

CableFAX Daily™

Monday — April 11, 2011

What the Industry Reads First

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Retrans Rendezvous: Rhetoric Round-Up Ahead of FCC Comment Deadline

Don't like the current retrans regime? It's your own fault cable operators. At least that's the sermon from an attorney who represents broadcast stations. "My clients wouldn't need retrans revenue if [operators] hadn't spent the last 30 years grossly overpaying for non-broadcasters who are now outbidding [broadcasters] on programming," said *John Hane*, who represents broadcasters station group owners at **Pillsbury Winthrop Shaw Pittman**. "The best way to do it is cap rates to pay TV providers. You created this problem. You pay **ESPN** too much. You pay them 14x per viewing hour what you pay my clients. The only way I can respond is by getting you to pay more." Hane's remarks were made during a **BroadbandUS.TV** panel Thurs that provided a preview of the comments we'll see at the **FCC** on its retrans NPRM (they're due May 27). Among those taking umbrage with Hane's stance was **Starz's** svp biz affairs, distribution *Richard Waysdorf*, who said independent programmers like his employer can only charge what's left after the big broadcast groups take their cuts. "You've created 2 classes of programming networks," he said. Also carrying the cable flag was *Cristina Pauze*, vp, federal regulatory affairs at **Time Warner Cable**, which led the petition at the FCC that resulted in the rulemaking. Calling retrans outdated, she also called on the FCC to look at instances in which someone other than a station owner (like the network) is in charge of negotiations. The TWC-led petition specifically suggested arbitration when broadcasters and MVPDs hit an impasse, but Hane said cable doesn't want true arbitration. "What the cable operator says is that I will arbitrate, but the arbitrator can't be told what I pay other broadcasters, can't be told what I pay for ESPN, which has a fraction of the ratings... No evidence whatsoever of the multichannel market," he said. **ACA** vp, govt affairs *Ross Lieberman* said his members would be happy with that because they want more transparency—and the same retrans rates larger MSOs pay. Hane retorted that he'd been through such a scenario with an ACA member. Also at Thurs' panel was *Antoinette Cook Bush*, who reps network broadcasters at **Skadden, Arps, Slate, Meager & Flom**. She argued that the retrans laws have worked because they have helped increase cable competition. **Public Knowledge's** *Gigi Sohn*, which is on cable's side in this fight, said the focus here is on broadcast spectrum. "Do you want a free market or not? If you want the protections the Communications Act gives, then you have to take some responsibility for it." Sohn's main concern is that consumers not have stations go dark, and she took that a step further

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8th Grade
The Great Compromise
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Aplington Parkersburg
High School

FIRST PRIZE MIDDLE SCHOOL



Sara Atkins, Melissa Yu,
& Katy Becker
*Net Neutrality: The Federal
Government's Role in Our
Online Community*
Knoxville, TN
Farragut Middle School



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DUALITY IS THE NEW REALITY

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Thurs by saying she thinks the same should apply to indie programmers like Starz, **Sportsman Channel**, **RLTV**, etc.

On the Hill: The threat of a govt shutdown was the backdrop Fri for the **House** passing a resolution that would prevent the **FCC** from enacting its Dec order codifying open Internet rules. The vote was 240-179 with 6 Dems joining the Republican majority. It would be a shocker if the bill made it out of the Senate, and pres *Obama* has said he would veto it if it made it to his desk. A rider in the budget bill would prevent any funds being used to implement the FCC order. It was unclear if the rider was still a part of the bill being deliberated Fri. The budget bill deadline was referenced several times on the floor, with Minority Whip *Steny Hoyer* (D-MD) trying to introduce a stop-gap in the middle of debate (it was ruled non-germane).

Carriage: **DirectTV** and **YES** reached a distribution deal late Thurs, ending nearly a week of negotiations that ensued YES' extension of the initial Apr 1 deadline. Terms of the multi-yr deal weren't disclosed, but it came ahead Fri's 1st pitch of the Yankees 3-game set against the Boston Red Sox. -- No updates from the **DISH-SNY** standoff dating back to Apr 1, leaving the net dark on DISH. The net said no meaningful discussions have taken place since it was dropped by the DBS op.

App Central: iPad apps are all the rage in cable, so here comes **HBO GO**. The streaming service will launch its own app May 2, an authenticated version strictly for its subs. While **Comcast**, **U-verse TV** and **Cox** currently offer **HBO GO** and with **Cox** and **Suddenlink** in beta trials of the service, **BTIG's Richard Greenfield** believes the service's launch "on a platform such as the iPad will force multichannel video distributors to sign deals with HBO for HBO GO."

Lamb's Flock: **Purdue Univ** will name its School of Communication in honor of alumnus and **C-SPAN** founder *Brian Lamb*. The Brian Lamb School of Communication name will go into effect July 1. "Brian Lamb's conception of C-SPAN was groundbreaking three decades ago, and he continues to be a leader in public affairs programming. The university has an incredible partnership with Brian, thanks to his interactions with our students today and his selection of Purdue Research Park as the home of the C-SPAN Archives," said Purdue pres *France Córdova*.

Ratings: The debut of new **TLC** series "Extreme Couponing" (Wed at 9 and 9:30pm) scored 2.3mln total viewers, with the net #1 in ad-supported cable in prime among 25-54s, 18-49s, women 25-54, women 18-49 and women 18-34. It definitely has watercooler buzz. One woman featured in the premiere has drawn some controversy from coupon blogs, which claim she previously made **YouTube** videos of herself using "coupons fraudulently." Her supporters claim one of the bloggers making these accusations is just jealous she didn't get cast for the series. Oh, the high stakes world of getting \$1900 worth of groceries for \$100. TLC had no comment. Meanwhile, the woman in question shops at **Cfax's** local Safeway. We're hoping to talk her into doing our shopping next week. -- **ESPN's** Thurs **Masters** coverage averaged 2.55mln viewers and a 2.1 rating based on fast nationals, down considerably from 4.94mln a yr ago when *Tiger Woods* returned from his self-imposed hiatus. The net's Tues night coverage of the **NCAA** women's national basketball title game earned a 2.8 rating and an avg of 3.8mln viewers, up from the respective totals of 2.7 and 3.5mln from a yr ago. Avg viewership for the entire tourney averaged nearly 1.9mln viewers, up from more than 1.6mln in '10. -- **Syfy's** "Factor Faked: Paranormal Files" averaged 1.32mln total viewers for its Wed ep, marking the 3rd consecutive week the show has established a record in the metric. -- **MTV's** "Jersey Shore" juggernaut completed its season during the week of Mar 21, leaving the cable telecast title up for grabs. Who took advantage of Snooki's absence? [*For more info go to CableFaxDaily.com*].

Programming: **Discovery Channel's** "Megaquake: Hour That Shook Japan" (Apr 24) includes testimonies and footage from the fateful day. -- As one of the NJ housewives involved in **Bravo's** hit franchise, *Dina Manzo* is coming to **HGTV** for a weekly party-planning series beginning in Sept. -- **HBO** renewed "The Ricky Gervais Show" for a 3rd season.

On the Circuit: **ACC** kicks off its 6th annual **Communications Institute** May 4 in NYC. Keynotes: **Cablevision's** *John Bickham* and **Citi's** *Frank Eliason* (the **Comcast Cares** social media originator). Visit <http://www.cablecommunicators.org/>

Business/Finance: **DoJ** and **FTC** approved **DISH's** \$320mln deal to acquire substantially all of the assets of **Blockbuster**. DISH said it expects to close the transaction on Apr 21. -- **Fitch Ratings** affirmed the 'BBB' Issuer Default Rating and all outstanding ratings of **Time Warner** and its subsidiaries, and revised the company's Ratings Outlook to 'positive' from 'stable.' The action affects approximately \$23.4bln of debt, including Time Warner's undrawn \$5bln revolving credit facility. -- Following the Thurs expiration of **Verizon's** subsequent offering period of its tender offer for all outstanding shares of **Terremark Worldwide**, the telco owns approx 97% of Terremark shares.

CableFAX Top Ops AWARDS

Who are cable's best operators?

Nomination Deadline April 29, 2011 – Free to Enter!

Help us compile this influential list of MSOs and Independent Operators by nominating the companies and executives you think should be included in our annual list of leading cable operators. The categories recognize excellence in a variety of areas, including leadership, marketing, technology, finance, lifetime achievement, customer service and community involvement. The community of cable operators, networks, technology companies and all partners are invited to nominate, awards open to all cable operators and personnel .

Independent Operator Awards*

- Independent Operator of the Year
- Independent Marketer of the Year
- Independent System Executive of the Year
- Independent Community Service Award
- Independent Customer Care Award
- Independent Technology Award
- Independent Project Launch of the Year
- Independent Financial Exec of the Year
- Independent Lifetime Achievement Award

MSO Awards Categories

- MSO of the Year
- Sales Team of the Year
- Community Service Award MSO-wide
- Community Service Award System-level
- Technology Award
- Financial Exec of the Year
- Regional Executive of the Year
- Customer Care
- Project Launch of the Year
- Leadership Award
- Lifetime Achievement Award

* In Conjunction with NCTC and ACA

Fill out Form or Enter Online at: www.cablefax.com/awards

Category of Award: _____

Name of Award Candidate: _____

Title of Person or Campaign: _____

Address: _____

Email: _____

Phone: _____

Name of Nominator: _____

Title: _____

Address: _____

Email: _____

Phone: _____

In 400 words or fewer, why does this person/campaign deserve to win an award? (Please be specific and include as much detail as possible.)

Please support the candidacy with any additional material (testimonials, press clippings etc) that you see fit.

CableFAX Top Ops AWARDS

Send Entry to:

Mfrench@accessintel.com or
Mary Lou French
CableFAX Top Ops
4 Choke Cherry Rd, 2nd Floor
Rockville MD 20850

Our Top Ops list will be honored in CableFAX: The Magazine's July issue and during an awards luncheon in September coinciding with CableFAX's annual Program Awards.



Enter Online at: www.cablefax.com/awards

CableFAX Week in Review

Company	Ticker	4/08 Close	1-Week % Chg	YTD %Chg
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BROADCASTERS/DBS/MMDS

DIRECTV:	DTV	46.48	(1.17%)	39.37%
DISH:	DISH	23.79	(2.66%)	14.54%
DISNEY:	DIS	41.76	(2.54%)	29.49%
GE:	GE	20.19	(0.74%)	33.44%
NEWS CORP:	NWS	18.30	(3.23%)	14.95%

MSOS

CABLEVISION:	CVC	33.31	(3.89%)	29.01%
CHARTER:	CHTR	54.81	6.10%	0.00%
COMCAST:	CMCSA	24.68	(2.1%)	46.38%
COMCAST SPCL:	CMCSK	23.25	(1.44%)	45.22%
GCI:	GNCMA	11.12	0.72%	74.29%
KNOLOGY:	KNOL	13.92	0.00%	27.47%
LIBERTY CAPITAL:	LCAPA	75.06	2.19%	214.32%
LIBERTY GLOBAL:	LBTYA	42.85	2.41%	95.75%
LIBERTY INT:	LINTA	16.85	3.50%	55.44%
SHAW COMM:	SJR	21.56	1.94%	4.81%
TIME WARNER CABLE:	TWC	72.85	1.00%	76.01%
VIRGIN MEDIA:	VMED	27.55	(0.72%)	63.70%
WASH POST:	WPO	442.86	0.36%	0.74%

PROGRAMMING

CBS:	CBS	24.27	(2.1%)	72.74%
CROWN:	CRWN	2.37	8.72%	63.45%
DISCOVERY:	DISCA	40.07	(0.84%)	30.65%
GRUPO TELEVISIA:	TV	23.04	(8.13%)	10.98%
HSN:	HSNI	32.65	1.37%	61.71%
INTERACTIVE CORP:	IACI	30.97	0.00%	51.22%
LIBERTY:	L	43.00	(1.17%)	18.29%
LIBERTY STARZ:	LSTZA	78.22	(0.27%)	69.49%
LIONSGATE:	LGF	6.58	4.28%	13.25%
LODGENET:	LNET	3.44	(8.02%)	(37.79%)
NEW FRONTIER:	NOOF	1.82	(12.08%)	(3.7%)
OUTDOOR:	OUTD	7.20	(3.87%)	24.14%
SCRIPPS INT:	SNI	50.55	0.10%	21.81%
TIME WARNER:	TWX	35.47	(0.17%)	21.72%
VALUEVISION:	VVTV	5.87	1.38%	22.29%
VIACOM:	VIA	53.92	0.48%	71.17%
WWE:	WWE	12.50	(0.16%)	(18.46%)

TECHNOLOGY

ADVANTAGE:	AEY	3.11	2.98%	57.87%
ALCATEL LUCENT:	ALU	5.73	(1.55%)	72.59%
AMDOCS:	DOX	28.85	(0.72%)	1.12%
AMPHENOL:	APH	52.60	0.36%	13.90%
AOL:	AOL	20.07	1.26%	(13.79%)
APPLE:	AAPL	335.06	(2.76%)	59.00%
ARRIS GROUP:	ARRS	12.73	4.69%	11.37%
AVID TECH:	AVID	21.61	(2%)	69.36%
BIGBAND:	BBND	2.47	(2.37%)	(28.2%)
BLNDER TONGUE:	BDR	2.19	17.74%	92.11%
BROADCOM:	BRCM	39.90	4.01%	26.79%
CISCO:	CSCO	17.65	3.58%	(26.27%)
CLEARWIRE:	CLWR	5.98	7.17%	(11.54%)
CONCURRENT:	CCUR	6.02	(0.66%)	52.02%
CONVERGYS:	CVG	14.12	(2.55%)	31.35%
CSG SYSTEMS:	CSGS	20.50	1.94%	7.39%

Company	Ticker	4/08 Close	1-Week % Chg	YTD %Chg
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ECHOSTAR:	SATS	36.47	(2.12%)	81.08%
GOOGLE:	GOOG	578.16	(2.3%)	(6.75%)
HARMONIC:	HLIT	9.60	4.12%	51.90%
INTEL:	INTC	20.02	1.52%	(1.86%)
JDSU:	JDSU	19.30	0.99%	133.94%
LEVEL 3:	LVLT	1.44	(2.7%)	(5.88%)
MICROSOFT:	MSFT	26.07	2.32%	(14.47%)
RENTRAK:	RENT	25.24	(6.35%)	42.84%
SEACHANGE:	SEAC	10.95	10.27%	66.92%
SONY:	SNE	30.58	(4.05%)	5.45%
SPRINT NEXTEL:	S	4.73	(6.34%)	29.23%
THOMAS & BETTS:	TNB	58.26	(3.4%)	62.78%
TIVO:	TIVO	8.63	(5.79%)	(15.23%)
TOLLGRADE:	TLGD	10.05	0.20%	64.48%
UNIVERSAL ELEC:	UEIC	28.11	(3.2%)	21.06%
VONAGE:	VG	4.59	(1.29%)	227.86%
YAHOO:	YHOO	16.77	(0.42%)	(0.06%)

TELCOS

AT&T:	T	30.71	0.29%	9.56%
VERIZON:	VZ	37.72	(1.95%)	13.85%

MARKET INDICES

DOW:	DJI	12380.05	0.03%	18.72%
NASDAQ:	IXIC	2780.42	(0.33%)	22.53%
S&P 500:	GSPC	1328.17	(0.32%)	16.02%

WINNERS & LOSERS

THIS WEEK'S STOCK PRICE WINNERS

COMPANY	CLOSE	1-WK CH
1. BLNDER TONGUE:	2.19	17.74%
2. SEACHANGE:	10.95	10.27%
3. CROWN:	2.37	8.72%
4. CLEARWIRE:	5.98	7.17%
5. CHARTER:	54.81	6.10%

THIS WEEK'S STOCK PRICE LOSERS

COMPANY	CLOSE	1-WK CH
1. NEW FRONTIER:	1.82	(12.08%)
2. GRUPO TELEVISIA:	23.04	(8.13%)
3. LODGENET:	3.44	(8.02%)
4. RENTRAK:	25.24	(6.35%)
5. SPRINT NEXTEL:	4.73	(6.34%)

CableFAX WEBINAR

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