

CableFAX Daily™

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What the Industry Reads First

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Ocean Crest: Investor Group Rides Insight's Wave

An investor group's purchase of a chunk of **Insight** signals good news for the cable industry, according to Insight CEO *Michael Willner*. "I think it's a reaffirmation by very smart money that the cable industry is alive, well and prospering in difficult economic times," said Willner. "These are very sophisticated private equity funds that have a great deal of knowledge about the cable industry and have chosen to put more money to work in it." The group, led by **Crestview Partners** and **MidOcean Partners**, has purchased a significant equity position in Insight from **The Carlyle Group** and other existing shareholders for an undisclosed sum. At the end of the transaction, Carlyle and the new investor group will each hold approx 42% equity interest, with Insight's mgmt, employees and certain other shareholders continuing to hold the remaining equity interests. It's expected to close by the end of 2Q. Crestview and MidOcean jointly acquired San Juan telecom company **OneLink** in '05. Crestview also helped lead the restructuring of **Charter** and holds a significant stake in the MSO. Partner and head of the firm's Media and Communication's Group is cable vet *Jeff Marcus* of **Marcus Cable** fame. He'll join the board along with MidOcean managing dir *Tyler Zachem*. Carlyle and company mgmt acquired Insight in Dec '05 in a going-private merger. In '07, Carlyle contemplated selling Insight, reportedly seeking more than \$3bln, but weak debt financing caused a change of plans. "From my understanding, they are very excited about the continuing prospects of this business," Willner said. "They've been in this deal for 5 years. That's a pretty long time for a private equity firm, where they tend to start to look for sources of liquidity for their partners who have invested in it. Rather than sell it out completely, I think they chose to do a partial sale. I think Carlyle is also reaffirming its belief that cable has a great deal of upside and this company in particular does." In a statement, *James Attwood*, Carlyle's global head of the Telecom and Media Group, praised Insight and said "we look forward to participating in the next stage of the company's growth." Insight's chmn *Sidney Knafel*, certain related holders and Willner will continue to hold a series of shares enabling them to elect a majority of Insight's board. No changes to mgmt team or impact on day-to-day operations. As part of the transactions, Insight will offer to buy certain shares from existing shareholders at the same share price as in the Crestview and MidOcean transaction.

Retrans: Things looked promising for **Citadel** and **DirectTV** at press time. Citadel didn't pull its signals in Des Moines, Lincoln, NE, and Davenport, IA, at midnight, with the 2 agreeing to a 1pm CT extension. That deadline passed Thurs with the



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3 stations still on the air. Assuming a deal is hammered out, look for those on both sides of the retrans reform coin to use this as an example for why change is or isn't needed. Pro-reformers will point to the possibility that DirecTV subs could have lost their **ABC** and **CBS** stations, while broadcasters will note that no one actually did and the free market prevailed.

Carded: The top 5 MSOs have deployed more than 457K CableCARDS for use in Digital Cable Ready Devices. Factor in the next 5 largest incumbent cable ops, and the number grows to 489K+. Cable must periodically file CableCARD deployment details at the FCC, with **NCTA's** latest report filed Wed. The FCC plans to take up a CableCARD NPRM at this month's meeting, aiming to "fix" CableCARD issues as it works toward a universal gateway device. The 10 cable ops have deployed more than 19.5K operator-supplied set-tops with CableCARDS since the integration ban began on July 1, '07.

In the States: **Food Net** partnered with **Delaware North** to develop new menu, restaurant and retail concepts at sports stadiums, ent complexes, parks, resorts and airports across North America. The 1st phase features signature net dishes for suite menus for Delaware's **MLB** clients.

Carriage: **DISH** re-upped with **Si TV**, signing a multi-year deal that will keep it on Classic Silver 200 and Classic Gold 250 as well as several DISH Latino packages. -- **RCN** added **Tele El Salvador** to its Hispanic programming slate.

Globe Trotting: **Fox Networks Group** launched **Fox Look** as a unit specializing in the int'l licensing and prod of unscripted programming from Fox Cable Nets and Fox Broadcasting. The L.A.-based unit is headed by pres **David Lyle**, the former chief of **Fox Reality**, which on Mon converted to **Nat Geo Wild**. Look will also assume management of the existing formats in the Twentieth Century Fox library.

Advertising: **Fox Sports en Espanol** is taking its '11 upfront mobile. L.A. (Apr 22), Chicago (May 4), NYC (May 6) and Miami (May 13) constitute the itinerary for the net's custom branded mobile theatre, which transforms into a showroom with stadium seating featuring a multimedia presentation of net programming and a live performance by comedian **Monique Marvez**. -- **AETN** agreed to use **Microsoft's Admira** TV marketplace to optimize sales of ad inventory for **Bio**, **History Int'l** and **History en Espanol**. Admira uses aggregated, anonymous cable and satellite set-top viewership data to pinpoint effective times to reach specific audiences. -- We can't promise that the "Free Credit Report" song will be less annoying, but we can promise changes to free credit report advertising starting Fri. Web ads for these "free" reports that often require consumers to buy credit monitoring or other services will have to make disclosures with links to the no-strings-attached AnnualCreditReport.com. Disclosures for TV and radio ads take effect Sept 1.

Research: **The Q Scores Co's Emotional Bonding Q** indicates the intensity of devotion to a specific TV program, and 1Q data shows that cable series lead broadcast in the metric among 18-49s. Males in the demo are most attached to **USA's** "Burn Notice" and "White Collar," respectively, while **Syfy's** "Sanctuary" and **USA's** "Psych" helped cable sweep the top 4 and establish **NBCU** as a leading content heartthrob. **CBS'** "The Big Bang Theory," in 5th, was the highest-ranking broadcast show. Among women 18-49, **Oxygen's** "Bad Girls Club" and "Burn Notice" ranked highest, followed by **ABC's** "Grey's Anatomy," **Oxygen's** "Snapped" and **Lifetime's** "Sherri." Females obviously heart NBCU as well. The Q said a program's quality is more important to viewer commitment than are audience size and time slot.

Programming: **ION** launches "The Emeril Lagasse Show" Apr 18, 8pm ET with a housewarming party-themed ep featuring **Martha Stewart**. The weekly, 1-hour variety show is ION's 1st original series. -- **Verizon** policy guy **Tom Tauke** is on **C-SPAN's** "The Communicators," Sat, 6:30pm. He expands on his recent speech calling for Congress to step in and update the Telecom Act, and he continues to push for a light regulatory touch when it comes to the Net. -- **Discovery Channel's** "Construction Intervention" (Apr 13) features a NYC crew that transforms botched construction projects. -- **USA's** 2 most successful originals, "Burn Notice" and "Royal Pains," both return for new season Jun 3. -- **GoITV** picked up the US rights to "Soccer Aces," a reality series that travels the globe in search of the next soccer star.

Online: **Bravo** announced the creation of 3 multi-platform games centered on "Top Chef" and "The Real Housewives." The games will be available on iPhones, BravoTV.com and **Facebook Connect**. -- **GameSpot** will provide content for a new Spanish-language video gaming site on **Univision.com**.

On the Circuit: 9 vendor execs and 1 academic were selected as finalists in the 1st-ever **CIO.IT** Competition. They'll participate in 3 panels and present their solutions to cable's greatest IT challenges before a panel of

BUSINESS & FINANCE

judges as part of the CIO.IT program at **The Cable Show** in L.A. (May 11-13). The 10 are: **BMC Software's Herb VanHook**, **Georgia Tech's Ramsay Hall**, **SAP's Robert Hritsko**, **Maxxian's R.J. Juneau**, **Sigma Systems' Brian Cappellani**, **Openet's Michael Manzo**, **Scorecard's Simon Marwood**, **Acumen Solutions' Brian O'Rourke** and **Shally Stanley** and **Motorola's Gabriel Totino**.

People: TBS tapped **Kathryn Ann Busby** as vp, comedy dev. -- **Fox Nets Group** promoted **Ravi Ahuja** to evp, business ops and dev.

Business/Finance: The **NY Times Co** sold 7% of its stake in **New England Sports Ventures** to **Henry McCance**, chmn emeritus of VC firm **Greylock Partners**. The company retains a 16.6% interest in **NESV**, owner of the Boston Red Sox, Fenway Park and **NESN**. -- As debate continues over the most effective ways to offer TV programming online, **Hulu** has been at the center of the issue since its inception. Now the site says it earned more than \$100mln in rev last year, and that it will breach that mark by this summer. But perhaps more importantly, it noted profitability in 4Q09 and 1Q10. -- **Comcast**, which hired 7K employees last year, ranks 4th on **Forbes'** list of the top 10 US companies in the metric. Only **Cognizant Tech Solutions**, **Lowe's** and **Tyson Foods** added more workers in '09.

CableFAX Daily Stockwatch

Company	04/01 Close	1-Day Ch	Company	04/01 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
BRITISH SKY:	37.26	0.87	AMPHENOL:	42.39	0.20
DIRECTV:	34.27	0.46	AOL:	25.36	0.08
DISH:	20.73	(0.09)	APPLE:	235.97	0.97
DISNEY:	35.55	0.64	ARRIS GROUP:	11.97	(0.04)
GE:	18.33	0.13	AVID TECH:	13.89	0.11
NEWS CORP:	17.17	0.16	BIGBAND:	3.55	0.04
MSOS					
CABLEVISION:	24.52	0.38	BLNDER TONGUE:	1.08	0.02
COMCAST:	18.86	0.03	BROADCOM:	33.15	(0.05)
COMCAST SPCL:	17.99	0.02	CISCO:	25.83	(0.2)
GCI:	5.92	0.15	CLEARWIRE:	7.10	(0.06)
KNOWLOGY:	13.47	0.03	COMMSCOPE:	28.61	0.59
LIBERTY CAPITAL:	36.73	0.36	CONCURRENT:	5.60	(0.15)
LIBERTY GLOBAL:	29.30	0.14	CONVERGYS:	12.27	0.01
LIBERTY INT:	15.60	0.30	CSG SYSTEMS:	21.00	0.00
MEDIACOM:	5.94	(0.01)	ECHOSTAR:	20.14	(0.14)
RCN:	15.15	0.07	GOOGLE:	568.80	1.68
SHAW COMM:	20.00	0.13	HARMONIC:	6.32	0.01
TIME WARNER CABLE:	53.48	0.17	INTEL:	22.39	0.10
VIRGIN MEDIA:	17.69	0.43	JDSU:	12.57	0.05
WASH POST:	444.74	0.56	LEVEL 3:	1.62	0.00
PROGRAMMING					
CBS:	14.17	0.23	MICROSOFT:	29.16	(0.13)
CROWN:	1.94	0.02	MOTOROLA:	7.06	0.04
DISCOVERY:	33.81	0.02	PHILIPS:	32.89	0.87
GRUPO TELEVISIA:	21.12	0.10	RENTRAK:	21.50	(0.05)
HSN:	29.90	0.46	SEACHANGE:	7.25	0.07
INTERACTIVE CORP:	22.52	(0.26)	SONY:	38.42	0.10
LIBERTY:	37.87	0.59	SPRINT NEXTEL:	3.90	0.10
LIBERTY STARZ:	54.60	(0.07)	THOMAS & BETTS:	39.84	0.60
LIONSGATE:	6.25	0.01	TIVO:	16.84	(0.29)
LODGENET:	7.08	0.11	TOLLGRADE:	6.25	(0.04)
NEW FRONTIER:	1.97	(0.03)	UNIVERSAL ELEC:	22.32	(0.02)
OUTDOOR:	6.58	(0.01)	VONAGE:	1.37	0.02
PLAYBOY:	3.66	0.00	YAHOO:	16.29	(0.24)
RHI:	0.18	0.01	TELCOS		
SCRIPPS INT:	44.26	(0.09)	AT&T:	26.11	0.27
TIME WARNER:	31.41	0.14	QWEST:	5.21	(0.01)
VALUEVISION:	3.44	0.12	VERIZON:	31.28	0.26
VIACOM:	36.96	0.28	MARKET INDICES		
WWE:	17.02	(0.28)	DOW:	10927.07	70.44
TECHNOLOGY					
3COM:	7.70	0.03	NASDAQ:	2402.58	4.62
ADC:	7.34	0.03			
ADVANTAGE:	2.29	0.00			
ALCATEL LUCENT:	3.12	0.00			
AMDOCS:	30.28	0.17			



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- REALITY
- SPORTS
- VARIETY/TALK SHOW



PROGRAMMER'S PAGE with Chad Heiges and Seth Arenstein

Battle for the Sexes

To extend a look at cable viewership trends among 18-49s during 1Q prime (*Cfax*, 3/31), I parsed data so as to spotlight results strictly concerning men and/or women in the age bracket. Of the nets that averaged at least 200K demo women in prime in 1Q08, notable gainers for the sex from Jan-Mar of '10 include female-dominated **E!** (+34%) and **Food** (+14%)—but also male-skewing **ESPN** (+19%), **History** (+19%) and **truTV** (+15%). Sure, nearly three-quarters of the sports nets' prime 18-49 delivery is male (ie, it's much easier to notch growth from a smaller base), but the female increase still trumped the +14% male expansion. As truTV earned the same percentage growth among men, History, whose 18-49 audience is 67% male, saw viewership among that sex rise by 16%, or less than among women, providing evidence that females are largely driving the movement of cable eyeballs toward non-fiction programming. Other male-skewing nets that achieved growth among women 18-49 include **AMC** (+4%) and **Discovery Channel** (+2%), which both experienced dips among men. Conversely—and more intriguing to me since, well, I'm a dude—**HGTV** (+16%), **TLC** (+10%) and **E!** (+5%), which chiefly lure women, all garnered growth among men. I failed to contribute to any of those climbs, to be sure, and the same certainly applies to **Disney Channel's** head-scratching 15% growth among men. OK, so 18-49s males account for just 8% of the net's audience, but I still find that growth even more flabbergasting than the 22% constitution of Disney's total prime viewership by 18-49s overall. On both accounts, I doff my cap to the net for its transcendence across demos. Approx 37% of its overall 1Q prime 18-49 delivery was male, compared to 33% for both HGTV and TLC and 32% for E!. The latter nets' total 1Q prime audience included respective male makeups of 12%, 16% and 20%. *CH*

Worth a Look: "Unfaithful: Stories of Betrayal," pilot, Sun, 9p, **Discovery Health**. The message of this practical look at marital infidelity appears to be that divorced couples can reconcile. Yet just 10% have. -- "Future Food," Tues, 10p E, **Planet Green**. Entertaining chef *Homaro Cantu* of Moto in Chicago recycles French toast (made from old bread) into a batter and somehow produces crepes. He then lets Chicagoans decide whether his unusual concoction or traditional crepes taste best. Damn the results, this is entertaining TV. -- "Elle & Tito: The Married Life," Mon, 9p, **SiTV**. After last week's pilot, where the newlyweds discussed their sex life (or lack of one), it's hard to see why anyone would think this unremarkable couple would make good TV. Seeking pub for their music careers, Elle and Tito have an incentive to expose their lives. Will viewers care? -- "Tori & Dean: Home Sweet Hollywood," season V premiere, Mon, 10p, **Oxygen**. T&D come off their best ratings, so people watch; not I. *SA*

Notable: **GMC** is biblical on Easter, beginning at 9a with "A Walton Easter" ('97) and at 11:41p it's "Peter and Paul" ('81), starring *Anthony Hopkins*. -- "Life" (Sun, **Discovery**, 9p) eyes creatures of the deep, invertebrates who move so slowly they rarely get far from their birthplace. *SA*

Basic Cable Rankings			
(3/01/10-3/28/10)			
Mon-Sun Prime			
1	USA	2.2	2218
2	FOXN	1.9	1822
3	DSNY	1.8	1740
4	TNT	1.4	1403
4	NAN	1.4	1402
6	TBSC	1.3	1317
6	HIST	1.3	1233
8	A&E	1.1	1129
8	FAM	1.1	1057
10	HGTV	1	1031
10	DISC	1	1008
10	ESPN	1	1001
10	TOON	1	970
10	FX	1	930
15	LIFE	0.9	890
15	TRU	0.9	870
15	FOOD	0.9	849
18	SYFY	0.8	823
18	TLC	0.8	762
18	CMDY	0.8	749
18	AMC	0.8	734
18	HALL	0.8	690
18	LMN	0.8	609
18	NKJR	0.8	553
25	SPK	0.7	693
25	BRAV	0.7	652
25	MSNB	0.7	647
28	MTV	0.6	632
28	TVLD	0.6	610
28	BET	0.6	553
31	CNN	0.5	542
31	EN	0.5	488
31	APL	0.5	451
31	OXYG	0.5	403
31	NGC	0.5	350
31	ID	0.5	273
37	ESP2	0.4	437
37	VH1	0.4	431
37	HLN	0.4	411
37	TRAV	0.4	366
37	CMT	0.4	358
37	WGNA	0.4	287
43	SOAP	0.3	260
43	GSN	0.3	234
43	DXD	0.3	216
43	TNNK	0.3	203

*Nielsen data supplied by ABC/Disney



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