March 30, 2007

What the Industry Reads First

Volume 18 / No. 062

Brave New World: Cox Explores Life As A Programmer

What's **Cox** doing with the **Travel Channel**? That was the question on everyone's mind Thurs after **Discovery** announced plans to buy the MSO's 25% shareholder stake for \$1.27bln, plus Travel Channel and museum audio tour business **Antenna Audio**. Some programmers quickly piped up that they might be interested in taking the net off the hands of Cox, which only owns some regional sports nets and has some interest in national nets. "We didn't do [the deal] to do that," Cox chief **Pat Esser** told **Cfax**. "My intent is to put it inside my portfolio and see what we can turn this into." He then started ticking off the list of Travel Channel-related possibilities—VOD, broadband, GPS, mobile, synergies with Cox TV and radio stations and so on. Esser rejected the notion that he may be facing an uphill carriage battle by holding a standalone national programming asset. "If you're a lone net that doesn't have a large brand... you can run that risk. Our intent is to create a product that's highly valued and highly used by consumers on multiple platforms," said Esser, who bolted over to Discovery's Silver Spring HQ Wed after a press briefing on Mass Ave for **NCTA's** upcoming **Cable Show**. He had a meeting with his soon-to-be new report Travel Channel gm **Pat Younge**. Esser was clear Thurs that Younge will continue to run the network and that Cox has no plans for major changes. In fact, it intends to keep Travel headquartered in Silver Spring, MD. Between now and the deal's expected close in mid-May, Cox will work on all the transitional aspects—including where to house staffers, who will handle ad sales, etc. After **Liberty's John Malone** created **Discovery Holdings** 2 years ago, it was long expected that Cox and **Advance/Newhouse** would roll their stakes into it. But that never came to fruition. The Cox deal finally sets Discovery up to go completely public, providing a transparency that has been missing since Discovery Holdings was created. It also helps Cox pay down the debt incurred from its 2004 privatization. For Discovery's part, shedding Travel in the deal seems to make some sense as it explores new media opportunities. The travel market is already pretty mature (see **Expedia.com**, **Orbitz**, etc), though Cox certainly sees an opportunity. "With these structural changes, we create a more efficient decision-making process that will result in an aggressive media company poised for growth," Discovery pres/CEO **David Zaslav** said in a statement Thurs. Last month, Zaslav announced a restructuring that will create a "lean and aggressive" organization. Several senior level execs were shown the door, including Discovery Nets US pres **Billy Campbell** and Discovery Nets Intl pres **Dawn McCall**.

A la Carte: A group of minority programmers, including **TV One**, **Sí TV** and **The Africa Channel**, have joined with civil rights leaders to launch the **Alliance for Diversity in Programming** to fight forced a la carte. **NCTA** helped create the group's Website, www.diversitytv.org, but Alliance co-chair/TV One pres/CEO **Johnathan Rodgers** said it's a separate coalition. "This is really a programmer issue, and we programmers are leading this fight," he said. "TV One is now 3 years old, and it's yet to break even, but we're on the verge of breaking even. If we had to come out in an a la carte world, there's no way we'd be where we are now." ADP co-chair **Michael Schwimmer**, CEO of Sí TV, said there's noth-

30,000 STUDENTS PARTICIPATED. 50 FINALISTS COMPETED.

1 NATIONAL VOCABULARY CHAMPION

WATCH NATIONAL VOCABULARY CHAMPIONSHIP SUNDAY, APRIL 15 AT 8PM/ 7c



© 2007 GAME SHOW NETWORK, LLC

CABLEFAX DAILY (ISSN 1069-6644) is published daily by Access Intelligence, LLC ● www.cablefax.com ● fax:301/738-8453 ● Editor-in-Chief: Amy Maclean, 301/354-1760, amaclean@accessintel.com ● Exec Editor, Michael Grebb, 301/354-1790, mgrebb@accessintel.com ● Assoc Editor, Chad Heiges, 301/354-1828, cheiges@accessintel.com ● Asst VP, Ed Director, Seth Arenstein, 301/354-1782, sarenstein@accessintel.com ● Associate Publisher: Amy Abbey, 301/354-1783, aabbey@accessintel.com ● Marketer: Doreen Price, 301/354-1793, dprice@accessintel.com ● Marketing Director: Carol Bray, 301/354-1763, cbray@accessintel.com ● Prod: Joann Fato, cdaily@accessintel.com ● Scott Gentry/VP and Group Publisher ● Online Publisher, Alison Johns, 212/621.4642 ● Paul Maxwell/Columnist. Subs/Client Services: 301/354-2101, fax 301/309-3847 ● Group Subs : Angela Gardner, 757/531-1369, cfaxgroupsub@accessintel.com

ing on the front burner at the FCC today, but that the group wants to be proactive. Other Alliance members include the **Hispanic Federation** and the **National Black Chamber of Commerce**.

Competition: Verizon launches Fri in the Washington, D.C., area **FiOS1**, a channel offering local weather, traffic, and news 24 hours/day. Content includes MLB games from **MASN**, "Push-Pause," the telco's initial original program offering community features and profiles produced by citizen video journalists, and "Limbo Local," letting viewers use their mobile phones to text-message bids for items on sale. Verizon plans to roll out similar channels in other markets this year.

Bank of America Notebook: While Verizon pres/COO *Dennis Strigl* believes the national roll out of **FiOS TV** remains on target, he said the telco's aggressive marketing of 4-play bundles will help differentiate the video product from cable's and drive sales as the **Sprint/Cable** jv warms up. An expansion of Verizon's retail "experience" concept to other locales will also help drive FiOS penetration, said Strigl. "We are very pleased with the results" of the current outlets in TX and VA, he said. -- **Sprint Nextel** CFO *Paul Saleh* is bullish about the possibilities of **Pivot**, due to hit 40 markets later this year. "Building on the strength of cable companies, particularly content strengths, and leveraging our network capability with WiMAX I think is an ideal combination," said Saleh. The service will initially offer strictly mobility components, he said, and then "services that others won't be able to replicate" such as the integration of email boxes.

Taking Stock: Comcast scheduled its annual shareholder meeting for May 23. The usual shareholder proposals that get rejected every year are again on the table, including one requiring that the board's chmn (*Brian Roberts*) not be an Comcast employee. Another proposal asks that shareholders be allowed to vote on whether they feel executive compensation is excessive or not. Roberts pulled in \$26mln in total compensation last year, including salary, bonuses, stock and options awards, and changes in pension value. *Ralph Roberts* received \$24mln, and *Steve Burke* netted \$19mln.

Online: TV Guide is about to launch a public beta test of its new video search and browsing tool, dubbed "Project Stingray." The online video guide indexes TV, movie and entertainment video clips from a variety of sources, including **iFilm** and **NBC's** "NBC 24/7" player, and provides fast access to those clips. Basically, it's a legitimate way to search for and watch your favorite "SNL" clip as opposed to turning to an unauthorized upload on **YouTube**. -- Adding to a marketing/preview initiative fit for a king, **Showtime** is offering the 1st ep of original series "The Tudors" (Sun, 10pm) for free download at **Zvue.com**. The initial 2 eps of the series, focused on the early life of England's King Henry VIII, are free via VOD from several MSOs. -- **HBO** teamed with **Thought Equity Motion** to offer for licensing "The March of Time Collection," a library of historic film footage that covers significant moments and events in world history from '13 through '67. -- The 2nd season of **VH1's** original broadband series "Home Purchasing Club" debuts Apr 16.

Deals: Sirius will carry content from **Nickelodeon**, **Disney Channel** and **Cartoon Net** as part of its deal with Chrysler Group to outfit select 2008 vehicles with "Backseat TV," a new \$7-per-month video add-on to its satellite radio service.

Life of Jimmy: It sounds like an episode of "The Sopranos," but it's *Jim Dolan's* real life. A landscaper on Wed found a severed leg that washed ashore on the **Cablevision** CEO's Long Island property. Another leg was found in nearby water, and police are investigating whether the legs belong to a torso found earlier this month on a Mamaroneck beach.

In the States: Comcast bowed VoIP service in central CA areas including Sacramento, Davis and Yuba City. -- **Buckeye CableSystem** is using **Terayon** apps for digital program insertion, zoned ad insertion, other personalized delivery.

THE WHITEST KIDS U'KNOW

A NEW SKETCH COMEDY FROM **fuse**
TUESDAYS @ 11 PM ET
 FOR EXCLUSIVE CLIPS GO TO FUSE.TV



BUSINESS & FINANCE

Programming: Discovery Channel commissioned **Impossible Pictures** for "Natural Wonders" ('08), a 6-part science series to follow adventurers to destinations such as Angel Falls and the Grand Canyon. -- **Oxygen** greenlit a 2nd season of "The Bad Girls Club," its highest-rated original series ever.

New Head Coach: **SNY** pres *Jon Litner* was upped to pres, **Comcast SportsNet**, with responsibility for managing Comcast's 8 RSNs. Litner, who remains the MSO's rep on the SNY board, succeeds CSN pres/CEO and founder *Jack Williams*, who will serve as chmn and remain an advisor to CSN. Litner's role starts after his successor at SNY is named.

Intl: **MLB Intl** and **ESPN Intl** renewed their agreement through 2010, giving ESPN Intl cable and satellite rights on all ESPN tv nets in 190 countries through the '10 MLB World Series.

People: **MSG Media** named *Chris DeLauro* vp, operations and engineering.

Business/Finance: Following **FCC** approval earlier this week, **Univision** said its acquisition for \$36.25/share by consortium **Broadcast Media Partners** is now complete. Univision common stock will cease NYSE trading before the market opens Fri. -- **Gemstar-TV Guide** acquired for \$16mln in cash all the outstanding shares of **Aptiv Digital**, a CA provider of software solutions for TV set-tops.

CableFAX Daily Stockwatch

Company	03/29 Close	1-Day Ch	Company	03/29 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
BRITISH SKY:	44.43	(0.42)	AMPHENOL:	64.61	(0.82)
DIRECTV:	22.87	0.26	ARRIS GROUP:	13.86	(0.13)
DISNEY:	34.39	0.16	AVID TECH:	34.15	(0.41)
ECHOSTAR:	42.87	0.10	BLNDER TONGUE:	1.92	(0.03)
GE:	35.55	0.00	BROADCOM:	31.05	(0.22)
HEARST-ARGYLE:	26.95	0.10	C-COR:	13.44	0.08
ION MEDIA:	1.30	0.00	CISCO:	25.43	(0.27)
NEWS CORP:	24.32	0.49	COMMSCOPE:	42.99	(0.06)
TRIBUNE:	31.53	0.40	CONCURRENT:	1.50	(0.02)
MSOS					
CABLEVISION:	30.38	0.22	CONVERGYS:	25.36	(0.05)
CHARTER:	2.77	(0.02)	CSG SYSTEMS:	24.92	(0.36)
COMCAST:	25.86	0.10	GEMSTAR TVG:	4.21	0.06
COMCAST SPCL:	25.46	0.07	GOOGLE:	460.92	(0.96)
GCI:	13.82	0.13	HARMONIC:	9.73	(0.11)
KNOLOGY:	15.17	0.42	JDSU:	15.12	(0.21)
LIBERTY CAPITAL:	109.27	0.49	LEVEL 3:	6.00	(0.03)
LIBERTY GLOBAL:	32.47	(0.21)	MICROSOFT:	27.75	0.11
LIBERTY INTERACTIVE:	24.06	0.16	MOTOROLA:	17.71	(0.02)
MEDIACOM:	7.87	0.02	NDS:	49.82	(0.49)
NTL:	28.22	0.00	NORTEL:	24.12	(0.35)
ROGERS COMM:	32.29	0.38	OPENTV:	2.38	(0.02)
SHAW COMM:	37.36	1.07	PHILIPS:	39.17	1.22
TIME WARNER CABLE:	37.05	(0.3)	RENTRAK:	15.91	0.16
WASH POST:	764.76	5.02	SEACHANGE:	8.09	(0.01)
PROGRAMMING					
CBS:	30.50	0.13	SONY:	51.09	(0.13)
CROWN:	5.36	0.10	SPRINT NEXTEL:	19.00	0.49
DISCOVERY:	19.43	1.12	THOMAS & BETTS:	48.85	0.36
EW SCRIPPS:	44.60	0.11	TIVO:	6.11	(0.13)
GRUPO TELEVISIA:	29.38	0.29	TOLLGRADE:	12.07	(0.09)
INTERACTIVE CORP:	37.59	(0.14)	UNIVERSAL ELEC:	27.90	(0.58)
LODGENET:	29.93	0.17	VONAGE:	3.06	(0.2)
NEW FRONTIER:	9.11	0.00	VYYO:	7.80	(0.64)
OUTDOOR:	10.18	0.14	WEBB SYS:	0.04	0.00
PLAYBOY:	10.25	(0.01)	WORLDGATE:	0.74	0.01
TIME WARNER:	19.85	(0.06)	YAHOO:	31.34	(0.07)
UNIVISION:	36.23	0.00	TELCOS		
VALUEVISION:	12.14	0.15	AT&T:	39.17	0.22
VIACOM:	40.57	(0.14)	QWEST:	8.95	0.10
WWE:	16.52	0.58	VERIZON:	37.57	0.34
TECHNOLOGY					
3COM:	3.92	0.00	MARKET INDICES		
ADC:	16.71	(0.5)	DOW:	12348.75	48.39
ADVANTAGE:	3.46	(0.01)	NASDAQ:	2417.88	0.78
ALCATEL LUCENT:	11.86	0.05			
AMDOCS:	36.06	(0.51)			

**THE TOP 10 NETWORK
WITH 67 CONSECUTIVE MONTHS OF
YEAR-TO-YEAR HOUSEHOLD GROWTH**



www.insidehallmarkchannel.com

Source: Nielsen Galaxy Explorer (1/29-2/25/07), Live+SD HH coverage area Prime time rating (M-Su 8-11p), ranked among all measured ad-supported cable networks. Aug '01 - Feb '07 Total Day delivery. Further qualifications available upon request.

PROGRAMMER'S PAGE with Chad Heiges and Seth Arenstein

Rated 'F' For Freedom

IFC's original doc "This Film Is Not Yet Rated" (Mar 31, 11pm ET) effectively opens viewers' eyes—and the legs of *Maria Bello* and *Sharon Stone*—to the opacity and inconsistency that has plagued for years the **MPAA**, which many in Hollywood feel has always coddled the major film studios' interests. It's particularly enlightening with regard to the US movie rating protocol, itself outdated, extremely self-serving and biased, and the only like process in the world that refuses to divulge the identities of the reviewers involved. Since it logically follows that film producers outside the sphere of major studio influence have sustained the brunt of the MPAA's seemingly duplicitous actions, enter IFC. "This film is the embodiment of the network; free expression is what we're all about," said IFC evp/GM *Evan Shapiro*. "The independent film has not been given the same kind of input into how the [ratings] rules are made, and has not been involved in the process." Due in part to the thrust of the doc (the 1st project Shapiro greenlit at the net), the MPAA has increased transparency with an outreach and education campaign. And perhaps the doc's finest achievement is that it helped alter a formerly steadfast MPAA rule, as precedent citation in ratings appeals is now permitted. "It's a new era in which artistic freedom is rising," said Shapiro. Playing to the imperative of 1st Amendment rights, IFC is using the concept of individual liberty to drive its original content. In the offing is "The Henry Rollins Show" (Apr), featuring the outspoken musician/actor in a debate-style talk show, and doc trilogy "Indie Sex" (July), which explores sex on the silver screen. Both will challenge viewers to be freer and to question the mainstream, said Shapiro, much like "This Film Is Not Yet Rated" has done. The collective result is a new direction for IFC. "The season to free expression starts this weekend," he said. *CH*

Highlights: "The Tudors," Sun, 10pm, **Showtime**. While the initial 2 eps, already online, are gorgeously shot, well acted and masterfully complex, they're not "Masterpiece Theater." Thank goodness, since Showtime's marketing pushes its most expensive series as one loaded with concupiscence. The opening 2 eps aren't overly carnal, but that Boleyn character has barely emerged yet. – "The Shield," Tues, season 6 premiere, 10pm, **FX**. The penultimate season's eps are more energetic and focused, and CCH Pounder is captain now, giving the actress additional camera time and allowing her to bring new depth to the character. *SA*

Worth a Look: "Jerry Seinfeld: The Comedian Award," Sun, 9pm, **HBO**. An entertaining 90 mins, particularly because *Gary Shandling* is on hand, as he, *Chris Rock* and *Robert Klein* fawn over Jerry. – "Cat-Minster," Sun, 7pm ET, **GSN**. A broadening of the network for games, but highly entertaining, particularly for those not exposed to feline fanatics. Besides profiles of cats and owners at a competition, the interstitials facts from **Purina**, are fun, too. Who knew cats with white fur are subject to sunburn? – "Family Jewels," Sun, 9:30pm, **A&E**. Kiss fans haven't lived until they've seen *Gene Simmons* in a surgical gown, cap and socks as he's prepped for a facelift. [More reviews, including a video look at *Wrestlemania*, Friday at www.cable360.net] *SA*

Basic Cable Rankings (3/19/07-3/25/07) Mon-Sun Prime			
1	USA	2.1	1957
2	DSNY	1.8	1636
3	TNT	1.5	1393
4	TBSC	1.4	1307
4	DISC	1.4	1261
4	FOXN	1.4	1237
4	FX	1.4	1233
8	NAN	1.2	1125
8	TOON	1.2	1109
8	FAM	1.2	1077
8	CORT	1.2	1048
8	HALL	1.2	888
13	A&E	1.1	1059
13	LIFE	1.1	1033
13	CMDY	1.1	973
16	ESPN	0.9	853
16	HGTV	0.9	813
16	HIST	0.9	791
16	MTV	0.9	789
20	SPK	0.8	766
20	SCIF	0.8	743
20	FOOD	0.8	734
23	TLC	0.7	675
23	VH1	0.7	674
23	AMC	0.7	650
23	TVLD	0.7	649
27	ESP2	0.6	559
27	CNN	0.6	532
27	BET	0.6	486
30	APL	0.5	433
30	BRAV	0.5	393
30	NGC	0.5	305
30	SOAP	0.5	279
30	LMN	0.5	269
35	HLN	0.4	400
35	MSNB	0.4	390
35	TTC	0.4	344
35	OXYG	0.4	287
39	EN	0.3	298
39	CMT	0.3	255
39	WGNC	0.3	244
39	TVGC	0.3	235
39	TDSN	0.3	203
39	GSN	0.3	179
39	BIO	0.3	109
46	CNBC	0.2	217

*Nielsen data supplied by ABC/Disney

THE CABLE SHOW

VIA BROADBAND

Convergence Happens May 7-9.

Are You Registered?

VIA MOBILE

www.thecableshow.com

CABLE: NO LIMITS

May 7-9, 2007
Mandalay Bay Convention Center
Las Vegas, Nevada