

CableFAX Daily™

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What the Industry Reads First

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Need for Speed? Discovery Launching HD Net Velocity

Discovery announced plans Thurs to launch new net **Velocity** in 4Q, but it's not the first programmer to go after upscale male viewers. **In Demand** pulled the plug on HD net **MOJO** at the end of '08 with distribution never surpassing 10mln HHs. **WealthTV** filed program carriage complaints at the FCC against In Demand owners **Comcast, Cox, Bright House** and **Time Warner Cable**, claiming the MSOs favored their own net that targeted a similar audience. An ALJ ruled in favor of the MSOs in '09, with Wealth currently seeking review from the full Commission. Wealth, an all HD net, is still struggling with distribution with major operators. **Viacom's** men-focused **Spike** has recently said it's looking to broaden its focus, including attracting women. What makes Discovery confident in its new male venture? First, there's its list of shows popular with male demos, like "Deadliest Catch" (the #1 show on cable Tues night) and "Auction Kings." And Discovery certainly has experience, having launched 3 new nets (**HUB, 3net** and **OWN**) in the past 6 months. "There is nothing like it in the marketplace," Discovery's **David Zaslav** said of Velocity at the programmer's upfront Thurs. "We have a great platform in **HD Theater**—40mln homes and a great channel position." HD Theater isn't the 1st Discovery net to change its stripes. Zaslav has been taking beachfront Discovery real estate and rebranding it for awhile now, starting with **Discovery Home's Planet Green** makeover in '08. The all-HD Velocity will feature more than 400 hours of new and returning series and specials showcasing auto, sports and leisure, adventure and travel. HD Theater series such as "Chasing Classic Cars" and "Café Racer" will be "pillars" of Velocity's prime lineup. Based on the promo at the upfront, complete with the tag "Full Life, Full Speed," Velocity will have a strong automotive focus. Zaslav told advertisers that the net is a project "where you really came in and partnered with us." The Discovery chief said the company will spend nearly \$1bln on content this year for a record 250 series and specials to run across the entire portfolio. That's up from \$600mln when he joined in Dec '06. "We want to build better brands, better characters, better storytelling," Zaslav said. Thurs' upfront presentation in NYC featured appearances by **Oprah**, who told advertisers that it really does take a village to raise a child (hers being OWN), and **Morgan Freeman**, who appears on **Science's** "Through the Wormhole." Also popping in was future OWN series star **Rosie O'Donnell**, complete with a Broadway-style, musical number about her move to the net ("A teeny, tiny Oprah push and I am ready to be OWNed," she sang.)

In the States: **Comcast** said its **Extreme 105** broadband tier now offers speeds up to 105Mbps to more than 40mln homes in major markets nationwide including Seattle, Chicago, Miami and D.C. The service is available to new and existing customers at an introductory rate of \$105/month for 12 months as part of a 2-play bundle. -- **Arris** said 2 of its wideband cable modems have been successfully deployed for an **IPv6** services trial by **Comcast** in Denver that featured a live app of native dual stack (IPv4 and IPv6 simultaneously) CPE support.

At the Portals: The **FCC** opened the docket on **AT&T's** proposed \$39bln acquisition of **T-Mobile**. The companies have

The Royal Wedding
April 29th, 2011

BBC AMERICA **BBC WORLD NEWS**

THE HOME OF THE ROYAL WEDDING

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not filed at the Commission yet but are expected to do so within the next week -- The **FCC** and the **Knight Foundation** have launched the Apps for Communities Challenge, a contest in which communities and software developers compete to develop apps for people least likely to take advantage of the digital revolution (www.challenge.gov). The Knight Foundation is offering \$100K in prizes, with additional prizes awarded to the best apps that reach and engage traditionally underserved communities—people with disabilities, seniors, and those whose first language is not English.

Competition: **FiOS TV's** interactive media guide received more than 25 upgrades in the areas of Syracuse, Albany, Buffalo and Harrisburg, PA, with the service's remaining markets to get them through May and June. Included: DVR recording/management from any room in the home, provided 1 of the DVRs is a multi-room DVR; new guide customization and parental control options, and smarter search functionality.

Online: **BBC.com** delivered its largest ever US audience, topping 19.3mln unique users in Mar according to **com-Score** data. The data also shows that the BBC's sites grew over 35% in unique users from Feb.

Upfronts: **Discovery Comm's** stable of nets received the upfront spotlight Thurs, led by the flagship channel that's riding a ratings hotstreak. Announced specials include "Frozen Planet," offering a portrait of the Arctic and Antarctic from the team behind "Planet Earth," and "Where's My Mammoth?" Among the new series are "Penn & Teller's Secrets of the Universe," a multiplatform show featuring stunts and answers to modern day questions from the duo with a twist, and "Best In the Business," portraying excellence in everyday jobs. Other family nets checking in with various new projects. **TLC:** 14 total including "9/11 Colliding Lives" (wt, 2Q), a story of the fight for survival inside the World Trade Center on that fateful Sept day, and "Gypsyville" (wt, '12), chronicling the world of American gypsies and travelers. **Animal Planet:** 14 total including "Lion Kings of Las Vegas" (wt), featuring a family of entertainers bent on becoming the next Siegfried and Roy, and "Ned Bruha: Skunk Whisperer." **Investigation Discovery:** 8 including "Homicide Hunter: LT. Joe Kenda" (wt), starring a 23-yr veteran of Colorado's homicide investigation unit, and "Crimes of Passion." **Science:** 4 including "Agent of Invention," which chronicles a man's travels in search of a million dollar idea. -- **OWN's** slate of 6 new series includes "Confronting..." offering a look at the mediation process in which victim and offender meet in hopes of achieving closure, "Unfaithful: Stories of Betrayal" and "Louie Spence Dance Project," featuring the eponymous choreographer who has worked with *Mariah Carey* and the *Spice Girls*.

Programming: Coming off its best **NBA** season ever—the regular-season audience was 30% larger than **Turner's** 2nd-best season ever—**TNT** tips off playoff coverage with a triple-header Sun. The net's slate includes the Eastern Conference Finals and 40+ games. Also coming off a historically successful season, **ESPN's** preparing for up to 44 games of playoff coverage including 3 on Sat and The Finals on **ABC**. -- **Nickelodeon** greenlit a 5th season of "iCarly" ('12). -- *Nick Cannon* will have his 1st-ever stand-up special on **Showtime** May 14, 9pm.

Ratings: **Discovery Channel's** "Deadliest Catch" continues to land solid viewership, its 7th-season premiere delivering 4.37mln total viewers and a 2.89 HH rating. -- **Golf Channel's** coverage during **Masters** week (Apr 4-10) scored a 0.2 HH rating and 143K average viewers, marking the net's most-watched week of '11, and the 11.2mln viewers who tuned in at some point drove the week the Golf's 3rd most-watched in history.

People: **Comcast** named *Maria Arias* as exec dir, diversity and inclusion, a new post responsible for the MSO's diver-

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BUSINESS & FINANCE

sity program strategy with a focus on recruitment and career development, suppliers, programming, and community investment. -- **WOW!** chwmn/CEO *Colleen Abdoulah* was named vice chwmn of the **ACA**. She replaces **Harron** CEO *James Bruder* who has held the post for the past 4 years. Bruder will remain on the ACA board.

Honors: **WICT** announced the 120 designees of its Rising Leaders Program, a week-long program on leadership analysis and cable business acumen. Nearly 250 women applied for the 120 available slots. A grant from the **Kaitz Foundation** let **WICT** expand the number of classes to 4 from 2.

Business/Finance: A final investment from **DirecTV** completed **Invidi Technologies'** \$49mln financing round that also included **NBC** and **Verizon**. **Invidi's** addressable advertising software will roll out this year inside all DirecTV DVRs, and existing agreements call for distribution in more than 36mln pay TV homes here and abroad. -- **Collins Stewart's** *Thomas Eagan* upped his price target on **Liberty Starz** by \$13 to \$91, noting higher sub estimates, increased EBITDA estimated for **Starz Ent** and **Starz Media**, and a higher estimated value for a **Netflix** renewal. -- **Deutsche Bank** upped to \$92 from \$88 its price target on **Time Warner Cable**, citing improving cable sector trends and perceived cheapness of the MSO's shares.

CableFAX Daily Stockwatch

Company	04/14 Close	1-Day Ch	Company	04/14 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
DIRECTV:	46.60	0.10	BLNDER TONGUE:	2.21	(0.03)
DISH:	23.43	0.17	BROADCOM:	38.15	0.03
DISNEY:	41.02	(0.68)	CISCO:	17.17	(0.08)
GE:	20.00	0.06	CLEARWIRE:	5.95	UNCH
NEWS CORP:	18.14	(0.16)	CONCURRENT:	5.88	(0.03)
MSOS					
CABLEVISION:	33.65	(0.07)	CONVERGYS:	14.07	0.04
CHARTER:	55.28	0.41	CSG SYSTEMS:	20.37	0.27
COMCAST:	24.25	0.05	ECHOSTAR:	35.89	(0.27)
COMCAST SPCL:	22.90	0.09	GOOGLE:	578.51	2.23
GCI:	11.10	0.18	HARMONIC:	8.99	0.02
KNOLGY:	14.13	0.18	INTEL:	19.58	(0.2)
LIBERTY CAPITAL:	76.21	(0.45)	JDSU:	18.63	(0.05)
LIBERTY GLOBAL:	42.22	(0.73)	LEVEL 3:	1.73	0.04
LIBERTY INT:	16.51	(0.08)	MICROSOFT:	25.42	(0.21)
SHAW COMM:	20.13	(0.43)	RENTRAK:	23.79	(0.11)
TIME WARNER CABLE:	71.75	(0.62)	SEACHANGE:	10.26	(0.08)
VIRGIN MEDIA:	27.45	(0.3)	SONY:	29.69	(0.09)
WASH POST:	434.86	(5.14)	SPRINT NEXTEL:	4.96	0.15
PROGRAMMING					
CBS:	24.25	(0.2)	THOMAS & BETTS:	58.50	0.58
CROWN:	2.24	0.05	TIVO:	8.80	(0.06)
DISCOVERY:	40.11	(0.16)	TOLLGRADE:	10.08	0.01
GRUPO TELEVISA:	22.73	(0.1)	UNIVERSAL ELEC:	28.59	0.42
HSN:	32.27	0.18	VONAGE:	4.88	0.10
INTERACTIVE CORP:	30.53	0.05	YAHOO:	16.69	0.05
LIBERTY:	42.21	(0.17)	TELCOS		
LIBERTY STARZ:	79.14	1.04	AT&T:	30.29	0.11
LIONSGATE:	6.43	(0.02)	VERIZON:	37.71	0.02
LODGENET:	3.28	0.07	MARKET INDICES		
NEW FRONTIER:	1.80	UNCH	DOW:	12285.15	14.16
OUTDOOR:	7.03	(0.06)	NASDAQ:	2760.22	(1.3)
SCRIPPS INT:	49.67	(0.12)	S&P 500:	1314.52	0.11
TIME WARNER:	35.62	(0.02)			
VALUEVISION:	5.66	0.09			
VIACOM:	53.01	(0.66)			
WWE:	11.31	(0.37)			
TECHNOLOGY					
ADVANTAGE:	3.08	(0.01)			
ALCATEL LUCENT:	5.98	(0.08)			
AMDOCS:	29.52	UNCH			
AMPHENOL:	52.45	(0.28)			
AOL:	19.55	(0.27)			
APPLE:	332.42	(3.71)			
ARRIS GROUP:	12.58	0.02			
AVID TECH:	21.39	0.06			
BIGBAND:	2.50	UNCH			

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PROGRAMMER'S PAGE with Chad Heiges and Seth Arenstein

Male Modeling

Discovery Comm has little to lose in rebranding **HD Theater** as **Velocity** later this year—Theater averaged a paltry 74K total viewers in 1Q prime—but I'm not sure how much upside a net targeting upscale males can look forward to. CEO *David Zaslav* constantly exhibits savvy in managing the DISCA portfolio, including several rebrands, and he knows that patience and persistence are the key ingredients to building a new TV brand. Yet Velocity isn't the 1st cable channel to target affluent males, and as the 2 primary precursors, **Mojo** is now defunct and **Wealth TV** continues to endure trouble gaining carriage. Plus, much of Velocity's programming will be car related, a genre **Speed** specializes in while drawing mainly older males. Velocity's planned high-stakes gaming content, though, may be worthy of a double down. Still, the competition is established and miles ahead. But you've got to applaud Zaslav's proven willingness to forge ahead regardless, evidenced by **The Hub's** entry into the crowded kids space and **OWN's** arrival in the women's market. Trouble is, those 2 genres are hot and filled with avid TV watchers, particularly the latter, and even Oprah's cachet hasn't prevented her net from sputtering out of the starting blocks. While males already watch less TV than females, I get the sense that upscale men would prefer to drive or bid on cars and hit the casino rather than sit on the couch. Like with any net, the quality and originality of programming will be key to Velocity's success, and if its more than 400 planned premiere hours proves compelling, I'd wager that advertisers would have no problem attempting to make inroads with the net's target audience. Discovery, of course, also benefits from an expansive portfolio that can be used for cross-promotion of nets, and has shown with **Discovery Channel** it knows how to resonate with males. Going upscale is the dicey proposition, but it helps when there's little to lose. *CH*

Highlights: "Game of Thrones," premiere, Sun, 9p, **HBO**. Who cares if some US subs decide this dark-ages fantasy is no fun to see? It's already HBO's top overseas seller, at \$2.5mln/ep, 50% better than "The Sopranos," *WSJ* says. While HBO sub growth is flat here at 40mln, foreign subs have jumped from 28mln in '07 to 42mln, *WSJ* adds. "Thrones" also is setting HBO records for use of theatrical blood and bare breasts per hour. And while it doesn't jell until ep 3 when characters are fleshed out, it's nuanced storytelling and terrific acting, particularly by *Peter Dinklage* and spirited youngster *Maisie Williams*. *SA*

Notable: **TCM's** excellent *Sidney Lumet* memorial begins with "12 Angry Men" (Thurs, 8p ET) and includes "Network" (1:15a) and "Dog Day Afternoon" (3:30a). -- **TV Land's** 9th annual awards honor "Welcome Back, Kotter," "The Cosby Show" and "Family Ties" among others (Sun, 9p). -- "E! True Hollywood Story: Sarah Palin" (Thurs, 10p) says a "very physical" Ms Palin sometimes scratched opponents during HS b-ball games. *Anne Kilkenny*, a Wasilla resident, says of Palin's VP run, "She was so new and so different... I mean, she can skin a moose." Alert **E!** reporters had a great follow-up: 'Ms Palin, there's more than 1 way to skin a cat. Same with a moose?' *SA*

Basic Cable Rankings (4/04/11-4/10/11) Mon-Sun Prime			
1	USA	2.1	2145
2	DSNY	1.7	1689
3	FOXN	1.6	1546
4	ESPN	1.5	1535
4	HIST	1.5	1450
6	TNT	1.3	1258
7	NAN	1.2	1229
8	TBSC	1.1	1083
9	A&E	1	1043
9	ADSM	1	993
9	SYFY	1	984
9	HGTV	1	953
13	AMC	0.9	904
13	MTV	0.9	857
15	TLC	0.8	839
15	FX	0.8	837
15	FAM	0.8	791
15	CMDY	0.8	787
15	FOOD	0.8	761
15	TRU	0.8	730
15	NKJR	0.8	610
22	MSNB	0.7	710
22	DISC	0.7	710
22	LIFE	0.7	692
22	RLZC	0.7	368
26	TVLD	0.6	625
26	BRAV	0.6	609
26	SPK	0.6	607
26	CNN	0.6	591
26	BET	0.6	538
26	LMN	0.6	455
26	ID	0.6	423
33	EN	0.5	492
33	HALL	0.5	449
35	ESP2	0.4	436
35	APL	0.4	415
35	TRAV	0.4	365
35	NGC	0.4	285
35	GSN	0.4	261
35	HMC	0.4	161
41	VH1	0.3	292
41	HLN	0.3	280
41	OWN	0.3	255
41	CMT	0.3	245
41	SOAP	0.3	245
41	DXD	0.3	245

*Nielsen data supplied by ABC/Disney

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