CableFAX Daily™

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Verizon View: Shammo Talks FiOS, Wireline & AWS Spectrum

FiOS keeps growing for **Verizon**, with 1Q bringing 193K FiOS Internet adds—allowing the telco to surpass the 5mln FiOS sub mark (36.4% penetration). And more than half of those customers already use 20MB speeds or higher. FiOS video added 180K subs, bringing the total customer base to 4.4mln (32.3% penetration). Within the FiOS sub base, 68% are triple play customers with FiOS delivering an ARPU of $148/month. Unfortunately for FiOS, wireline continues to be a major drag, missing on both revenue and margins. When you factor in the 89K loss for legacy DSL, Verizon's broadband base only grew by 104K, the same as last year. Total revenue for wireline dipped 2% to $9.9bln. "We did have FiOS-to-copper migration, which impacted our short-term results," said Verizon CFO *Fran Shammo* on wireline margins. "This is a strategy that we are deploying. It is better for us long-term to get most of these customers off of our copper network to our FiOS network, as you saw... we stopped selling our naked DSL in FiOS-covered areas. And we started to convert a number of customers in this quarter over to our FiOS network from a voice perspective." However, Shammo noted it takes 3-6 months to get customers to upgrade, so this is a longer-term strategy. Coming down the pike: price hikes for FiOS, which already have started (*Cfax*, *3/26*), a re-bundling of certain packages to make them more profitable and additional revenue streams, such as home monitoring. Wireless fell short of subscriber growth estimates (501K vs 584K), but it posted better-than-expected growth in APRU (up 3.6%), according to **Sanford Bernstein**'s *Craig Moffett*. Launching this summer is a data share plan that Shammo expects will enable customers to easily connect other devices to the plan. Plus, he expects the recently launched marketing deals with cable to help increase wireless growth. Those deals are still in trial mode, he said. Shammo also took a moment to address critics who claim Verizon warehoused spectrum after it announced this week that it would sell its lower 700Mhz spectrum if the AWS deals are approved (*Cfax*, *4/19*). "When we bought this back in 2008, obviously we did not have the foresight to know that we would have an opportunity to acquire AWS spectrum from the cable companies," he said. If the AWS sale goes through, the lower 700MHz A and B licenses no longer "fit as nicely" into Verizon's spectrum holdings, hence the sale. If it's not approved, Verizon would need the spectrum. "We did not just wake up yesterday and decide we were going to sell spectrum because we ran into a roadblock at the FCC," he said, adding that the company is still confident it will get approval for the AWS acquisition from cable. Shammo also warned

that it won't be a fire sale—if the price isn't right, "we won't go through with the sale." Overall, Verizon's earnings rose to $1.69bln form $1.44bln a year earlier; revenue rose 17% to $28.24bln.

Deals: **Cox Ent** and **Cox Comm** will invest in **InSite Wireless Group**, owner, operator and manager of wireless communication tower site facilities and distributed antenna systems across the US, Puerto Rico and US Virgin Islands. Cox Comm will contribute approx 150 of its existing wireless towers, while CEI will make an additional cash investment in InSite. Terms were not immediately released. The transaction is expected to close May 31. "The wireless tower industry continues to see significant opportunities for growth, and InSite's experienced management team has a successful history of capitalizing on these opportunities. Not only do they share our outlook on growing the business, but they also share similar values and goals with our other Cox companies," said Cox Ent vp, corp dev *Jamie Kennedy*.

On the Hill: **IAC**'s *Barry Diller* and **Nielsen**'s *Susan Whiting* head to the Hill for Tues' Sen Commerce online video hearing. The hearing will explore the migration of viewing from traditional TV to the Internet and broadband-enabled video content. Also testifying: **Amazon** vp, global public policy *Paul Misener* and **Microsoft**'s *Blair Westlake*.

In the States: **Cablevision** live streaming app is now available on Mac and PC laptops. Like previous versions for the iPad, iPhone and iPod touch, subs can watch any channel they subscribe to live on any laptop computer in the home.

Research: Free VOD experienced 17% growth in '11 to 6.8bln transactions, according to **Rentra**k's State of VOD: Trend Report. The firm estimates that the potential ad inventory value of FOD programs is at least $1bln, with homes watching an average of 5hours and 17 FOD shows or videos/month. Overall VOD grew to 8.8bln transactions last year from 7.8bln in the previous year (77% of those were FOD).

Competition: **DISH**'s whole home HD DVR system, Hopper, now includes **Pandora**, which lets users stream personalized radio stations through TVs via an Internet connection. -- **DirecTV** announced it will charge existing NFL Sunday Ticket customers 40% off the regular price to renew. The discounted $199.95 fee is the lowest price for the service in nearly 10 yrs.

Carriage: **Utilisima**, **Fox International Channel**s' lifestyle network, is now available on **DirecTV** across its Spanish-language programming packages.

At the Portals: The **FCC** launched a "bill shock" Website to help consumers track implementation of recent commitments by wireless carriers to provide usage alerts before and after consumers exceed plan limits (fcc.us/billshocks).

Ratings: "The Woman Who Wasn't There" posted **ID**'s highest delivery for an ID Film ever for P2+ (836K), HH (684K) and P25-54 (423K). The film about a faux 9/11 "survivor" encores Fri at 8pm. -- The 2nd UFC Fight Night on **Fuel** was the net's most-watched day in history (71K total viewers) and most-watched program among men 18-49 (142K). Sat's telecast had 326K total viewers (203K men 18-49) combined over the 2 airings of the fight. -- **Nat Geo**'s "Doomsday Preppers" wrapped up the season Tues as the net's highest-rated series ever. Tues' ep notched 861K total viewers and a 0.6 rating with 25-54s.

Programming: **Nick** announced 3 new series pick-ups for the upcoming NICKMOM primetime comedy block: "The Judi & Kate Show" a show-within-a-show about 2 mommy bloggers; "Parental Discretion with *Stefanie Wilder Taylor*," monologues, panel discussions, sketch comedy and more on parenting; and "What Carol Brady Thinks," graphic overlays on top of the original series go inside the mind of Mrs Brady. -- **TLC** greenlit a 2nd season of "My Crazy Obsession" for early '13. -- New series in development for **Bravo** include "The Gold Coast" (wt), in which 20-something girlfriends move home to the Gold Coast of Long Island after graduating from college, and "Splitsville" (wt), high-powered divorce lawyers battle each other while trying to avoid the same personal perils as their clients. -- **MTV**'s "True Life: On the Mat" will premiere at the Tribeca Film Festival. It's an in-depth version of the original doc that aired on MTV in Jan, providing a look at a team of student wrestlers. -- **Sportsman** debuts new series "Dead Meats," which shows folks not only how to track interesting local delicacies (like rattlesnake) but how to prepare them (Sun, 9:30pm). -- **GSN** pays tribute to the late *Dick Clark* with an original remembrance of him during broadcasts of "$25,000 Pyramid" over the next several days.

Upfronts: The underlying idea of the **Ovation** upfront breakfast in NYC Thurs was "art is everywhere," whether it is through music, dance, mobile phones or clothes, according to programming svp *Kris Slava*. After 5 years, the net has reached 51mln subs—a watermark for advertisers, he said. Still, it's got some growing to do. "We're very much into our adolescence." With the success of the net's 1st intl co-production, "Will Take Manhattan," Ovation is upping the ante with

BUSINESS & FINANCE

its 1st reality competition series, produced by *Nigel and Simon Lythgoe* of "American Idol" and "So You Think You Can Dance." Currently filming in the Berkshires, "A Chance to Dance" follows 2 prominent UK contemporary dancers, *Billy Trevitt* and *Michael Nunn*, as they traverse the US looking for dancers to form an American dance company—and they have 1 week to whip them into shape. On why the pair of choreographers went with Ovation, Nunn said: "They're all about art, and they're quite unique in that." Ovation is restructuring its programming lineup into 3 blocks, called "destination nights." Sun nights feature movies and docs based on the theme "Artist & Icons," Thurs' are "Movies to Stand Up For," or films that are critics' faves or deserving a 2nd look and Sat nights offer scripted originals and premieres, often with a literary bent. Upcoming is "The Runaway," which follows star-crossed lovers from the criminal underworld of London's East End and is based on a book by *Martina Cole* (premieres June 9). "Bouquet of Barbed Wire" revisits *Andrea Newman*'s novel about a father's obsessive love for his daughter (premieres July 21) and "What to Do When Someone Dies" is based on *Nicci French*'s story of a woman's double life and the secrets revealed when tragic events strike (premieres August 11). Currently in development is "The Art Factory," which follows the eccentric husband and wife team behind top architectural arts studio Silver Hill Arts.

CableFAX Daily Stockwatch

Company	04/20 Close	1-Day Ch
BROADCASTERS/DBS/MMDS		
DIRECTV:	47.95	(0.77)
DISH:	31.44	0.69
DISNEY:	42.08	(0.41)
GE:	19.14	0.04
NEWS CORP:	19.25	(0.38)
MSOS		
CABLEVISION:	13.69	(0.05)
CHARTER:	61.45	0.29
COMCAST:	29.48	(0.39)
COMCAST SPCL:	29.15	(0.35)
GCI:	7.56	(0.37)
KNOLOGY:	19.40	UNCH
LIBERTY GLOBAL:	49.25	(0.26)
LIBERTY INT:	18.43	(0.47)
SHAW COMM:	20.07	(0.1)
TIME WARNER CABLE:	81.43	(0.37)
VIRGIN MEDIA:	23.66	(0.24)
WASH POST:	380.13	9.62
PROGRAMMING		
AMC NETWORKS:	42.22	(0.78)
CBS:	33.28	0.36
CROWN:	1.51	0.01
DISCOVERY:	51.89	(0.27)
GRUPO TELEVISA:	20.19	(0.17)
HSN:	37.06	(0.49)
INTERACTIVE CORP:	48.14	(0.88)
LIONSGATE:	12.04	(0.16)
LODGENET:	3.75	0.06
NEW FRONTIER:	1.51	0.01
OUTDOOR:	6.80	(0.32)
SCRIPPS INT:	48.68	0.08
TIME WARNER:	36.31	0.09
VALUEVISION:	1.67	(0.03)
VIACOM:	51.04	0.18
WWE:	7.83	(0.13)
TECHNOLOGY		
ADDVANTAGE:	2.37	(0.1)
ALCATEL LUCENT:	1.88	(0.04)
AMDOCS:	31.76	0.16
AMPHENOL:	57.63	(0.46)
AOL:	25.25	(0.11)
APPLE:	587.44	(20.9)
ARRIS GROUP:	11.38	0.10
AVID TECH:	8.26	(0.01)
BLNDER TONGUE:	1.20	(0.01)
BROADCOM:	35.73	(1.13)
CISCO:	19.91	(0.15)

Company	04/20 Close	1-Day Ch
CLEARWIRE:	1.66	(0.1)
CONCURRENT:	3.67	(0.01)
CONVERGYS:	13.16	(0.17)
CSG SYSTEMS:	14.54	(0.06)
ECHOSTAR:	27.39	(0.04)
GOOGLE:	599.30	(8.15)
HARMONIC:	4.67	(0.03)
INTEL:	27.69	(0.26)
JDSU:	13.20	(0.09)
LEVEL 3:	23.25	(1.33)
MICROSOFT:	31.01	(0.13)
MOTOROLA MOBILITY:	38.89	0.02
RENTRAK:	19.70	0.33
SEACHANGE:	8.23	(0.04)
SONY:	16.70	(0.19)
SPRINT NEXTEL:	2.40	(0.12)
THOMAS & BETTS:	71.88	(0.04)
TIVO:	10.74	(0.09)
UNIVERSAL ELEC:	16.00	(0.24)
VONAGE:	2.07	(0.04)
YAHOO:	15.39	(0.1)
TELCOS		
AT&T:	30.74	(0.01)
VERIZON:	38.15	0.49
MARKET INDICES		
DOW:	12964.10	(68.65)
NASDAQ:	3007.56	(23.89)
S&P 500:	1376.92	(8.22)

PROGRAMMER'S PAGE

Globetrotting Chefs...

Does the world really need another food show? Scientists, intellectuals, theologians and scholars disagree. But one thing's certain: we love to watch chefs as they sweat in the kitchen—under pressure, under fire and tragically under-appreciated by their taskmasters. So **Bravo**, whose "Top Chef" sets the bar for competitive food preparation, unveiled yet another cooking-themed carnival at **NBCU**'s summer press day in Pasadena this week. "Around the World in 80 Plates" (premieres May 9, 10 eps) forces chefs to battle it out across the globe. And instead of trying to satisfy stodgy judges sneering at them from a studio lot, the real judges here are largely the locals, many of whom don't speak English and have extremely particular palates trained to their regional customs and cuisine. With about 24 hours notice, chefs are flown to a random city somewhere in the world and then given about a day to find ingredients and take over a local eatery. "It's the course, which is the culinary race through a foreign city, and then the takeover, which is cooking in a local restaurant for the locals," explains co-host *Curtis Stone*. "So you really have to think well on your feet." Exec prod *Dan Cutforth* told **CableFAX** that the chefs worked nearly non-stop during the 6-week shoot as they flew from city to city, hitting everywhere from London to Hong Kong and dealing with local situations. Contestant chef *Keven Lee* said coping with local limitations was among the biggest challenges. "It's almost like going into a different world," he told critics. "It's like where is the coconut milk? Well, we don't have coconut milk here, and then we have to use something else or vice versa." Take the globetrotting of **Travel**'s "No Reservations with *Anthony Bourdain*," mix in a dash of **CBS**'s "The Amazing Race," and then let it simmer with that "Top Chef"/"Iron Chef" sense of culinary competitiveness—and you might have a recipe for a pretty delicious show. *MG*

Reviews: With the Space Shuttle Discovery flying atop a 747 over the D.C. Tues en route to its new home at the Air and Space Museum in VA, **Smithsonian Channel** shows perfect timing with "Space Shuttle: The Final Countdown" (Sun, 8p). While the film isn't perfect—it lacks independent analysts, although the former NASA officials interviewed are remarkably candid—it's a terrific layman's review of the world's most complicated vehicle. Besides fabulous footage, its best segments recount the development of Shuttle's heat-resistant tiles and how 16 fell off during its initial flight in Apr '81, making an unpredictable journey even more so. – Coincidence? Last month **HBO** premiered its original film "Game Change," which looked at how the *McCain* campaign plucked then-Gov *Sarah Palin* from obscurity. This month HBO unveils "Veep" (Sun, 10p), a spot-on spoof of politics generally and a female VP in particular; *Julia Louis-Dreyfus* plays the VP to perfection. Veep's humor sometimes gets too inside the Beltway. Still, it whacks at incompetence, arrogance, ambition and irreverence, which have been known to exist outside D.C., though in smaller quantities. – Coinciding with Crime Victims' Rights Week, **GMC** offers "Heaven's Rain" (Sun, 7 & 9p), a slightly slow-moving but ultimately effective look at *Brooks Douglass*, who turned a horrifying incident into a lifelong crusade for victims' rights.

	Basic Cable Rankings (4/09/12-4/15/12) Mon-Sun Prime		
1	USA	2.1	2094
2	DSNY	1.6	1627
3	HIST	1.5	1504
3	FOXN	1.5	1446
5	TBSC	1.4	1394
6	ESPN	1.2	1212
6	TNT	1.2	1205
8	DSE	1.1	74
9	A&E	1	1011
9	SYFY	1	974
9	FAM	1	944
12	FX	0.9	927
12	ADSM	0.9	891
12	HGTV	0.9	883
12	FOOD	0.9	881
12	DISC	0.9	880
12	NKJR	0.9	644
18	AMC	0.8	799
18	TLC	0.8	768
18	LIFE	0.8	762
18	BRAV	0.8	718
22	MSNB	0.7	655
22	TVLD	0.7	654
22	TRU	0.7	605
22	ID	0.7	527
26	CMDY	0.6	639
26	NAN	0.6	625
26	SPK	0.6	617
26	MTV	0.6	616
26	BET	0.6	523
26	HALL	0.6	508
32	APL	0.5	485
32	LMN	0.5	443
32	NBCS	0.5	413
32	NGC	0.5	397
36	CNN	0.4	435
36	VH1	0.4	429
36	ESP2	0.4	398
36	EN	0.4	382
36	OXYG	0.4	297
36	H2	0.4	276
36	DXD	0.4	276
36	NKTN	0.4	239
44	HLN	0.3	328
44	TRAV	0.3	286
44	TWC	0.3	253

*Nielsen data supplied by ABC/Disney