

CableFAX Daily™

Monday — April 16, 2007

What the Industry Reads First

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Retrans Rounds: Cox Is Next on Sinclair's Retrans List

Sinclair is systematically making its way through the list of cable operators on month-to-month retrans deals and working on long-term pacts. Like **Charter**, **Time Warner Cable** and **Mediacom**, **Cox** has a monthly arrangement that's terminable at the end of any month with 45 days notice. Sinclair has inked long-term pacts with the other 3 and is now talking to Cox. Sinclair is "hopeful of reaching an amicable agreement as we have with every other major MSO," gen counsel *Barry Faber* told **Cfax**. The broadcaster has not given Cox any notice of plans to pull the month-to-month arrangement at this point, he added. Sinclair has been a vocal proponent of cash for carriage, starting a press release war with Comcast last month after the MSO said their newly minted deal did not include cash for Sinclair signals (**Cfax**, 3/12). Mediacom had the biggest row with Sinclair, with approx 700K of the operator's subs losing the broadcast stations for about a month. The retrans stand-off ended with Mediacom agreeing to pay an undisclosed amount for the stations (the MSO was always willing to pay cash; the dispute was over how much it would pay). Charter is the latest MSO to reach a deal, with the 2 quietly working out a 3-year pact that was announced Thurs.

Shorter Field, Longer Odds: The recent release of the **NFL's** season schedule had **ESPN** buzzing about the quality of games it received for "MNF" and underscored the dominant position pro football holds in the US. Unfortunately, the announcement also illustrated just how far another pro outfit and ESPN franchise, the **Arena Football League**, still must travel to even approach the NFL's relevance. Through 5 games on **ESPN2**, AFL games have averaged a 0.3/268K, far below the 0.9 avg such games delivered on **NBC** last year. Yet ESPN vp, programming and acquisitions *Leah LaPlaca* remains confident that the numbers will grow over time, and that the net's equity investment in the league will eventually pay dividend touchdowns. "We are bullish about the future of the AFL [and] focused on the long-term, not just a handful of games," said LaPlaca. "Ratings are for the most part what we expected this point in the season." The vaunted ESPN marketing machine has revved up to drive awareness of the league. A league-dedicated page with webisodes is up at **ESPN.com**, highlights and interviews continue on "SportsCenter," and AFL updates are part of the "Mike and Mike" simulcast show on the Deuce. Also, live mics and locker room cameras have been added to telecasts. Still, we "need to work on developing stars within the league," said LaPlaca. "Right now, casual fans know more about the celebrity and high-profile owners than they do the players themselves." The presence of franchise owners such as *Jon Bon Jovi* and *John Elway* certainly does help, even if only to dispel critics' belief that ESPN is livin' on a prayer with its AFL endeavor.

Content Curator: Smithsonian Networks exec *David Royle* is leading an envoy to Cannes, France, as part of a global mission with 2 key goals: to tout the company's forthcoming linear and VOD channel launches and to acquire



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compelling programming for the properties. The jv between the **Smithsonian Institution** and **Showtime**—finally clear of last year's outcry questioning the deal's exclusivity—currently has 200 hours of content ready for the May/June VOD channel launch and the Sept roll out of the linear net. Showtime said carriage discussions are ongoing with operators, and that all content on either platform will be in HD. Among the known non-fiction content is "Day of the Kamikaze," a doc exploring the Japanese kamikaze campaign at the end of WWII, and "Timewatch," the yield of a co-production deal for the BBC series that offers different looks at world events.

Competition: Verizon is using **Adwalker** to push its **FiOS TV** and broadband services. If you haven't heard of Adwalker yet, it's a company that pays "brand ambassadors" to walk around wearing video screens that promote the client's product. After using Adwalker at home and garden shows on the East Coast, Verizon is now deploying the marketing tactic in CA at Long Beach Grand Prix and computer shows.

In the States: Cox filed with the **CA PUC** an application for a statewide video franchise, although the MSO has no plans to overbuild in the state. The filing is aimed at gaining authorization to again deliver video to StoneBridge Estates, a San Diego community of close to 1K residences where the MSO once offered a triple-play bundle. The city attorney ordered last year a cessation of Cox's video service, citing the area as **Time Warner Cable's** turf. The PUC will render a decision before May 25. -- **Bright House** is offering a free preview of **ESPN Deportes** Apr 15-May 15 to digital basic subs in Central FL. -- **BigBand's** commercial deployments of switched broadcast now pass more than 5mln US households.

Marketing: Procter & Gamble signed on as the premiere sponsor of **Oxygen's** "Mo'Nique's F.A.T. Chance" to help target African-American consumers. The deal includes on-air and online components, as well as integration at the show's 3 casting calls in Dallas, Chicago and L.A.

Online: G4 is launching the 1st network Website optimized specifically for use through the **Nintendo Wii** Web browser. G4 streaming video, news, game reviews, etc will be available on the site.

Technology: Motorola formed a strategic relationship with **ECI Telecom** to extend its Ultra-Broadband access portfolio, part of Moto's strategy to enable service delivery over any carrier and cable access network architecture.

Programming: Showtime has already opted to renew new series "The Tudors" for a 2nd season. -- **The History Channel** and **The History Channel en español** will simulcast next month (May 19, 7pm ET) "Act of Honor," a doc paying tribute to American soldiers who gave their lives in the Iraqi city of Fallujah during a period of extreme violence. -- **Oxygen** reupped reality series "Snapped" for a 5th season (debuts May 6). -- **Cablevision** is offering 25 regular season Mets games in Spanish to its "iO en español" customers. Games will be broadcast live with **Juan Alicea** and **Maximo Jimenez** calling the action. -- **Kirstie Alley** will exec prod and star in **Lifetime** original movie "Write & Wrong" (Jun), a satiric comedy about a middle-aged screenwriter. -- Crooner/actor **Harry Connick, Jr.** will host **The Weather Channel's** "100 Biggest Weather Moments" (Sun-Thur, 8pm), a 5-part series that incorporates data from an online survey of weather events that have touched people's lives.

Honors: CTHRA is accepting applications for its inaugural human resources awards. Nominations are due by June 1. Visit cthra.com for more info.



"War is cruelty. The crueler it is, the sooner it will be over."
- General William Tecumseh Sherman

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CableFAX Week in Review

Company	Ticker	4/13 Close	1-Week % Chg	YTD %Chg
BROADCASTERS/DBS/MMDS				
BRITISH SKY:	BSY	45.93	2.70%	11.50%
DIRECTV:	DTV	24.06	2.30%	(3.5%)
DISNEY:	DIS	34.72	(0.5%)	4.00%
ECHOSTAR:	DISH	46.47	3.90%	22.20%
GE:	GE	35.38	1.00%	(1.2%)
HEARST-ARGYLE:	HTV	27.72	0.00%	9.50%
ION MEDIA:	ION	1.30	(0.8%)	160.00%
NEWS CORP:	NWS	25.12	0.90%	13.10%
TRIBUNE:	TRB	32.79	(0.1%)	7.70%

Company	Ticker	4/13 Close	1-Week % Chg	YTD %Chg
MSOS				
CABLEVISION:	CVC	31.59	2.00%	10.90%
CHARTER:	CHTR	3.37	24.40%	10.10%
COMCAST:	CMCSA	28.18	5.90%	(0.1%)
COMCAST SPCL:	CMCSK	27.70	6.50%	(0.8%)
GCI:	GNCMA	14.65	3.40%	(6.9%)
KNOLOGY:	KNOL	17.28	4.60%	62.40%
LIBERTY CAPITAL:	LCAPA	116.36	4.40%	18.80%
LIBERTY GLOBAL:	LBTYA	35.00	0.50%	20.10%
LIBERTY INTERACTIVE:	LINTA	24.20	(2.4%)	12.20%
MEDIACOM:	MCCC	9.02	5.00%	12.20%
NTL:	NTLI	28.22		(54.5%)
ROGERS COMM:	RG	35.40	3.90%	19.20%
SHAW COMM:	SJR	39.30	3.60%	26.10%
TIME WARNER CABLE:	TWC	39.32	6.30%	2.70%
WASH POST:	WPO	748.33	(0.5%)	1.20%

Company	Ticker	4/13 Close	1-Week % Chg	YTD %Chg
PROGRAMMING				
CBS:	CBS	31.45	1.40%	1.60%
CROWN:	CRWN	6.00	14.70%	65.30%
DISCOVERY:	DISCA	20.89	4.50%	42.80%
EW SCRIPPS:	SSP	44.84	1.00%	(9.7%)
GRUPO TELEVISIA:	TV	30.97	0.50%	14.70%
INTERACTIVE CORP:	IACI	38.25	1.20%	3.00%
LODGENET:	LNET	33.77	7.60%	34.90%
NEW FRONTIER:	NOOF	8.96	0.70%	12.00%
OUTDOOR:	OUTD	10.53	(0.5%)	(17.9%)
PLAYBOY:	PLA	10.00	(1.9%)	(12.7%)
TIME WARNER:	TWX	21.21	0.80%	(2.3%)
UNIVISION:	UVN	36.23		2.30%
VALUEVISION:	VVTV	12.24	0.10%	(6.8%)
VIACOM:	VIA	40.12	(1.4%)	(7%)
WWE:	WWE	16.61	4.80%	7.80%

Company	Ticker	4/13 Close	1-Week % Chg	YTD %Chg
TECHNOLOGY				
3COM:	COMS	4.04	3.60%	(1.7%)
ADC:	ADCT	17.35	(0.8%)	6.00%
ADVANTAGE:	AEY	4.02	4.40%	44.10%
ALCATEL LUCENT:	ALU	12.42	0.20%	(4.6%)
AMDOCS:	DOX	36.48	(0.4%)	(5.9%)
AMPHENOL:	APH	33.80	(0.4%)	9.10%
ARRIS GROUP:	ARRS	15.10	4.10%	20.70%
AVID TECH:	AVID	35.91	0.30%	(3.6%)
BLNDER TONGUE:	BDR	1.89	7.40%	11.20%
BROADCOM:	BRCM	32.74	(0.7%)	1.30%
C-COR:	CCBL	14.06	0.20%	26.20%
CISCO:	CSCO	26.68	2.40%	(2.4%)

Company	Ticker	4/13 Close	1-Week % Chg	YTD %Chg
COMMSCOPE:	CTV	43.01	(1.7%)	41.10%
CONCURRENT:	CCUR	1.52	1.30%	(16%)
CONVERGYS:	CVG	26.16	0.80%	10.00%
CSG SYSTEMS:	CSGS	25.11	0.40%	(6.1%)
GEMSTAR TVG:	GMST	4.30	0.50%	7.20%
GOOGLE:	GOOG	466.29	(1.1%)	1.30%
HARMONIC:	HLIT	10.70	(0.5%)	47.20%
JDSU:	JDSU	15.48	1.60%	(6.7%)
LEVEL 3:	LVLT	6.10	(0.5%)	8.90%
MICROSOFT:	MSFT	28.61	0.20%	(3.2%)
MOTOROLA:	MOT	17.74	1.10%	(12.7%)
NDS:	NNDS	50.67	0.10%	5.00%
NORTEL:	NT	24.38	(0.2%)	(8.8%)
OPENTV:	OPTV	2.45	(4.3%)	5.60%
PHILIPS:	PHG	39.80	1.70%	5.90%
RENTRAK:	RENT	14.97	(4.6%)	(3.4%)
SEACHANGE:	SEAC	8.63	4.60%	(15.6%)
SONY:	SNE	54.95	5.40%	28.30%
SPRINT NEXTEL:	S	19.93	1.70%	5.70%
THOMAS & BETTS:	TNB	50.55	2.60%	6.90%
TIVO:	TIVO	6.39	(0.3%)	24.80%
TOLLGRADE:	TLGD	12.19	(1.2%)	15.30%
UNIVERSAL ELEC:	UEIC	27.58	(3.3%)	31.20%
VONAGE:	VG	3.39	0.60%	(51.2%)
VYVO:	VYVO	7.60	8.60%	67.80%
WEBB SYS:	WEBB	0.06	20.00%	50.00%
WORLDGATE:	WGAT	0.76	13.40%	(43.3%)
YAHOO:	YHOO	31.41	(1.7%)	23.00%

Company	Ticker	4/13 Close	1-Week % Chg	YTD %Chg
TELCOS				
AT&T:	T	38.84	(1.1%)	11.70%
QWEST:	Q	8.94	(1.9%)	6.80%
VERIZON:	VZ	37.39	(1.6%)	3.70%

Index	Value	% Chg	YTD %Chg
MARKET INDICES			
DOW:	12612.13	0.40%	1.20%
NASDAQ:	2491.94	0.80%	3.20%

WINNERS & LOSERS

THIS WEEK'S STOCK PRICE WINNERS

COMPANY	CLOSE	1-WK CH
1. CHARTER:	3.37	24.40%
2. WEBB SYS:	0.06	20.00%
3. CROWN:	6.00	14.70%
4. WORLDGATE:	0.76	13.40%
5. VYVO:	7.60	8.60%

THIS WEEK'S STOCK PRICE LOSERS

COMPANY	CLOSE	1-WK CH
1. RENTRAK:	14.97	(4.6%)
2. OPENTV:	2.45	(4.3%)
3. UNIVERSAL ELEC:	27.58	(3.3%)
4. LIBERTY INTERACTIVE:	24.20	(2.4%)
5. PLAYBOY:	10.00	(1.9%)

**THE TOP 10 NETWORK WITH
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Source: Nielsen Galaxy Explorer (1/1 - 4/1/07), Live+SD HH coverage area Prime time rating (M-Su 8-11p), ranked among all measured ad-supported cable networks. Q3 '01 - Q1 '07 Total Day and Prime Time HH delivery year-to-year. Further qualifications available upon request.



MaxFAX...

Pretty Spacey...

This week is *Matt Polka* performance week in DC (inquiring minds want to know: will he open the **ACA** "baseball" Summit singing "Take Me Out to the Ballgame"?). I'll be there Tuesday with *Brian Lamb*... and, I'm going to (finally) get him to admit



Paul S. Maxwell

that he alone is responsible for cable's political difficulties (including *Kevin Martin*[et]) simply because he and he alone is responsible for showing Americans what politicians do (and don't do) all day long.

Just kidding. Brian and I are going to discuss the state of the world... Tuesday afternoon. Be there.

Meanwhile, last week I was in remarkably windy Colorado Springs at the **Space Foundation's** 23rd Annual Space Symposium.

These guys do it right.

The opening presentation blew away anything I've ever seen at an entertainment venue... *Chip Davis'* Mannheim Steamroller performing live to a video 50-year history of space exploration... pretty cool.

I was at the Broadmoor to cheer on my partner *Evie Haskell*, editor-in-chief of *Media Business*, as she presented the consumer side of

satellite for an audience dominated by military and commercial (non-consumer) space programs. If you think you've got margin problems... these guys have the Wal-Mart sole supplier syndrome... one customer that squeezes and squeezes and squeezes until there's nothing left. Bad move by the Pentagon. Old joke: good news, you're going to Mars. Bad news, lowest price bidder.

New old joke: congratulations, you got the order; too bad, only one customer and he wants the price cut.

Keynoting Congressman *Ken Calvert* (R-CA) challenged the folks here to:

- 1) Make space compelling;
- 2) Create and sustain support for funding, and;
- 3) Address threats in space, especially China.

And, if you're wondering how he wants to pay for that... well, he seemed to take a page from our side of the world: advertising.

Yep.

Sponsors. But he did note that "even **The Weather Channel** is political these days: I keep expecting them to have separate call-in lines for Republicans and Democrats."

Can't you see it? Another ad competitor charged with (maybe) \$100mln a year in space funding. Imagine, an **MTV** space cam on the shuttle nose cone. Or a new **FX**-cast reality show

on the next shuttle. Or...

Random Notes:

• **The Gen. James E. Hill Lifetime Space Achievement Award:** Went to one-time cable and satellite (now **Movielink**) guy *Jim Ramo's* dad Dr. *Simon Ramo* (that "R" in TRW among lots of other achievements).

• **Cable's Hall of Fame:** Cool class this year. *Glenn Britt*... *Jim Chid-dix*... *Doug Dittrick*... *Anne Sweetney*... *Bob Wright*... *Barbara York*. I'll have more (much more) to say about each and all of them later. Meanwhile, welcome to the club. Induction in October... *Barbara* gets an early roast at The Cable Show in Las Vegas as she gets inducted into the Cable TV Pioneers.

• **Way Down Yonder:** Is open for business again... the French Quarter is rockin' and the food is beyond comparable, and the guys at **Cox** would like ya'll to come visit. And before the '08 convention. *Greg Bicket* and his team has been doing its part... now how about more than a few of us vacationing there again. Or, better yet, hold a company meeting there. Think I'll do just that.

Paul Maxwell

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Free Webcast

Switched Digital Video: Lessons from System-Wide Production Deployments

BigBand Networks and **Communications Technology** are presenting a free Webcast on switched digital video. This Webcast will focus on the maturation of switched digital video including tips that cable operator employees have learned from the field.

Panelists:

Paul Brooks, Senior Network Architect, Time Warner Cable

Biren Sood, Vice President and Manager of Cable Video Americas, BigBand Networks

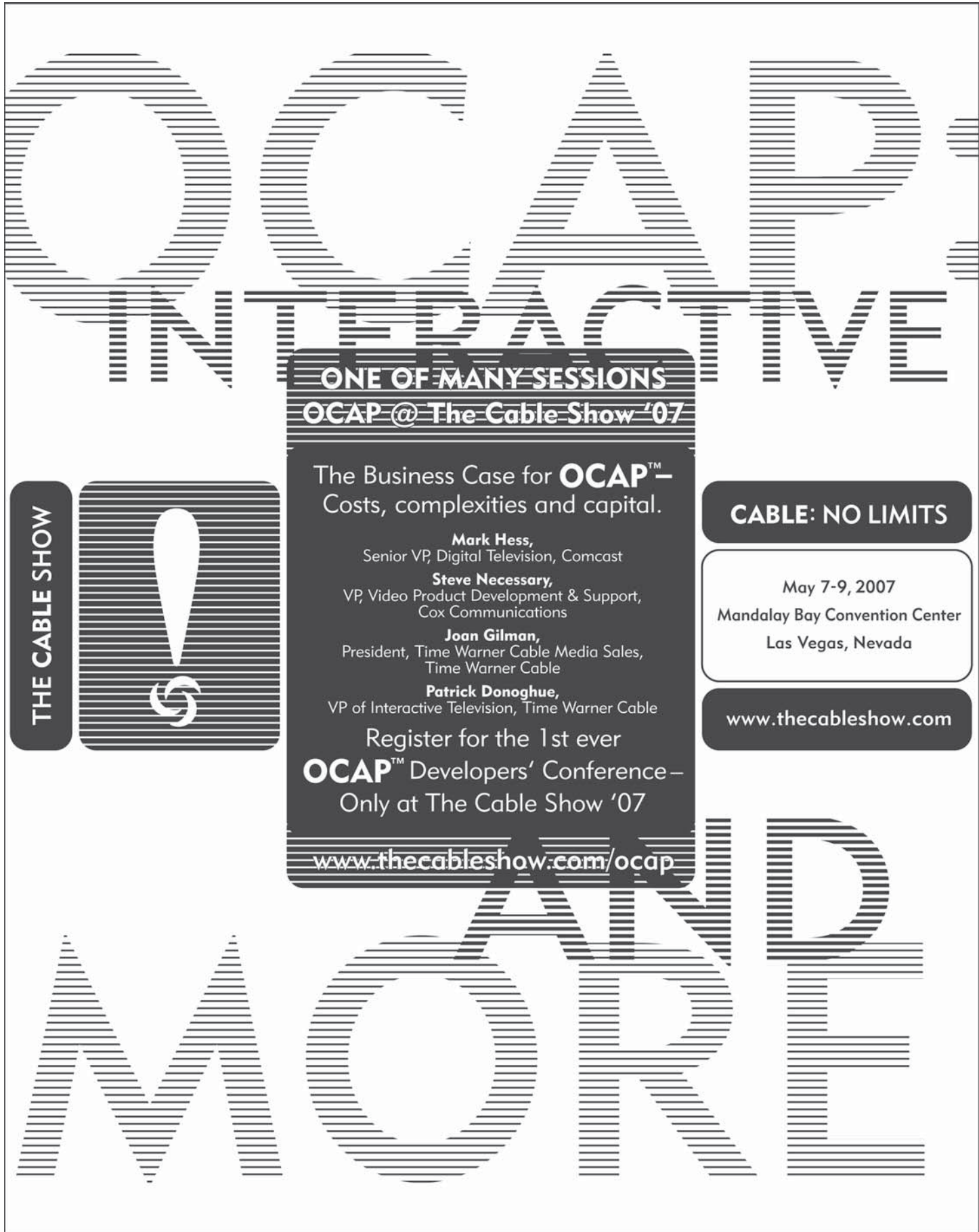
Thursday, April 19; 8 a.m. PST, 11 a.m. EST, 4 p.m. GMT

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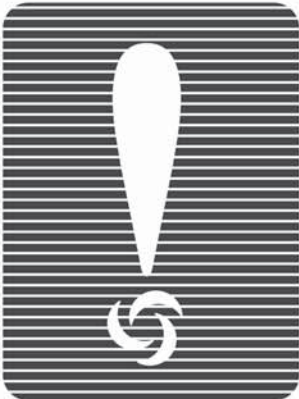
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