

CableFAX Daily™

Thursday — April 9, 2009

What the Industry Reads First

Volume 20 / No. 066

Broadband Bluster: Opposition To Metered Broadband Pricing Mounts

The firestorm brewing over **Time Warner Cable's** expansion of its consumption-based HSD bandwidth model in TX, NY and NC continues to intensify. The situation stirs memories of a similar outcry last year over certain providers' network management practices and serves as a reminder that public rancor over cable's bandwidth policies need little fuel to build momentum. "Just at a time when access to information is driving our economic recovery, Time Warner is moving to stagnate the 21st Century technology needed to rebuild America," said Rep *Eric Massa* (D-NY). "I firmly oppose capping internet usage, and I will be taking a leadership role in stopping this outrageous, job killing initiative." Meanwhile, in Greensboro, NC, the city's mayor and council publicly questioned the MSO's area plans, which include allegedly monitoring broadband usage this summer before apprising customers of their consumption levels and possibly instituting usage-based pricing later this year. In several area reports, Greensboro Mayor *Yvonne Johnson* expressed worry over potentially higher Internet prices, saying residents are becoming increasingly vocal on the topic. Others have chimed in, too. "We suspect broadband providers such as Time Warner Cable are looking for a way to mitigate the rising costs of bandwidth usage by their subscribers, as their broadband revenue growth slows," wrote **Pali** analyst *Richard Greenfield*. "We simply walk away thinking this is all too confusing for the average customer." In a public response to all the questions and concerns, Time Warner Cable COO *Landel Hobbs* provided some explanation along with some defense. "As the amount of usage has dramatically diverged among users, this is becoming inherently unfair and not the way most consumers want to pay for goods they consume," said Hobbs. "When you go to lunch with a friend, do you split the bill in half if he gets the steak and you have a salad?" Hobbs also stressed that no usage-based pricing has been instituted—only testing—and that in response to customer feedback, the MSO is developing a "super tier" to allow for up to 100GB of monthly usage in all test markets instead of 40GB. Furthermore, said Hobbs, "I am convening a series of meetings this week to develop plans that will allow customers to choose among tiers that provide tradeoffs between speed and consumption. If one family prefers to have lower download speeds but a higher data tier, or vice-versa, we want them to be able to make that choice." In his blog at *MichaelsInsight.com*, **Insight** CEO *Michael Willner* likens usage-based broadband pricing to the way people now pay for mobile phone service, and said

HGTV **food network**

Beta, Simmons and Myers all agree:

Food Network and HGTV are the #1 and #2 favorite networks

no matter how you slice it!

Scripps networks
Passionate Viewers Live Here

Beta Brand Identity Study, Mar '08, Women 18+
Simmons Multimedia Engagement Study, W4-7 (Q3'07-Q2'08), Adults & Women 18+
Myer's 2007 Emotional Connections Study, Adults 18-6

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 ● Assoc 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 ● Advertising Mgr: Erica Gottlieb, 212/621-4612 ● Marketer: Patrick Benko, 301/354-1789, pbenko@accessintel.com ● Marketing Director: Carol Bray, 301/354-1763, cbray@accessintel.com ● Prod: Joann Fato, 301/354-1681, cdaily@accessintel.com ● Diane Schwartz/VP and Group Publisher ● Paul Maxwell/Columnist ● Subs/Client Services: 301/354-2101, fax 301/309-3847 ● Group Subs: Carol Bray, 301/354-1763, cbray@accessintel.com

he's closely monitoring testing by TWC and other ISPs—but has no immediate plans for metered billing. ISPs are “provisioning for per-customer usage levels that no one ever expected. And make no mistake about it—we want you to have as much bandwidth as you want to consume,” wrote Willner. “In order to do that, in the long run, ISP's will likely have to implement ways to fairly distribute the cost of provisioning for future usage patterns.”

Broaderband: The FCC on Wed kick-started its development of a national broadband plan aimed at ensuring that every American has access to broadband capability and sought input from stakeholders including consumers, industries and states. “This Commission has never, I believe, received a more serious charge than the one to spearhead development of a national broadband plan,” said acting chmn *Michael Copps* of Wed's Notice of Inquiry. Goals include achieving affordability and maximum utilization of broadband infrastructure and services; evaluating broadband deployment status, including related grant programs; and using broadband to advance consumer welfare, civic participation, public safety and homeland security, healthcare, energy independence, etc. Calling it “critical that our plan be competitively and technologically neutral,” Comr *Robert McDowell* said it's “essential [to] give current and prospective broadband network and service providers the proper incentives to deploy new technologies.” He cautioned against trying to pick broadband winners and losers, and said the FCC “must allow network operators to have a reasonable opportunity to pay back their investors. That's the only way to improve existing networks and build new ones.” The FCC must deliver the plan to Congress by Feb 17, 2010.

Competition: YES has inked with **Verizon** a deal offering NY and NJ **FiOS TV** customers on-demand access to the net's **Yankees** telecasts and other content including “CenterStage.” The games will be available for up to 24 hours after completion before being replaced by other games and/or programming. -- **DirectTV** said its **DVR Scheduler** app allowing for remote recording has been downloaded more than 100K times since its Mar 30 launch, becoming a top-10 free app in **Apple's** iTunes app store.

Carriage: **Comcast** launched **RFD-TV** in Salt Lake City. -- **Cox** is offering AZ subs a free preview of **Setanta Sports** Apr 10-26. The net features UK and European soccer and intl rugby.

Online: Now in **Showtime's** corner is **Strikeforce.sho.com**, an interactive experience centered on the net's Sat night MMA event, which will be streamed live at the site for \$25. Purchasers may use multiple camera angles, interact with other users and download music from the event. -- **AMC.com** has launched free streaming of B-movies from numerous genres and decades past, including “College Girl Murders” and “Hercules Unchained.” -- **Turner** tapped **Attributor** to track and discover instances of Turner-owned video posted on video-sharing sites.

Marketing/Advertising: **Turner Sports'** multi-platform marketing campaign to promote **TNT's** '09 NBA Playoffs coverage will include a homepage takeover of **YouTube** on Apr 20 featuring player-specific videos and TNT-messaged overlays; messaging and sponsored ads and a fan promotion on **Facebook** Apr 19; and a takeover that same day of **Yahoo! Sports'** main page featuring TNT creative. Also, beginning Apr 14, net personalities will provide updates via **Twitter**.

Research: The number of North American fiber-to-the-home subs now totals 4.4mln, according to the **FTTH Council**, and is growing by approx 1.5mln annually. 2.7mln homes now receive video service over fiber, up from 1.6mln a

CableFAX PROGRAM AWARDS

Saluting Cable's Top Shows,
People and Entertainment Icons

www.cablefaxprogramawards.com

From the most outstanding cable programs to the best surprise ending, the Annual CableFAX Program Awards honor the best in cable content and people. Now's your chance to get recognized for bringing value to your viewers.

Entry Deadline: May 1, 2009
Late Entry Deadline: May 8, 2009
Luncheon: September 16, 2009
Location: Grand Hyatt New York, NY



BUSINESS & FINANCE

year ago, and the overall take rate stands at 32% after increasing for 6 straight months. Homes passed by fiber tallies 15.2mln, up from 13.8mln.

Programming: Common Sense Media is teaming with **Tribune Media Services** to make online and set top program guides more helpful for parents by providing detailed, age-based information about TV and movie content. -- **MSG** premieres an original doc about restoring NY's 80-year-old **Beacon Theatre** Thurs, at 10pm, that features interviews with *Conan O'Brien, Jimmy Fallon* and *Whoopi Goldberg*. -- **HBO** renewed comedy series "Eastbound & Down" ('10). -- **Animal Planet's** "Whale Wars" returns for a 2nd season Jun 5.

People: Ovation TV named *Liz Jan-neman* svp, ad sales.

Business/Finance: Comcast Interactive Capital participated in a \$11mln funding round for **JiWire**, a mobile media firm that uses wireless Internet access for advertising and reaches 20mln monthly uniques across 25K Wi Fi hotspots. -- According to an **SEC** filing, the sale of TX overbuilder **Grande Comm**, on the block since early last year, may be nearing. The company states in the filing that it's not trying to raise funds through a new credit facility, as has been speculated, and that it's "aware of third-party efforts to finance a possible offer to purchase the company."

CableFAX Daily Stockwatch

Company	04/08 Close	1-Day Ch	Company	04/08 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
BROADCASTERS/DBS/MMDS			AMDOCS:	18.91	0.41
BRITISH SKY:	25.30	0.23	AMPHENOL:	28.82	(0.08)
DIRECTV:	24.01	0.20	APPLE:	116.32	1.32
DISH:	12.59	0.24	ARRIS GROUP:	8.43	0.49
DISNEY:	19.36	0.24	AVID TECH:	10.00	0.25
GE:	10.64	(0.01)	BIGBAND:	6.00	(0.58)
HEARST-ARGYLE:	4.31	0.08	BLNDER TONGUE:	0.90	0.00
NEWS CORP:	8.23	0.03	BROADCOM:	22.06	1.03
MSOS					
CABLEVISION:	15.27	0.74	CISCO:	17.13	0.28
CHARTER:	0.02	0.00	CLEARWIRE:	5.22	0.05
COMCAST:	14.26	0.22	COMMSCOPE:	16.05	1.34
COMCAST SPCL:	13.43	0.26	CONCURRENT:	3.72	0.11
GCI:	6.80	0.41	CONVERGYS:	9.00	0.00
KNOLOGY:	4.83	0.17	CSG SYSTEMS:	14.67	0.20
LIBERTY CAPITAL:	8.38	0.39	ECHOSTAR:	15.49	(0.57)
LIBERTY ENT:	21.82	0.48	GOOGLE:	362.00	3.35
LIBERTY GLOBAL:	16.51	0.51	HARMONIC:	6.73	0.22
LIBERTY INT:	3.36	0.04	INTEL:	15.27	(0.18)
MEDIACOM:	4.57	0.56	JDSU:	3.98	0.02
SHAW COMM:	15.71	0.09	LEVEL 3:	0.98	0.01
TIME WARNER CABLE:	26.85	0.98	MICROSOFT:	19.19	0.43
VIRGIN MEDIA:	6.04	0.14	MOTOROLA:	4.54	0.00
WASH POST:	377.79	2.92	OPENTV:	1.60	0.01
PROGRAMMING					
CBS:	5.03	0.18	PHILIPS:	16.21	0.33
CROWN:	2.22	0.03	RENTRAK:	9.71	0.00
DISCOVERY:	17.19	0.43	SEACHANGE:	6.02	0.07
EW SCRIPPS:	1.60	(0.25)	SONY:	23.36	(0.28)
GRUPO TELEVISA:	15.22	0.21	SPRINT NEXTEL:	4.19	(0.16)
HSN:	5.84	0.70	THOMAS & BETTS:	26.90	1.53
INTERACTIVE CORP:	16.07	0.23	TIVO:	7.29	0.28
LIBERTY:	22.73	0.44	TOLLGRADE:	5.55	(0.28)
LODGENET:	1.59	(0.06)	UNIVERSAL ELEC:	18.72	0.01
NEW FRONTIER:	1.70	0.02	VONAGE:	0.38	(0.04)
OUTDOOR:	7.05	0.19	YAHOO:	12.92	0.11
PLAYBOY:	1.96	(0.01)	TELCOS		
RHI:	2.85	0.25	AT&T:	25.39	(0.14)
SCRIPPS INT:	24.93	0.87	QWEST:	3.80	(0.07)
TIME WARNER:	21.92	0.67	VERIZON:	31.68	(0.04)
VALUEVISION:	0.75	0.11	MARKET INDICES		
VIACOM:	19.93	0.40	DOW:	7837.11	47.55
WWE:	11.49	(0.27)	NASDAQ:	1590.66	29.05
TECHNOLOGY					
3COM:	3.58	0.18			
ADC:	5.10	0.29			
ADVANTAGE:	1.55	0.18			
ALCATEL LUCENT:	2.03	(0.01)			



Awards Breakfast

June 11, 2009
Grand Hyatt • New York, NY
8:30am - 10:30am

Saluting affiliate and ad sales excellence in cable and honoring the Top Agency and Corporate Advertising Executives who Champion Cable Media.

www.cablefaxsalesawards.com

Sales Executive of the Year Awards • Sales Hall of Fame
CableFAX Sweet 16