

CableFAX Daily™

Thursday — April 12, 2007

What the Industry Reads First

Volume 18 / No. 071

King of the Jungle? MGM's Lion Not Yet Ready to Roar

MGM is talking to cable operators about a planned 24-hour movie net and a branded free VOD offering. The studio was among an initial list of new exhibitors for **NCTA's Cable Show** next month but has since decided to scale back plans for the Las Vegas conference as it works on securing carriage. Instead of a booth, MGM execs will take meetings at the show, a spokesman said. MGM is pitching **MGM HD** and **Roar**, both working titles. MGM HD is a planned 24-hour movie net that would include free VOD and HD VOD offerings. It would draw content from MGM's film library, with some 1200 titles from the 4K movie library already converted to high def. Roar would be a dedicated free VOD network offering a broad array of horror, sci fi and action films, according to marketing materials. Both channels will include a robust broadband component. A spokesman cautioned that the channels are in the early planning stages and said there's nothing to announce at this point.

At the Portals: It looks like **FCC** chmn *Kevin Martin* is up to his old tricks of pushing regulations that the cable industry hates. The latest is a plan circulating that would let broadcasters demand both digital and analog carriage in 2009. The analog signals could be dropped if all subs have the needed set-tops to view the digital signals. NCTA has long fought attempts at mandated dual-carriage and isn't any keener on this plan. "This plan appears to conclude that the digital TV transition can be solved by disenfranchising millions of customers by forcing them to rent a set-top box they may not want, and will in fact cost more because the Commission has refused to repeal its \$600 million-a-year set-top box tax that begins in July," an NCTA spokesman said, referring to the set-top integration ban that requires operators to stop deploying boxes with integrated security after July 1.

Surf, Browse, Action!: **Comcast** continues to beef up its digital portfolio, adding **Fandango** to a cache that includes **FearNet.com** and U-G content site **Ziddio.com**. The MSO said it acquired Fandango.com—a site offering movie reviews, news and a ticket purchase option—because of its popularity (4-5mln unique visitors/month) and to complement **Fancast.com**, a similar property slated for a summer launch. Comcast says Fancast will be a destination where browsers may "learn about, plan for and manage their entertainment experience." Think of it as a melding of services offered by **IMBD.com** and **TVGuide.com**, as users will be able to search by favorite film and TV stars for complete credit info and listings of various media featuring the actor. For example, search *Robert Duvall* to find where clips or movies in which he appears can be viewed online, on TV and even via cable VOD. Movie tickets will also be available for purchase on the site. **Comcast Interactive Media** will manage both Fancast and Fandango, which will continue to be led by CEO *Chuck Davis*. **Banc of America Securities** advised Fandango in the deal, which is expected to close in 2Q.

Going Green: **Discovery** founder/chmn *John Hendricks* will chair the recently announced Discovery PlanetGreen Advisory Board, pres/CEO *David Zaslav* told **Cfax** on Wed. The board, which will advise on and support Discovery's new

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\$50mln PlanetGreen initiative, will include top scientists, researchers, innovators and environmental leaders.

Advertising: It may sound like a small feat, but it has been years in the making. And **CAB** believes it will be a sea change for the cable ad business. CAB's E-Business initiative has allowed the 1st live electronic changes to a media buy. **Universal McCann** and **A&E TV Nets** successfully tested the new platform created by **Donovan Data Systems** in 1Q and are continuing to use the tech. Previously, changes to a media buy had to be faxed or emailed back and forth between an agency and network. "It's a major advantage for cable. No one else has done this," including the broadcast nets, said *Danielle DeLauro*, CAB vp sales and marketing. The E-Business test program will now be expanded to include agencies **MPG, MindShare, Initiative, Maxus, Carat** and **Mediaedge:cia**, which will partner with **Discovery, ESPN, Lifetime, MTV, Turner, Oxygen** and **Comcast Nets**. DDS is the platform used by most top 10 agencies, but CAB is also working with the 4A's on making the same technology available across other agency platforms, DeLauro said.

Deals: **HBO** and **Universal Pictures** inked a long-term extension to their domestic output accord that gives the net continued access to films from **Universal, Focus Features** and **Rogue Pictures** in the domestic pay-TV network window.

Bouncing Back: It was a short-lived vacation for longtime **MTVN** exec *Eric Sherman*, who was released from his **VH-1 Classics** gig during the latest MTVN shakeup in Feb (*Cfax*, 2/14). **Cablevision** on Wed named Sherman pres, **fuse**, and placed the net under its **MSG** banner. **fuse** gm *Jennifer Caserta* will now report to Sherman. **fuse** has bounced around a bit over the years, going from Cablevision to its **Rainbow Media** arm and now over to Madison Square Garden, where it will become a 4th division alongside MSG Ent, MSG Media and MSG Sports.

In the Courts: The group of orgs seeking a reversal of the **FCC's** video franchising order requiring municipalities to act on certain telco applications within 90 days will get its day in court. The US Court of Appeals for the 6th Circuit will handle the case; the **Alliance of Community Media** was named petitioner. The group, also consisting of **NA-TOA** and the **NLC**, will continue to work together for a reversal, said ACM exec dir *Anthony Riddle*.

Nets Formulate Game Plans: Baseball just started, yet football season was a hot topic Wed as the **NFL** schedule was released, including the telecast lineups for both **ESPN's** "MNF" and **NFL Net**. Dubbed by the net as "the greatest ever on cable," ESPN's game slate includes the defending Super Bowl champion Indianapolis Colts, Chicago Bears and 3 Baltimore Ravens games. NFL Net's 8-game schedule, notably better than last season's, includes a Thanksgiving Day matchup between the Colts and the Atlanta Falcons.

Three's A Charm: **Bravo** will begin this summer offering a 3rd night (Thur) of original programming each week. Returning shows include "Top Chef" (3rd season), "Project Runway" (4th) and an "Inside the Actor's Studio" ep featuring *Kyra Sedgwick*, star of **TNT's** "The Closer." New series include "Flipping Out" (TBA), highlighting a prolific real estate investor, and "Hey Paula" (summer), providing an inside look at *Paul Abdul*.

Programming: **VH1** is attempting to further capitalize on the smashing success of reality series "I Love New York" by rolling out a pair of related shows Sun, beginning at 9pm. "I Love New York Reunion" brings back all the guys who competed on the show and features off-camera highlights, while "Flavor of Love Girls: Charm School" seeks to turn the show's female contestants into urbane ladies. -- Hip hop music mogul *Russell Simmons'* wife *Kimora Lee Simmons* will star in "Kimora" (summer), **Style Net's** 1st reality sitcom series. -- Now in **MSG's** corner is Sat's (4:30pm ET)

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BUSINESS & FINANCE

WBA heavyweight title bout between champion *Nikolai Valuev* and *Ruslan Chagaev* from Stuttgart, Germany.

Brag Book: TLC's "Little People, Big World" hit a personal ratings best in its new time slot Mon, with a 2.1 HH rating. It garnered more than 4mln total viewers.

Awards: The Intl Academy of Digital Arts & Sciences has nominated for "Webby Awards" **Current.tv** and **DiscoveryAtlas.com** in the TV category, and **Nick.com** for youths. **2 Scripps** sites—**DIYNetwork.com** and **Foodnetwork.com**—will battle for the best lifestyle portal; **TBS' Veryfunnyads.com** and the mini site at **ComedyCentral.com** dedicated to "The Colbert Report" will vie for top honors in the humor category.

On the Circuit: **WICT** pres/CEO *Benita Fitzgerald Mosley* was on **MSNBC's** "Hardball" Wed night (4/11) to discuss the *Don Imus* controversy concerning his remarks on the **Rutgers** women's basketball team. Mosley is also a former Olympic athlete.

People: **NBCU TV Nets** named *Bradley Fleisher* svp, distribution. -- **HGTV** upped *Maddie Henri* to vp, original programming.

Oops!: The supplier diversity workshop at **NCTA's** "The Cable Show '07," to be presented by the **Kaitz Foundation**, will feature **Tyco's** *Shelley Stewart* and **UCLA** sr assoc dean *Alfred Osborne* as keynote speakers.

CableFAX Daily Stockwatch

Company	04/11 Close	1-Day Ch	Company	04/11 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
BRITISH SKY:	45.05	(0.16)	AMPHENOL:	33.42	(0.25)
DIRECTV:	23.74	0.00	ARRIS GROUP:	14.67	(0.02)
DISNEY:	34.59	(0.4)	AVID TECH:	35.25	(0.5)
ECHOSTAR:	45.97	0.07	BLNDER TONGUE:	1.87	(0.12)
GE:	34.95	0.07	BROADCOM:	32.36	0.02
HEARST-ARGYLE:	27.27	(0.38)	C-COR:	13.71	(0.23)
ION MEDIA:	1.28	(0.02)	CISCO:	25.79	(0.2)
NEWS CORP:	25.03	(0.17)	COMMSCOPE:	43.43	(0.6)
TRIBUNE:	32.70	(0.05)	CONCURRENT:	1.45	(0.02)
MSOS					
CABLEVISION:	31.00	0.14	CONVERGYS:	25.86	(0.13)
CHARTER:	2.96	0.12	CSG SYSTEMS:	24.68	(0.23)
COMCAST:	27.42	0.71	GEMSTAR TVG:	4.23	(0.04)
COMCAST SPCL:	27.00	0.74	GOOGLE:	464.53	(1.97)
GCI:	14.40	(0.11)	HARMONIC:	10.42	(0.11)
KNOLOGY:	16.34	0.04	JDSU:	15.19	0.01
LIBERTY CAPITAL:	111.95	(0.49)	LEVEL 3:	6.03	(0.12)
LIBERTY GLOBAL:	34.72	(0.16)	MICROSOFT:	28.11	(0.29)
LIBERTY INTERACTIVE:	24.01	(0.3)	MOTOROLA:	17.49	(0.19)
MEDIACOM:	8.76	0.25	NDS:	50.60	(1.1)
NTL:	28.22	0.00	NORTEL:	23.95	(0.09)
ROGERS COMM:	34.62	(0.17)	OPENTV:	2.49	0.02
SHAW COMM:	38.56	0.08	PHILIPS:	39.45	(0.39)
TIME WARNER CABLE:	38.04	0.69	RENTRAK:	14.63	(0.44)
WASH POST:	749.00	(1)	SEACHANGE:	8.34	(0.13)
PROGRAMMING					
CBS:	30.99	(0.41)	SONY:	53.36	(0.65)
CROWN:	5.50	0.11	SPRINT NEXTEL:	19.18	(0.15)
DISCOVERY:	20.58	0.02	THOMAS & BETTS:	49.75	(0.16)
EW SCRIPPS:	44.06	(0.09)	TIVO:	6.21	(0.07)
GRUPO TELEVISA:	30.49	(0.37)	TOLLGRADE:	12.30	0.05
INTERACTIVE CORP:	38.30	(0.34)	UNIVERSAL ELEC:	27.21	0.18
LODGENET:	32.13	0.38	VONAGE:	3.00	0.00
NEW FRONTIER:	8.81	(0.14)	VYYO:	7.19	0.09
OUTDOOR:	10.52	(0.26)	WEBB SYS:	0.06	0.01
PLAYBOY:	10.01	0.00	WORLDGATE:	0.69	0.02
TIME WARNER:	20.83	(0.18)	YAHOO:	31.17	(0.52)
UNIVISION:	36.23	0.00	TELCOS		
VALUEVISION:	12.33	(0.04)	AT&T:	38.94	(0.51)
VIACOM:	40.08	(0.56)	QWEST:	8.76	(0.08)
WWE:	16.82	0.67	VERIZON:	37.38	(0.42)
TECHNOLOGY					
3COM:	3.93	(0.04)	MARKET INDICES		
ADC:	17.13	(0.14)	DOW:	12484.62	(89.23)
ADVANTAGE:	4.14	(0.04)	NASDAQ:	2459.31	(18.3)
ALCATEL LUCENT:	12.41	(0.12)			
AMDOCS:	36.79	(0.01)			

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Think about that for a minute...

Gate Keeping

I'm going to make a proposal that's way "outside the box" with regard to how to approach the copyright issues I've long been writing about. Some folks might think I'm crazy to even suggest this. But please, think about it for a minute.

It seems to me that we've hit a dead-end on copyright protection, primarily because of digitization. Copyright is a core issue. If you look at the fights over YouTube, or Napster, or peer-to-peer distribution on the Internet, or even retransmission consent, DVRs, "network" DVRs, VOD window restrictions, "broadcast flags," downloadable security and lots of other things, they are all related to how a copyright holder is trying to maintain tight control over who gets to see and use their product when—and how they can use it.



Steve Effros

The purpose behind all this control is the understandable desire to get paid for what has been created. The complaint from the consumer end is that the creators are now trying to re-define what they are selling (a single viewing? Multiple viewings? High quality versus lower quality viewing?), and music consumers in particular complain that they are all being treated as potential thieves.

That's the key. What the creators are really concerned about, other than maximizing their profit, is the widespread, indiscriminate illegal distribution of their product. That capability is linked directly to the growth of digital distribution, which allows for perfect, unlimited copying, and consumer access to ubiquitous broadband distribution.

Cable is at the very center of this core issue. We not only deliver digital video product and would like to deliver more, but we also provide the high-speed broadband digital network that is the potential enabler of the illegal distribution that the copyright community so fears.

We have long been labeled with the opprobrium "gate keeper." That term has led to all sorts of suggestions for regulations to restrict what we can do. The net neutrality debate is a good example of that. But gate keeping can serve a good purpose as well as a troublesome one. Instead of trying to deal with all of these copyright issues by designing consumer unfriendly "digital rights management" systems and encryption systems that are broken within days, why not turn the whole issue on its ear? Why not allow distribution but governmentally mandate that identifiable, registered copyrighted data ("fingerprinting" is one new effective way of doing this) be user identified and quantified by the "gate keeper"... the Internet Service Providers.

The ISP would not be empowered—nor would we want to—block or in any other way control the use of the data going through the gate. But we would be required to notify the copyright holder of who was getting or sending those copyrighted works (and get a transaction fee for it). This could be linked to an automated billing system for the use of copyrighted works. People refusing to pay for what they used, or made available for others to use, would be subject to legal action and could lose their broadband access.

The fundamental idea here is to not try to technically interfere with the use of copyrighted works. That's what has been tried and continues to fail. Instead, come at the issue from the other end; develop a method of accounting for that use. Individual privacy would be maintained, as the only recipient of specific user information would be the entity whose property was intentionally being acquired or used. Is all this technically possible? I have been told it is. Think about it.

Steve

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