

CableFAX Daily™

Friday — April 12, 2013

What the Industry Reads First

Volume 24 / No. 071

USF Fun: Phase II Cost Model Expected Soon

The Connect America Fund Phase II cost model might be one of the last things chmn *Julius Genachowski* works on—and we're hearing that the final version could be released before the chmn's departure. The decision will be made at the bureau level. The Wireline Bureau will still need to work on specific inputs, along with which it will use to set Phase II support amounts to be offered to price cap carriers. While Phase I of CAF provides a one-time support, Phase II, which offers \$1.8bln each year over a period of 5 years, provides ongoing support to deploy and maintain service in high-cost areas. The Commission released version 3, the latest version of the cost model, on Mar 11. The bureau already has presented its proposals, which include assumptions about the amount of existing facilities, to groups like **ACA**, according to ex parte filings. ACA worries that the bureau's proposals are based on a greenfield approach, which could result in greater amounts of support based on the assumption that the entire network from the central office to the premises is being built new. The bureau indicated that it had designed a "Steady State" approach that is "forward-looking" and includes cost recovery for building and operating an efficient modern network in perpetuity, the ACA filing said. ACA said that although the approach is a different frame of reference than a brownfield/greenfield design, in practice it incorporates the main assumptions of a greenfield build. In this case, there is no justification to recover costs that aren't actually incurred, given the fact that a large part of the support will go to locations where networks are available and there is no further deployment costs, it said. The group has long advocated for a brownfield build where broadband service exists, and only maintenance and operational costs need to be recovered. The model most accurately reflects the actual incremental deployment costs that the carriers will undertake to enable broadband services, ACA said. **NCTA**, which also recently met with the agency, wants the FCC to stick to the budget for Phase II and move as quickly as possible to adopt the Phase II mechanism.

Over-the-Airheads: **Sinclair** is getting bigger. The broadcaster will buy **Fisher Comm** stations in a deal valued at about \$373mln. Fisher owns 20 stations in 8 markets, including Seattle **ABC** affil **KOMO** and Bakersfield, CA, **CBS** affil **KBAK**. Most of the Fisher stations are in the West, important for Sinclair because of its high East Coast

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concentration. Sinclair is already the largest independent TV broadcaster in the country. And some of its retrans practices have been criticized by MVPDs over the years, particularly for joint sales agreements that allow it to negotiate retrans for another station group in the same market. Just last week, **Time Warner Cable** reps made an appearance at the **FCC** to reiterate their concerns to commish *Ajit Pai* about “collusion by competing broadcast stations” through joint sales agreements and similar arrangements. An ACA report found that as of Apr '12 there were 65 instances of sharing agreements between 2 or more separately owned “Big Four” stations in 58 DMAs across the country. Among these, there were 48 instances in 43 DMAs where retrans negotiations were conducted by a single representative for 2 or more stations (Sinclair was a part of 5 of these; Fisher was not mentioned in any instance). Cablers want assignment of retrans negotiation rights to trigger media ownership rule violations, something Sinclair and other broadcasters have argued vehemently against.

At the Portals: The **FCC** should refrain from imposing text-to-911 compliance deadlines until solutions have been developed and tested and are commercially available, **Comcast** said in a filing, citing technical complexities and the potential costs of implementation a text-to-911 solution for interconnected text messaging providers.

TVE: NBC Sports Net was slated to begin streaming its 1st-ever live TV Everywhere content Thurs night to **Cablevision, Comcast, Suddenlink** and **Verizon FiOS** customers. Other providers are expected to be added soon. The 1st live stream is Tampa Bay-Pittsburg puck action (7:30pm ET). NBC SN live event programming includes the remainder of the NHL season, the Stanley Cup Playoffs and Final and Premier League and Major League Soccer matches.

On the Hill: The **House Communications** subcmte on Thurs approved a bill that would make it official US policy to promote global Internet free from govt control (*Cfax, 4/11*). Dems have expressed concern it could hinder the work of various agencies. Chmn *Greg Walden* (R-OR) pledged to work with the minority to see bipartisan consensus.

Programming: Comedy Central ordered 8 eps of “Adam Devine’s House Party” for this fall. The series will spotlight 24 of Devine’s favorite up-and-coming comedians. -- **TLC** has put together a new property programming block that kicks off Apr 20 with the Season 2 premiere of “Four Houses” at 9pm. It’ll be followed by various housing specials, including “Insane Bathrooms,” (Apr 27, 10pm) and “Surreal Estate” (May 18). -- **Fox Sports** announced a multi-media rights extension with **Golden Boy Promotions** for live boxing in the US and internationally. The deal helps establish a new Mon night boxing franchise on the upcoming **Fox Sports 1**. -- **Spike** launches acquired series “Never Ever Do This At Home,” May 28, 11pm. -- **Starz** is in development on 13-part drama “Fortitude,” its 1st co-production with **Sky Atlantic**. The drama is about a violent crime in Fortitude, 1 of the safest towns on earth. It will bow on Starz in the US and Sky Atlantic HD in the UK next year. -- **Universal Sports** will provide live TV and online coverage of the 117th Boston Marathon on Mon from 9:30am to 12:30pm ET. UniversalSports.com will have a live stream presented by **Timex**.

App World: Disney launched its **Disney Junior** Appisodes app for iPad, iPhone and iPod Touch. The app embeds interactive activities into eps of Disney Junior shows. The new “Mickey Mouse Clubhouse – Mickey and Donald Have a Farm Appisode” and the “Jake and the Never Land Pirates Appisode” are available for \$4.99. A free download of the original “Mickey Mouse Club Road Rally Appisode” is included. More eps will be available for download as appisodes soon.

Social Media: DIY teamed with **MLB Net** in the contest “Pin Your Turf, We’ll Crash Your City!” for a chance to have licensed contractor *Matt Blashaw* and the “Yard Crashers” team ambush the winning baseball town. Nine MLB club cities are featured on DIY Network’s Pinterest Board, where fans can pin postcards from select cities. A special ep of “Yard Crashers,” premiering next year, will feature the winning city’s ambush.

On the Circuit: Discovery Education and nonprofit **Digital Promise**, in conjunction with **Connect2Compete** and other national and state-level education organizations, hosted a conference Thurs titled, “Future@Now: Transition to Digital Classrooms.” The goal was to raise awareness about the benefits of digital learning and digital textbooks.

People: Laurel Weir was promoted to svp, strategic insights and research at **TV Land**. -- **CTAM** upped *Mark Snow* to svp, gm, consumer marketing and insights. He retains primary oversight of the CableMover program and

BUSINESS & FINANCE

Marketing Sciences Council. -- *Andrew Strauser* was upped to vp, talent dev and casting for TLC.

Business/Finance: Cablevision pres/CEO *Jim Dolan's* total compensation package grew to nearly \$16.9mln last year from \$11.4mln in the prior year, thanks to a special grant of stock options, according to the company's proxy. The special grant of options came after CVC's compensation committee concluded that it was undesirable to have a significant element of the compensation of certain employees based on performance objectives that it believed were unlikely to be achieved as a result of the company shifting its strategy in '12 to focus on retention and acquisition of customers (thus more investments in products and services). Chmn *Chuck Dolan's* compensation rose from \$11mln to \$16.6mln for '12, while CFO *Gregg Seibert's* package increased to \$11mln from \$6.5mln. In a separate SEC filing, Cablevision outlined its employment agreement with *Kristin Dolan*, who was just named Pres, Optimum Service. The contract, which runs through Dec '17, provides a base salary of \$1mln and an annual target bonus equal to at least 100% of her base salary. She also will be entitled to participate in future long-term cash and equity programs and arrangements that are made available to similarly situated execs.

CableFAX Daily Stockwatch

Company	04/11 Close	1-Day Ch	Company	04/11 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
DIRECTV:	55.67	(0.31)	CONVERGYS:	16.86	0.01
DISH:	36.63	(0.06)	CSG SYSTEMS:	20.83	0.12
DISNEY:	60.55	0.44	ECHOSTAR:	38.12	0.18
GE:	23.59	0.01	GOOGLE:	790.39	0.21
NEWS CORP:	31.75	0.35	HARMONIC:	5.91	(0.02)
MSOS					
CABLEVISION:	14.40	(0.11)	INTEL:	21.82	(0.43)
CHARTER:	104.84	1.17	JDSU:	14.22	0.23
COMCAST:	41.81	0.20	LEVEL 3:	21.75	0.75
COMCAST SPCL:	39.78	0.42	MICROSOFT:	28.93	(1.34)
GCI:	9.41	0.19	RENTRAK:	22.96	(0.1)
LIBERTY GLOBAL:	75.14	1.35	SEACHANGE:	11.03	0.08
LIBERTY INT:	21.23	0.07	SONY:	16.90	(0.03)
SHAW COMM:	24.37	(0.2)	SPRINT NEXTEL:	6.26	0.01
TIME WARNER CABLE:	93.59	(0.64)	TIVO:	11.76	UNCH
VIRGIN MEDIA:	49.91	0.46	UNIVERSAL ELEC:	22.86	0.26
WASH POST:	449.84	0.40	VONAGE:	2.96	0.01
PROGRAMMING					
AMC NETWORKS:	65.28	0.24	YAHOO:	24.48	0.28
CBS:	46.30	(0.31)	TELCOS		
CROWN:	2.05	UNCH	AT&T:	38.54	0.36
DISCOVERY:	80.71	0.27	VERIZON:	50.51	0.65
GRUPO TELEVISA:	28.03	0.14	MARKET INDICES		
HSN:	53.00	0.09	DOW:	14865.14	62.90
INTERACTIVE CORP:	44.35	(1.53)	NASDAQ:	3300.16	2.91
LIONSGATE:	23.55	(0.25)	S&P 500:	1593.37	5.64
OUTDOOR:	8.91	(0.05)			
SCRIPPS INT:	68.28	1.02			
STARZ:	21.80	0.03			
TIME WARNER:	59.66	0.10			
VALUEVISION:	3.92	0.20			
VIACOM:	66.77	0.49			
WWE:	9.10	0.14			
TECHNOLOGY					
ADVANTAGE:	2.32	(0.01)			
ALCATEL LUCENT:	1.46	(0.02)			
AMDOCS:	35.29	(0.15)			
AMPHENOL:	74.77	0.41			
AOL:	38.81	(0.53)			
APPLE:	434.33	(1.36)			
ARRIS GROUP:	17.47	0.21			
AVID TECH:	6.49	(0.02)			
BLNDER TONGUE:	1.05	0.04			
BROADCOM:	33.88	(0.44)			
CISCO:	21.68	0.21			
CLEARWIRE:	3.27	0.02			
CONCURRENT:	6.91	(0.25)			

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PROGRAMMER'S PAGE

Da Vinci, the Hipster...

Leonardo Da Vinci is among the most famous figures in all human history—and yet we know very little about him. Was he a member of the Illuminati or some other fabled secret society? How many of his sketches spurred real inventions? Who was the Mona Lisa—or was he painting himself? Most of these questions will never be answered, but they all invoke visions of a brooding, gray-bearded man in a dark room. That couldn't be farther from the Leonardo presented in **Starz's** "Da Vinci's Demons," which premieres Fri, Apr 12, and gives us a glimpse into the inventor and artist's younger days—you know, when he bedded beautiful women, partied like a frat boy and got in the occasional sword fight. Actor *Tom Riley* plays Da Vinci as a too-cool-for-school, genius hipster. And that's fine with creator and showrunner *David S. Goyer*, who told us that he wants to open up new perceptions of the original Renaissance Man. "I just wanted people to feel like this isn't a dry, historical drama about the old guy with the beard painting the Mona Lisa," says Goyer. "This is a vibrant, action-adventure, mystery show that deals with secret societies and codes and riddles and all of these things." As a character, Da Vinci is writer's gold. Not only was he an endlessly interesting guy, but historians know few specific details about big chunks of life and origins—which Goyer exploits to full dramatic effect. "Nobody knows to this day who his mom was," notes Goyer. "Nobody knows where he was between the ages of 27 and 31... For somebody that famous, there's a lot of fodder." Goyer uses the enigmatic nature of Da Vinci's life to explore any number of questions, including his penchant for manipulating powerful people and even rankling The Vatican, which back then could be deadly. *Da Vinci's Demons* almost feels like *Batman meets Shakespeare in Love*. And it works. No gray beard required. - *Michael Grebb [Go to CableFAX.com for a Q&A with David Goyer]*

Reviews: "The Borgias," season 3 premiere, Sun, 10p, **Showtime**. Who knew 14th century Italy would be cable's 'in' place this weekend? Perhaps *Leonardo Da Vinci* would have [see above]. Certainly such foresight would be beyond *Rodrigo Borgia*, as he dodged enemies to stay alive. *Jeremy Irons* is so dark as Pope Alexander, his teeth black, we expect smoke to issue from his ears. Historical accuracy? Blasphemy! "The Borgias" is a great guilty pleasure. -- "Doors Open," Sat, 8p ET, **Ovation**. This film from *Stephen Fry's* prod co is a different sort of guilty pleasure. Sort of a Scottish "Ocean's 11," it manipulates one to root for a group of unlikely criminals. Yet Fry, good writing and the Scottish countryside make it a comfortable if easily forgettable outing. -- "Nurse Jackie," season 5 premiere, Sun, 9p, **Showtime**. Speaking of rooting for the wrong side, why do we so love drug-addicted Nurse Jackie Peyton (*Edie Falco*)? Partly it's Falco, whose facial expressions alone are Emmy worthy. This season, which finds Jackie sober, her elder daughter troubled and excellent new cast members, easily is the series' best, despite only cameos from *Eve Best* (Dr. O'Hara). -- "Spartacus," series finale, Fri, 9p, **Starz**. As fans would expect, the end includes an extended, bloody battle. Better is a dramatic coda and fine ending credits. - *Seth Arenstein*

Basic Cable Rankings (4/1/13-4/7/13)			
Mon-Sun Prime			
1	USA	2.2	2135
2	DSNY	1.8	1797
3	FOXN	1.4	1329
4	A&E	1.3	1313
4	HIST	1.3	1312
4	TBSC	1.3	1295
7	TNT	1.2	1199
8	ESPN	1.1	1044
9	ADSM	1.0	1020
9	HGTV	1.0	947
11	LIFE	0.9	884
11	BRAV	0.9	814
13	FX	0.8	807
13	FOOD	0.8	777
13	AMC	0.8	769
13	DSE	0.8	63
17	NAN	0.7	731
17	SYFY	0.7	731
17	DISC	0.7	715
17	TLC	0.7	660
17	TRU	0.7	652
17	SPK	0.7	645
17	ID	0.7	568
24	CMDY	0.6	617
24	MTV	0.6	601
24	TVLD	0.6	578
24	ESP2	0.6	567
24	APL	0.6	563
24	BET	0.6	563
24	DSJR	0.6	316
31	FAM	0.5	525
31	MSNB	0.5	510
31	LMN	0.5	450
31	EN	0.5	442
31	HALL	0.5	418
31	HMC	0.5	245
37	HLN	0.4	445
37	TRAV	0.4	361
37	NGC	0.4	355
37	NKJR	0.4	303
37	OXYG	0.4	290
37	GSN	0.4	288
37	H2	0.4	275
44	CNN	0.3	347
44	VH1	0.3	334
44	DXD	0.3	281

*Nielsen data supplied by ABC/Disney

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