

CableFAX Daily™

Monday — April 4, 2011

What the Industry Reads First

Volume 22 / No. 063

Don't Play Ball! SNY Benched, YES-DirecTV Still Talking

DISH sent SNY and the NY Mets to the bench early Fri after a carriage renewal couldn't be worked out by the midnight deadline, saying it can't legally carry a net once a contract expires. While DISH said the sides continue to negotiate, SNY claims talks have broken off. "We've been talking to [SNY] for quite some time, trying to reach a fair agreement," DISH svp, programming *Dave Shull* told *Cfax* late Thurs. "With regional sports networks, the costs have been escalating very quickly, and the RSNs are trying to [put] that investment on the back of our subscribers." Shull also said the DBS op's talking with other RSNs in NY, although MSG and YES declined to comment. MSG and MSG Plus have been dark on DISH since Oct 1, and DISH has never carried YES. In a statement, SNY said "DISH Network continues to abandon New York sports fans, now dropping SNY and denying fans SNY's exclusive coverage of the Mets, Jets and Big East Conference." The Mets' first '11 pitch gets hurled Fri evening. SNY's pointing viewers to www.KeepSNY.com for info on the impasse while underscoring both the site and phone line 888-9-KeepSNY as avenues through which DISH subs can find out how to switch video providers. Meanwhile, DirecTV and YES were still engaged in carriage talks at deadline in an effort to forge a deal before the midnight deadline Fri. DirecTV has said it plans to keep YES on the air throughout the negotiating process. According to data from SNL Kagan, YES hauled in approx \$435mln in '10 rev, by far the most of any RSN. MSG ranked 3rd with approx \$273mln, SNY 5th with approx \$228mln and MSG Plus 6th with approx \$219mln. Of the top RSNs based on '10 rev, MSG (+18.3%) and MSG Plus (+18%) led in YOY rev growth, while SNY (+12%) ranked 3rd and YES (+8.4%) 6th.

More Structural Change: The resignation of evp, programming and legal affairs *Gregory Doody* marks the 3rd high-level departure dealt Charter since the MSO unveiled a new organizational structure in Jan (*Cfax*, 1/5). Doody is returning to his restructuring advisory practice, **Dumaine Advisors**, and will remain with Charter through a transition period. 2 other execs prominent in the restructuring have also resigned, CTO and evp, strategy *Marwan Faraz* to pursue other opportunities, and evp, op and marketing *Ted Schremp* for personal reasons.

iPad: Time Warner Cable was gearing up Fri to add 5 more nets to its iPad app: **Bloomberg, Sprout, Hallmark Movie, Current** and **truTV**. It had already added 17 channels after yanking 12 **Viacom, Fox** and **Discovery** chan-

Pennsylvania. Where the cable industry began. And where you'll learn why it's the...



PANELS & PRESENTATIONS WITH:

MITCH BOWLING Sr. VP & GM, New Businesses ▪ Comcast Cable
JIM BRUDER Chairman, CEO ▪ Harron
ERIC FEDERMAN Managing Dir. ▪ Credit Suisse
MIKE GIOBBI CTO ▪ Armstrong Cable
DAVE KEEFE CEO ▪ Atlantic Broadband
CHRIS OSIKA Sr. Dir.-Svc. Prov. Practice ▪ Cisco IBSG
MICHAEL QUINN Founding Partner ▪ Q Advisors
MARCI RYVICKER Managing Dir. ▪ Wells Fargo Securities
MARK WALTER Sr. VP ▪ Service Electric Cablevision



You're on-the-clock during SPEED NETWORKING FOR PROGRAMMERS! ▪ CASINO NIGHT! Win prizes!

SPONSOR • EXHIBIT • REGISTER at **CableAcademy.com**

Cable Academy 2011 is sponsored by the Pennsylvania Cable & Telecommunications Foundation

Marketing Solution No. 475

COMCAST WASHINGTON D.C. & OXYGEN DANCE YOUR A** OFF EVENT

CHALLENGE:
Help Comcast Washington D.C. use the power of media brands to address important local community issues.

SOLUTION:
Leverage Oxygen's Dance Your A** Off franchise to help create awareness among Comcast subscribers about the dangers of obesity and the benefits of healthy living.

RESULTS:
Participants enjoyed a fun-filled day with interactive games, dance competitions, tips about leading a healthier lifestyle and more. Given that obesity is such a major health concern, the community not only appreciated an entertaining family event, but also perceived Comcast's keen awareness of critical local concerns.

"THE TEAM IS ALWAYS GREAT TO WORK WITH. THEY ARE TIMELY, RESPONSIVE, THEY TAKE CARE OF ALL THE DETAILS SO YOU CAN RELAX AND FOCUS ON THE OBJECTIVES AT HAND."

—DONNA RATTLEY WASHINGTON
VICE PRESIDENT, GOVERNMENT & REGULATORY AFFAIRS



NBCUniversal
TV Networks Distribution

Marketing Solutions

our networks work.

CABLEFAX DAILY (ISSN 1069-6644) is published daily by Access Intelligence, LLC ● www.cablefaxdaily.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 ● Senior Online Editor: Chad Heiges, 301.354.1828, cheiges@accessintel.com ● Asst VP, Ed Director: Seth Arenstein, 301/354-1782, sarenstein@accessintel.com ● Publisher: Debbie Vodenos, 301.354-1695, dvodenos@accessintel.com ● Assoc Publisher: Amy Abbey, 301.354.1629, aabbey@accessintel.com ● Marketing Dir: Carol Brault, 301.354.1763, cbrault@accessintel.com ● Prod: Joann Fato, 301.354.1681, cdaily@accessintel.com ● Diane Schwartz/VP and Group Publisher ● Subs/Client Services: 301.354.2101, fax 301.309.3847 ● Group Subs: Carol Brault, 301.354.1763, cbrault@accessintel.com

nets Thurs. The programmers have complained about the free app, arguing that TWC doesn't have the rights to deliver the nets to customers' iPads inside the home. The newly launched channels are: **CNBC World, C-SPAN, C-SPAN2, C-SPAN3, Chiller, Disney XD, ESPNnews, G4, HSN, IFC, Jewelry, QVC, Sleuth, Soap, Style, Golf, and WE.** Also included are local TWC news nets **NY1, NY1 Noticias** and **YNN Austin** in markets where available. Those channels replace **MTV, TLC, Discovery, Fox News, FX** and others from Viacom, Fox and Discovery.

On the Hill: House Rules scheduled an "emergency" meeting Mon to determine the details for bringing up a resolution that would nullify the **FCC's** Dec Open Internet order. Don't let the emergency header fool you though. An aide says it's just under that designation because of the short notice for Mon's meeting. It looks like a vote from the full House could come early next week. While it will likely pass the House, don't look for it to go far in the Democrat-controlled Senate.

Stimulating: Fri's House Communications subcmte hearing on legislation to amp up oversight of **NTIA** and **RUS'** stimulus-funded broadband projects was quick and relatively painless. Dems said repeatedly that the bill was unnecessary and duplicative, but they didn't try to stop it—favorably reporting it out of subcmte. "We're marking up a bill that's already law," said Rep *Mike Doyle* (D-PA), questioning why the committee wasn't working on more substantive matters—like spectrum. "It seems like it's the legislative version of the **J Peterman** catalog. [Many pages] of things we don't need." Doyle compared the bill to "Seinfeld," a show about nothing (and it loved the Peterman catalog). Former House commerce chmn *Henry Waxman* (D-CA) was more upbeat, praising the GOP for reaching out to Dems and saying he hoped it was a "harbinger of things to come." The bill, from cmte chmn *Greg Walden* (R-OR), is welcomed by cable as it has long been concerned more oversight is needed to ensure projects don't go to areas with existing broadband service. It makes it compulsory to return unspent broadband dollars to the Treasury expeditiously. "The NTIA and RUS have awarded \$7bln covering 553 awards in a very short time. The dust is still settling, but as we heard during the Feb hearing, it is logical to expect that issues of fraud, waste and abuse will start popping up now that the money is beginning to flow," Walden said. NTIA head *Lawrence Strickling* agreed that legislation is not necessary, but said he had no objection if Congress believes it will help combat waste and abuse of federal funds. RUS admin *Jonathan Adelstein* shared his view. There were some complications that could arise over a bill provision that would require NTIA an RUS to make a determination of waste, abuse, etc on a grant/loan in 30 days, with Walden promising to look into it. The full committee is slated to mark-up the bill Tues.

Deals: Nope, it's not an April Fool's joke. **DISH** is reportedly in the running for **Blockbuster**, with the *WSJ* reporting *Carl Icahn* and a group of hedge funds are also in the mix. **Wells Fargo's** *Marci Ryvicker* views the potential news as a positive. "The more data points we glean, the more it sounds like *Charlie Ergen* has a plan to stay relevant in an evolving video world," she wrote in a research note. "We had often thought that Charlie Ergen is interested in providing an over-the-top product but the one piece we were missing was how to get content—Blockbuster may be the (first) answer."

VOD: DirecTV will be 1st to distribute **Time Warner's** planned premium VOD service offering select movies about 60 days after they are released in theaters for \$30 each, reports *Variety*. The trade said the service is dubbed Home Premiere and that *Adam Sandler* flick "Just Go With It" would be among the 1st flicks offered.

OTT: Fox amended and expanded its non-exclusive digital distribution pact with **Netflix** to include the 1st season of Fox's "Glee," the initial 2 seasons of **FX's** "Sons of Anarchy" and library series including "Ally McBeal."

Ratings: Golf Channel reached 25.24mln unique viewers from Jan-Mar in delivering its most-watched 1Q ever. -- The season 2 premiere of **History's** "Swamp People" got 3.9mln total viewers, a Thurs night net series record in key demos.

Business/Finance: Comcast CEO *Brian Roberts'* compensation package jumped 14% to \$31.1mln in '10. He got a nearly \$11mln performance-based cash bonus. For the 2nd consecutive year, Comcast evp and **NBCU** CEO *Steve Burke* made more than Roberts. His package totaled \$34.7mln, and included the 2nd installment of his '09 signing bonus (\$3mln). --

Suddenlink closed its approx \$350mln acquisition of **NPG Cable**, which serves approx 83K customers in MO, CA and AZ. **RBC Daniels** acted as the exclusive financial advisor to NPG in this transaction. -- **Verizon** gained control of **Terremark Worldwide** following a successful tender offer in which approx 84% of Terremark's outstanding common shares were validly tendered and not withdrawn as of the expiration time. -- **CenturyLink** and **Qwest** completed their merger Fri after the **FCC** approved the deal Mar 18 on conditions including the launch of a major broadband adoption program aimed at low income consumers (qualifying HHs would be offered broadband at less than \$10/mo and a computer for less than \$150).

CableFAX Week in Review

Company	Ticker	4/01 Close	1-Week % Chg	YTD %Chg
---------	--------	------------	--------------	----------

BROADCASTERS/DBS/MMDS

DIRECTV:	DTV	47.03	(0.11%)	41.02%
DISH:	DISH	24.44	0.16%	17.67%
DISNEY:	DIS	42.85	(0.28%)	32.87%
GE:	GE	20.34	2.99%	34.43%
NEWS CORP:	NWS	18.91	4.59%	18.78%

MSOS

CABLEVISION:	CVC	34.66	(0.55%)	34.24%
CHARTER:	CHTR	51.66	3.71%	0.00%
COMCAST:	CMCSA	25.21	0.76%	49.53%
COMCAST SPCL:	CMCSK	23.59	0.21%	47.35%
GCI:	GNCMA	11.04	3.37%	73.04%
KNOLOGY:	KNOL	13.92	6.34%	27.47%
LIBERTY CAPITAL:	LCAPA	73.45	(1.36%)	207.58%
LIBERTY GLOBAL:	LBTYA	41.84	(0.9%)	91.14%
LIBERTY INT:	LINTA	16.28	4.03%	50.18%
SHAW COMM:	SJR	21.15	1.88%	2.82%
TIME WARNER CABLE:	TWC	72.13	2.07%	74.27%
VIRGIN MEDIA:	VMED	27.75	2.06%	64.88%
WASH POST:	WPO	441.25	0.40%	0.38%

PROGRAMMING

CBS:	CBS	24.79	0.49%	76.44%
CROWN:	CRWN	2.18	13.54%	50.34%
DISCOVERY:	DISCA	40.41	2.72%	31.76%
GRUPO TELEVISIA:	TV	25.08	4.98%	20.81%
HSN:	HSNI	32.21	3.60%	59.53%
INTERACTIVE CORP:	IACI	30.97	1.84%	51.22%
LIBERTY:	L	43.51	1.09%	19.70%
LIBERTY STARZ:	LSTZA	78.43	1.17%	69.95%
LIONSGATE:	LGF	6.31	3.44%	8.61%
LODGENET:	LNET	3.74	22.22%	(32.37%)
NEW FRONTIER:	NOOF	1.79	(13.53%)	(5.29%)
OUTDOOR:	OUTD	7.49	1.22%	29.14%
SCRIPPS INT:	SNI	50.50	0.10%	21.69%
TIME WARNER:	TWX	35.53	0.65%	21.93%
VALUEVISION:	VVTV	5.79	(16.69%)	20.63%
VIACOM:	VIA	53.66	4.23%	70.35%
WWE:	WWE	12.52	(0.24%)	(18.33%)

TECHNOLOGY

ADVANTAGE:	AEY	3.02	0.00%	53.30%
ALCATEL LUCENT:	ALU	5.82	8.99%	75.30%
AMDOCS:	DOX	29.06	(0.34%)	1.86%
AMPHENOL:	APH	52.41	(3.64%)	13.49%
AOL:	AOL	19.82	(1.1%)	(14.86%)
APPLE:	AAPL	344.56	(1.99%)	63.51%
ARRIS GROUP:	ARRS	12.45	2.38%	8.92%
AVID TECH:	AVID	22.05	1.38%	72.81%
BIGBAND:	BBND	2.53	1.20%	(26.45%)
BLNDER TONGUE:	BDR	2.04	9.68%	78.96%
BROADCOM:	BRCM	38.36	(6.32%)	21.89%
CISCO:	CSCO	17.04	(1.39%)	(28.82%)
CLEARWIRE:	CLWR	5.58	2.95%	(17.46%)
CONCURRENT:	CCUR	6.06	(6.05%)	53.03%
CONVERGYS:	CVG	14.49	1.05%	34.79%
CSG SYSTEMS:	CSGS	20.11	3.29%	5.34%

Company	Ticker	4/01 Close	1-Week % Chg	YTD %Chg
---------	--------	------------	--------------	----------

ECHOSTAR:	SATS	37.26	0.57%	85.00%
GOOGLE:	GOOG	591.80	2.08%	(4.55%)
HARMONIC:	HLIT	9.22	2.67%	45.89%
INTEL:	INTC	19.72	(3.19%)	(3.33%)
JDSU:	JDSU	19.11	(3.44%)	131.64%
LEVEL 3:	LVLT	1.48	4.23%	(3.27%)
MICROSOFT:	MSFT	25.48	(0.55%)	(16.4%)
RENTRAK:	RENT	26.95	0.48%	52.52%
SEACHANGE:	SEAC	9.93	7.00%	51.37%
SONY:	SNE	31.87	(1.06%)	9.90%
SPRINT NEXTEL:	S	4.56	(9.7%)	24.59%
THOMAS & BETTS:	TNB	60.31	5.66%	68.51%
TIVO:	TIVO	9.16	4.81%	(10.02%)
TOLLGRADE:	TLGD	10.08	0.50%	64.98%
UNIVERSAL ELEC:	UEIC	29.04	(0.72%)	25.06%
VONAGE:	VG	4.65	12.32%	232.14%
YAHOO:	YHOO	16.84	(0.71%)	0.36%

TELCOS

AT&T:	T	30.62	9.59%	9.24%
VERIZON:	VZ	38.47	3.16%	16.12%

MARKET INDICES

DOW:	DJI	12376.72	1.28%	18.69%
NASDAQ:	IXIC	2789.60	1.70%	22.94%
S&P 500:	GSPC	1332.41	1.42%	16.40%

WINNERS & LOSERS

THIS WEEK'S STOCK PRICE WINNERS

COMPANY	CLOSE	1-WK CH
1. LODGENET:	3.74	22.22%
2. CROWN:	2.18	13.54%
3. VONAGE:	4.65	12.32%
4. BLNDER TONGUE:	2.04	9.68%
5. AT&T:	30.62	9.59%

THIS WEEK'S STOCK PRICE LOSERS

COMPANY	CLOSE	1-WK CH
1. VALUEVISION:	5.79	(16.69%)
2. NEW FRONTIER:	1.79	(13.53%)
3. SPRINT NEXTEL:	4.56	(9.7%)
4. BROADCOM:	38.36	(6.32%)
5. CONCURRENT:	6.06	(6.05%)

CHANGES, CHALLENGES, AND TRANSFORMATIONS!

Discover innovative strategies for success from these industry leaders:

Tom Rutledge, COO of Cablevision Systems Corp.
 Nomi Bergman, President of Bright House Networks
 Chris Powell, EVP of HR of Scripps Networks
 Seth Arenstein, AVP/Editorial Director of CableFAX



CTHRA's HR Symposium • May 11 in Philadelphia • Register at www.CTHRA.com