

# CableFAX Daily™

Monday — May 4, 2009

What the Industry Reads First

Volume 20 / No. 083

## VZ WiFi: Is Telco Prepping WiFi Hotspot Play?

We were a bit surprised Fri by a *WSJ* blog post that **Verizon** is reportedly prepping free WiFi for its residential customers via hotspots. The story, quoting people familiar with the matter, said the telco would partner with startup **Boingo**. The news was notable considering the telco's previous dismissal of cable's (particularly rival **Cablevision's**) WiFi plays. "We consider cable's local WiFi initiatives to be nothing more than a marketing stunt," a Verizon spokesman told the *NJ Star-Ledger* earlier this year. Indeed, when we contacted Verizon for comment on the *WSJ* posting Fri, a spokesperson reminded us that Verizon is building a 4G network. That platform is "superior to WiFi and very fast so the pressure for us to go to WiFi as an option is far less than on the cable companies that have no wireless alternative," the rep said. "They're stuck with a platform that is useful but not mobile." As for whether Verizon really is gearing up to launch WiFi via hotspots, we can't say. "We don't confirm or deny rumors of business negotiations," a spokesperson said. And even the *WSJ* described discussions as "fluid," though it said service may launch as soon as the summer. A Boingo spokesperson also declined to comment. Given the ongoing feud with CVC, which has been aggressive in the WiFi space, it's certainly possible that Verizon wants to make sure it can match its competitor on every front. CVC just announced that it's doubling the downstream speed of its free WiFi service for HSD subs to 3Mbps from 1.5Mbps. **AT&T** already offers broadband subs free WiFi access at hotspots. Boingo has 100K aggregated hotspot at locations around the world, including **McDonalds**.

**Earnings: Cable One** had 1Q revenue of \$183.5mln, a 5% YOY increase. Operating income rose 23% to \$42mln, while RGUs climbed 4% to 1.4mln. Basic subs were down about 6K from 1Q08, but all other sub metrics posted gains. HSD rose from 356K last year to 386K at the end of 1Q.

**In the States: Bright House** on Fri added **YES'** national feed to systems in Orlando and throughout central FL. -- **Liberty Comm** is using **Clearfield** for a FTTH deployment to West Branch and West Liberty, IA. -- **RCN** has added Chinese-language net **New Tang Dynasty TV** to its Global Passport programming tier.

**Inside the Beltway:** One obstacle to getting cameras in the **US Supreme Court** will soon be removed (though

*As different as they are, they have one great thing in common:*

**Beta ranks them all among viewers' favorite channels**



**#1** for High Quality/Bold/Distinctive/Original/Favorite Channel



**#2** for Being Family-Oriented



**#1** for Being Viewers' Favorite Channel



**#2** for Being Bold & Trying New Things

Source: 2009 Beta Research Brand Identity Study - tied on some attributes

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plenty remain). Justice David “The Day You See a Camera Come Into Our Courtroom, It’s Going to Roll Over My Dead Body” Souter is set to retire at the end of the Court’s term in June. He made the infamous quote 13 years ago during a House Appropriations subcommittee hearing.

**Online: Scripps Nets** launched **Food2** (www.food2.com), a video-centric, food Website aimed at 21-34s. It’s a social Website, encouraging visitors to plug it on **Twitter** and **Facebook** on Day 1 to win free goodies. By 11:30am, it already had more than 1400 following its Tweets.

**DTV Doings:** With the country 7 weeks away from the June 12 DTV transition, **Nielsen** reports that 3.1% (3.5mln) HHs are completely unready for the switch. Hispanic HHs have posted the largest improvement in the past 2 weeks, with unreadiness dropping to 5% from 5.4%. **NAB’s** own poll found that 11% (2.1mln) of over-the-air HHs haven’t taken action to get ready for the switch and that 82% of American HHs relying exclusively on antennas to watch TV are fully prepared. “Unlike Nielsen, our assessment includes two classes of preparedness: those who are prepared now, and those who have demonstrated an understanding and commitment to being prepared by having applied for or received a converter box coupon,” said **Seth Geiger**, pres, **SmithGeiger**, which handled NAB’s study. -- The **FCC** created a technical working group to study the issues of closed captioning and video description. First meeting is May 18. **NCTA, Comcast, DirecTV, Verizon, AT&T** and **EchoStar** all are represented.

**Ratings:** 28-year-old **Comcast SportsNet** scored its highest rating ever during the triple overtime Boston Celtics-Chicago Bulls Game 6. Thurs’ game reached an estimated 368K homes in New England, even though the games are also being carried on a national net.

**VOD: Charter** is promoting its VOD platform with a sweepstakes offering subs a 52” HDTV each week during May and a grand prize of \$10K. Participants may enter by answering VOD-related questions at **Charter.net/10grand** and will get a free VOD movie coupon following the promotion. -- **Cox** will offer its digital subs free on demand access (May 11-Jun 8) to **HBO’s** doc series “The Alzheimer’s Project,” which debuts next month on the premium net.

**Programming: Disney Channel** ordered a 3rd season of “Wizards of Waverly Place,” and says a movie based on the series will bow on the net in Aug. -- **Forbes** and **E!** will jointly produce 8 hour-long celeb specials, and 2 half-hour celeb lifestyle pilots through ’10. -- **Howie Mandel** will host **GSN’s** “The Game Show Awards” (Jun 6). -- **MLB Net** and **MLB.com** will feature live the opening day of the league’s First-Year Player Draft (Jun 9). -- **Speed’s** lineup leading up to the **NASCAR** Sprint All-Star Race includes 4 consecutive “My All-Star” specials on May 12 featuring **Darrell Waltrip, Michael Waltrip, Dale Earnhardt Jr** and **Kasey Kahne**.

# Our talent takes the cake!

New Beta research says we’re  
#1 in on-air personalities



Duff Goldman  
Ace of Cakes

Source: Beta Research, Brand Identity Study, 3/09.  
Has hosts/on-air personalities I like, 62% of Adults 18+, 67% of Women 18+

Passionate Viewers Live Here

Scrippsnetworks

**Marketing/Advertising:** LodgeNet subsidiary **The Hotel Nets**, which offers 10 cable nets including **Fox News**, **A&E** and **Nat Geo** to upscale and business class hotels nationwide, has launched a promotional marketing platform offering advertisers customized programs across the nets and in hotel areas. The platform counts **Geico** as a client. -- **Adify Media** now offers advertisers access to **Cox's** cable and broadband platforms, as well as to more than 160 vertical ad networks targeting 69m Americans.

**In the Courts:** An IL court denied Thurs **Sprint's** request to dismiss parts of **iPCS'** lawsuit over wireless broadband. As a Sprint independent wireless affiliate, iPCS alleges the Sprint/**Clearwire**/cable jv will produce unfair competition. It wants the court to stop Sprint from receiving benefits from the Clearwire deal unless it also shares those with affils.

**Public Affairs:** **NAB** will help educate Americans about the swine flu. Radio and TV PSAs produced by the **Dept of Health and Human Services** are now available to broadcasters through NAB. -- **Cablevision** and **The Lustgarten Foundation** launched a new series of PSAs featuring **AMC "Breaking Bad"** star **Bryan Cranston**, **NY Knicks** coach **Mike D'Antoni**, **Rangers** alternate capt **Scott Gomez** and others. The spots aim to raise pancreatic cancer awareness.

**On The Circuit:** Happy 10th anniversary last week to our friend **Portia Badham** on the founding of her PR firm. And happy 2nd anniversary to **Planet Green**, which began its 2nd year early last month. -- **Showtime Entertainment** chief **Robert Greenblatt** does more than create great TV. He produced the Broadway musical version of "9 to 5," which opened Thurs. The *Journal* and *The NY Times* ravaged it, while *The NY Post* liked it. All critics raved about the performance of former "West Wing" hand **Allison Janney**. -- **NAMIC** is seeking session proposals and speaker suggestions for its annual conference (Oct 26-28, Denver). Submissions are due May 12. Contact **Sandra Girado** at [sandra.girado@namic.com](mailto:sandra.girado@namic.com).

**Editor's Notes:** Just a few plugs for several **CableFAX** awards programs and events in the mix over the next few months. First of all, remember that you can still make the late entry deadline for the **CableFAX Program Awards** if you submit nominations by May 8. We'll reveal the winners during our awards luncheon on Sept 16 in NYC! More info at [www.cablefax.com/cfp/awards/Program2009/](http://www.cablefax.com/cfp/awards/Program2009/). And don't forget to enter deserving MSOs and Independent Operators for **CableFAX's Top Operators Award**. There are several exciting categories, plus it's easy and free to nominate. Deadline is May 15. Info at [www.cablefax.com/cfp/events/topops](http://www.cablefax.com/cfp/events/topops). And please take note that on June 11, we'll honor the industry's top sales people and teams in the **Sales Executive of the Year Awards**, including special recognition for our 1st annual "Sales Hall of Fame" and a "Sweet 16" list highlighting top ad agencies and brands in cable. Info on the NYC event at [www.cablefax.com/cfp/events/seoy2009/](http://www.cablefax.com/cfp/events/seoy2009/).

**People:** **BigBand** tapped **Harald Braun** and **Michael Pohl** as new board members. -- **Craig Watson**, former **Charter** vp, comm Western div, was named the director for **The Arts Council for Long Beach**.

**Obit:** **Cable Pioneer** and retired **Times Fiber** sales exec **Frank Hamilton** died at his home in Eatonton, GA, on Wed. He was 78. Frank is survived by his wife **Elizabeth**, sons **Frank III**, **Jeff** and **Bryan** and daughter **Amanda**. A memorial fund has been established at the **Cable Center** in Frank's name. Details available: [cabletvpioneers@optonline.net](mailto:cabletvpioneers@optonline.net).

THERE'S NO PLACE  
LIKE HOME!

BETA SAYS WE'RE A  
TOP 5 VIEWER FAVORITE.

Kim Myles  
Myles of Style

Source: Beta Research, Brand Identity Study, 3/09. One of my favorite channels, 56% of women 18+

HGTV  
START AT HOME

Passionate Viewers Live Here

Scrippsnetworks

**CableFAX Week in Review**

Company	Ticker	5/01 Close	1-Week % Chg	YTD %Chg
<b>BROADCASTERS/DBS/MMDS</b>				
BRITISH SKY:	BSY	29.06	11.50%	5.40%
DIRECTV:	DTV	24.57	(1.6%)	7.20%
DISH:	DISH	14.38	3.60%	29.70%
DISNEY:	DIS	21.94	8.30%	(1.8%)
GE:	GE	12.69	4.80%	(15.9%)
HEARST-ARGYLE:	HTV	4.46	(2%)	(25.2%)
ION MEDIA:	ION	1.44		
NEWS CORP:	NWS	9.26	3.80%	(2.1%)

Company	Ticker	5/01 Close	1-Week % Chg	YTD %Chg
<b>MSOS</b>				
CABLEVISION:	CVC	17.46	6.70%	4.90%
COMCAST:	CMCSA	16.36	18.70%	(1.9%)
COMCAST SPCL:	CMCSK	15.48	20.20%	(3%)
GCI:	GNCMA	7.60	1.70%	(6.1%)
KNOLOGY:	KNOL	7.26	18.60%	40.70%
LIBERTY CAPITAL:	LCAPA	12.23	10.20%	159.70%
LIBERTY ENT:	LMDIA	24.33	0.50%	39.20%
LIBERTY GLOBAL:	LBTYA	16.70	3.70%	4.90%
LIBERTY INT:	LINTA	5.53	9.10%	77.20%
MEDIACOM:	MCCC	5.80	20.10%	34.90%
ROGERS COMM:	RG	42.97		
SHAW COMM:	SJR	15.55	2.90%	(9.8%)
TELEWEST:	TLWT	24.20		
TIME WARNER CABLE:	TWC	33.56		
VIRGIN MEDIA:	VMED	7.90	9.30%	60.70%
WASH POST:	WPO	365.88	(13.3%)	(5.1%)

Company	Ticker	5/01 Close	1-Week % Chg	YTD %Chg
<b>PROGRAMMING</b>				
CBS:	CBS	7.19	15.60%	(11%)
CROWN:	CRWN	3.12	7.60%	9.50%
DISCOVERY:	DISCA	18.61	2.10%	31.40%
EW SCRIPPS:	SSP	2.12	23.70%	(4.1%)
GRUPO TELEVISIA:	TV	15.76	(3.1%)	5.50%
HSN:	HSNI	6.75	(2.7%)	(7.2%)
INTERACTIVE CORP:	IACI	16.03	(2.1%)	1.90%
LIBERTY:	L	25.19	0.70%	(10.6%)
LODGENET:	LNET	4.02	14.90%	474.30%
NEW FRONTIER:	NOOF	2.01	4.70%	18.20%
OUTDOOR:	OUTD	7.66	9.90%	2.30%
PLAYBOY:	PLA	3.02	23.30%	39.80%
RHI:	RHIE	3.09	15.30%	(61.9%)
SCRIPPS INT:	SNI	27.45	4.30%	25.10%
TIME WARNER:	TWX	22.84	2.20%	128.20%
UNIVISION:	UVN	36.23		
VALUEVISION:	VVTV	0.73	(1.4%)	121.20%
VIACOM:	VIA	20.72	(0.1%)	3.00%
WWE:	WWE	10.81	(1.2%)	7.30%

Company	Ticker	5/01 Close	1-Week % Chg	YTD %Chg
<b>TECHNOLOGY</b>				
3COM:	COMS	4.12	3.30%	80.70%
ADC:	ADCT	7.49	20.20%	37.20%
ADVANTAGE:	AEY	1.81	6.50%	1.70%
ALCATEL LUCENT:	ALU	2.48	2.50%	15.30%
AMDOCS:	DOX	21.18	(0.1%)	15.80%
AMPHENOL:	APH	34.12	2.40%	42.50%
APPLE:	AAPL	127.24	2.70%	49.10%
ARRIS GROUP:	ARRS	10.80	14.80%	35.80%
AVID TECH:	AVID	11.66	10.20%	6.90%

Company	Ticker	5/01 Close	1-Week % Chg	YTD %Chg
BIGBAND:	BBND	5.74	0.70%	4.00%
BLNDER TONGUE:	BDR	1.31	31.00%	29.70%
BROADCOM:	BRCM	23.06	(4.8%)	35.90%
C-COR:	CCBL	11.00		
CISCO:	CSCO	19.58	6.30%	20.10%
CLEARWIRE:	CLWR	5.63	(2.1%)	41.80%
COMMSCOPE:	CTV	25.49	23.70%	64.00%
CONCURRENT:	CCUR	4.70	14.60%	38.20%
CONVERGYS:	CVG	10.12	3.70%	57.90%
CSG SYSTEMS:	CSGS	14.43	(0.1%)	(17.4%)
ECHOSTAR:	SATS	16.04	2.90%	7.90%
GOOGLE:	GOOG	393.69	1.10%	28.00%
HARMONIC:	HLIT	7.61	7.50%	35.70%
INTEL:	INTC	15.81	1.20%	17.30%
JDSU:	JDSU	4.76	(7.7%)	30.40%
LEVEL 3:	LVLTL	1.14	4.60%	62.90%
MICROSOFT:	MSFT	20.24	(3.2%)	5.50%
MOTOROLA:	MOT	5.54	(4.6%)	26.20%
NDS:	NNDS	62.93		9.70%
OPENTV:	OPTV	1.48	(5.7%)	20.30%
PHILIPS:	PHG	18.11	0.90%	0.40%
RENTRAK:	RENT	9.89	(0.1%)	(16.1%)
SEACHANGE:	SEAC	6.43	3.90%	(10.8%)
SONY:	SNE	26.41	(0.8%)	20.80%
SPRINT NEXTEL:	S	4.67	11.70%	155.20%
THOMAS & BETTS:	TNB	31.51	12.50%	31.20%
TIVO:	TIVO	7.45	(2.4%)	4.10%
TOLLGRADE:	TLGD	5.73	(1.4%)	19.90%
UNIVERSAL ELEC:	UEIC	18.58	(0.1%)	14.50%
VONAGE:	VG	0.43	13.20%	(34.8%)
YAHOO:	YHOO	14.14	(4%)	15.90%

Company	Ticker	5/01 Close	1-Week % Chg	YTD %Chg
<b>TELCOS</b>				
AT&T:	T	26.01	3.40%	(7.3%)
QWEST:	Q	4.06	15.70%	15.90%
VERIZON:	VZ	30.55	(1.5%)	(8.5%)

Index	Value	1-Week % Chg	YTD %Chg
<b>MARKET INDICES</b>			
DOW:	8212.41	1.70%	(6.4%)
NASDAQ:	1719.20	1.50%	9.00%

**WINNERS & LOSERS**

<b>THIS WEEK'S STOCK PRICE WINNERS</b>			
COMPANY	CLOSE	1-WK CH	
1. BLNDER TONGUE:	1.31	31.00%	
2. COMMSCOPE:	25.49	23.70%	
3. EW SCRIPPS:	2.12	23.70%	
4. PLAYBOY:	3.02	23.30%	
5. ADC:	7.49	20.20%	

<b>THIS WEEK'S STOCK PRICE LOSERS</b>			
COMPANY	CLOSE	1-WK CH	
1. WASH POST:	365.88	(13.3%)	
2. JDSU:	4.76	(7.7%)	
3. OPENTV:	1.48	(5.7%)	
4. BROADCOM:	23.06	(4.8%)	
5. MOTOROLA:	5.54	(4.6%)	



**Awards Breakfast**

June 11, 2009  
Grand Hyatt • New York, NY  
8:30am - 10:30am

Saluting affiliate and ad sales excellence in cable and honoring the Top Agency and Corporate Advertising Executives who Champion Cable Media.

[www.CableFAX.com/seoy](http://www.CableFAX.com/seoy)

Sales Executive of the Year Awards • Sales Hall of Fame  
CableFAX Sweet 16

# MaxFAX...

## The 2nd 100 Days!

Nationalize broadband?

Nationalize wireless?

Nationalize ALL forms of telephony?

If it's two-way, it must be...

NATIONALIZED!



Paul S. Maxwell

Merge Bell Labs, CableLabs, "Space" Labs, "Air" Labs, Dirt Labs and every lab that moves except one-way-over-the-air-labs (otherwise known as bankruptcy court).

Meanwhile, all OTA distributors will be barred from using "nationalized" conduits in the name of protecting all of that over-the-air free national spectrum until it can all be reclaimed by first responders.

## Random Notes:

• **Walk This Week:** Time again for the **Rocky Mountain WICT** chapter's annual gala Walk of Fame. Another cool list of honorees including Women of the Year (**Starz'** *Kelly Bumann* and **Charter's** *Jill Stark*), Mentor of the Year (that singing and dancing fool **TWC's** *Tom Feige*), Partner of the Year (the retiring guy from **CableLabs**, *Dr Dick Green*); Woman in Technology (**Level 3's** *Sara Baack*) and a whole bunch of Women To Watch (**Charter's** *Nancy Hankins*, **CSG's** *Connie Keith*,

**Comcast's** *Charlon McIntosh*, **The Cable Center's** *Jennifer Stamm* and **Comcast's** *Missy Wood*) all brought to you by *Tracy Baumgartner* and *Jana Henthorn* this Wednesday evening... details at [admin@wictrm.org](mailto:admin@wictrm.org).

• **Wiley?** My question last week about *Dick Wiley* and the **Cable TV Hall of Fame** got a number of interesting responses... with a 3 to 1 "yes, but" vote.

• **Vote from Outer Space:** So the Supremes (albeit only 5 to 4) gave one to the gone but not forgotten *Kevin Martian*. "Casey Jones you'd better watch your mouth—Trouble ahead and trouble behind!" The fines for "fleeting expletives" stay on a procedural vote. Seems you might be able to make any kind of law if you talk about it long enough. Or not. Bet this goes the way of buggy whips when the matter makes it through the courts on its merits instead of its process.

• **Still the "F" Confusion "C":** So the President has made his picks for the Commission; but Senate Republicans are holding back the confirmation so that a "pairing" can be made. Only problem: the Republicans are having a little bit of difficulty picking a candidate. Why? One might ask... well, the Republicans (sadly) seem to have difficulty picking much of anything... other than checking the "NO" box on every form they see. Too bad.

• **Can't Dance?** So **Hulu** now has 3 of the top 4 over-the-airheads. What do

you suppose that means?

• **A La Minute?** No question there has to be some way to more rationally charge for broadband involving some form of consumption-related pricing. Cable should probably follow the same logic it does in pricing video access... the dreaded tier! And package it that way. The more video that gets onto the subscriber premises, the more it costs. Same should be the norm for how many bytes go in and out of a subscriber premise. Right? Got to watch out that no precedent is inadvertently sent allowing some odd form of a la carte.

• **Torture:** I don't get it. When did America get to the "ends justify any means"? Not what I got in Sunday school—much less at the seminary or in the U. S. Army. When did we excuse torture... but get apoplectic about shaking some two-bit (elected) dictator's hand? We've been at war before... torture doesn't work. We've fought anarchists, communists and more... and won without a public or hidden policy of ends justifying means. Personally, I'm appalled that there is even so much as a discussion like this in America.

Paul Maxwell

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