

CableFAX Daily™

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What the Industry Reads First

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Tip Off: Time Warner Cable Sports to Bow Lakers RSNs Oct 1

Conversations have started with MVPDs over carriage of **Time Warner Cable's** upcoming **Lakers**-centric RSNs, with TWC Sports pres *David Rone* saying that all area MVPDs should have been approached by the **Cable Show** (May 21-23). The MSO, which has the largest L.A. footprint, is seeking expanded basic for the 2 nets, **Time Warner Cable SportsNet** and Spanish-language **Time Warner Cable Deportes**. "It's one price for both networks. The only opportunity for an MVPD is to launch the networks together with the exact same kind of penetration," Rone said. Both nets are slated to launch Oct 1, with Websites (www.twcsportsnet.com and www.twcdeportes.com) debuting Thurs. The rate card is being kept under wraps, but it's of big interest given the reported \$3bln TWC shelled out for the 20-year deal. Along with **Lakers**, **Galaxy** and **Sparks** games, the nets will offer "more non-event programming about those partners than fans have ever been given before," Rone said. For example, there will be a **Lakers**-centric nightly show for each day during the **NBA** season (from preseason to postseason). On the TWC Deportes, there will be 2 nightly shows—a sports generalist show and a 6/night week program on soccer around the world. On the 7th night, it'll take more of a Mexican soccer approach. TWC CEO *Glenn Britt* has said repeatedly that the company bought the **Lakers** rights because it wanted more certainty in the world of sports rights. "I think everyone has a concern about the rising costs of sports rights. Ultimately, for a company like Time Warner Cable that concern goes to being able to always provide our customers with the premium content that they desire," Rone said. "Time Warner Cable found an opportunity to secure a direct relationship with the **Lakers** so that we could promise to our customers that for the next 20+ years they were going to have an uninterrupted deep, rich, immersive relationship with the **Lakers**. There would be no opportunity for a 3rd party middle person to withdraw those rights." Of course, other MVPDs won't be getting 20 years of certainty through 20-year deals. As the nets get closer to launch, all eyes are on whether TWC will be able to make a serious run for **Dodgers** rights—and whether those games, if acquired, would be a part of the 2 soon-to-launch RSNs or another new channel. "We are highly desirous and hopeful that we will have an opportunity to speak to the new ownership group about the **Dodgers** rights. If and when that opportunity arises, that then will be a dialog we have with that partnership group. I don't have an idea of what their desires are,"



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(The Game Has Changed)

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Rone said. Yes, TWC continues to look for other strategic opportunities with sports. “Many of those opportunities we now take advantage of by way of our 40 proprietary Time Warner Cable networks across the company,” said Rone. “We have 30 networks that are news, local programming and sports. Nine of them are sports centric networks... They don’t carry professional sports, but they carry region specific, collegiate sports and high school sports. My job is to ... look for opportunities when they arise.” Marketing for the nets won’t really start up until the Lakers finish the current NBA season, when TWC’s rights kick in. On-air talent includes Lakers broadcasters *Stu Lantz* and *Bill Macdonald* on Time Warner Cable SportsNet and *Adrian Garcia Marquez* and *Francisco Pinto* on Time Warner Cable Deportes. On the off-air side, *Mark Shuken* serves as svp and gm for Time Warner Cable Sports Regional Networks. Both networks will feature live in-market game streaming to personal computers and mobile devices, and an integrated interactive social media experience.

Game On: The FCC Media Bureau has designated an ALJ hearing for **GSN’s** carriage complaint against **Cablevision**. The MSO took umbrage with the Commission, saying it has “revealed its inability to administer its duties, just as it has failed to address the broken retransmission consent system.” The companies must decide by May 21 if they wish to proceed with alternative dispute resolution. Both would have to agree to it; otherwise, the hearing proceeding will commence on May 22. GSN filed the complaint in Oct, after the MSO moved the net to its Sports & Entertainment tier. It said the tier is targeted to men and has estranged it from its primarily female audience. GSN wants to be carried in a similar fashion to how CVC carried nets it previously owned, like **WE tv** and the now defunct **Wedding Central**. “It should be obvious to anyone that a channel showing game shows and one showing women’s-oriented programming are not comparable. We will vigorously defend against this preposterous FCC finding,” said Cablevision’s statement Thurs. The FCC Media Bureau ruled that GSN has put forth sufficient evidence supporting the elements of its program carriage discrimination claim to establish a case—the 1st step in the process. The Bureau has not considered the actual merits of GSN’s claims. “While we question whether GSN’s alleged direct evidence of discrimination, standing alone, is sufficient to establish a prima facie case, we need not address this issue because GSN has put forth sufficient circumstantial evidence of discrimination ‘on the basis of affiliation or nonaffiliation’ to warrant referral of this matter to an ALJ,” the Bureau’s ruling said.

Competition: **DISH’s** Hopper whole-home HD DVR system is now being activated with “Auto Hop,” which lets subs skip all commercials for most recorded HD programs on **ABC, CBS, FOX** and **NBC** when viewed the day after air. We had to chuckle at the title of a **Sanford Bernstein** research note on the announcement: “It’s Not Just ‘Mad Men,’ DISH Hates ALL Advertising” (a reference to the DBS providers’ threat to drop **AMC Nets**). Sanford Bernstein said it’s unclear whether the auto skip will survive legal challenges, but with or without legal action, “it seems certain the ‘ask’ for retrans fees from DISH by the broadcast networks has just gone way up.”

AMC: **DISH’s** threat to drop **AMC Nets** at the end of June dominated Thurs’ 1Q earnings call, with AMCN CEO *Josh Sapan* acknowledging that it may have a material impact on financial results. He rejected the notion that AMCN needs to tweak its lineups to make it more “must have.” “We think we need to continue to do what we’re doing,” he said, adding that AMC believes DISH’s actions are related to a recent pretrial loss in Voom litigation. “**AMC** is among the most critical services one can have to succeed as a multichannel video provider... We think **WE tv** is developing pretty nicely. We think **IFC** is developing a comedy franchise... We think we’re on the right path.” When DISH reported 1Q results, *Charlie Ergen* claimed that its own set-top box data showed that AMC Nets aren’t watched much by DISH subs. AMC COO *Ed Carroll* said it doesn’t have access to that data, but with AMC’s “The Walking Dead’s” huge ratings, “we see no reason to believe DISH results would be any different.” Ergen also has said DISH is undervaluing its product by making it available through online video outlets. “We like to think that we’re extremely careful with what we do with regard to the availability of our content on digital distribution outlets,” Sapan said. “If you take a spectrum of activity from companies that operate cable TV channels and examine it, I think we’re probably on the conservative end of the spectrum in terms of restraining the availability... particularly the marquee content... We did that because we think the paid ecosystem is what we live in and off of.” In fact, Sapan believes these carefully crafted digital deals can actually help the linear channels. **Miller Tabak** upgraded AMCX Thurs to “Buy” from “Neutral,” saying it believed the DISH risks of dropping carriage are already priced in and that results were better-than-expected. AMC Nets reported a profit of \$43.2mIn, or 60 cents a share, up from

BUSINESS & FINANCE

\$29.8mln, or 43 cents, a year earlier. Revenue jumped 20% to \$326.2mln, with ad revenue up 30%.

VOD: Cablevision is doubling the rental windows for hundreds of VOD movies from 24 to 48 hours, for unlimited viewing during the period at no additional charge.

Programming: "Cougar Town" is relocating to **TBS**, which has ordered a 4th season to begin airing early next year. The net also is getting the encore rights to the show's first 3 seasons (61 eps) that originally aired on **ABC**. -- **NuvoTV** announced a partnership with **NBC News' Peacock Prod** to spotlight the role of Latinos in the upcoming presidential election. The 2 will produce a Latino Town Hall special to premiere in Aug. -- **HBO** is teaming with **VICE** on a news magazine to be hosted by **VICE** founder *Shane Smith*.

People: *Jim Mollica* was promoted to svp, consumer marketing for **Nick**. -- *Samantha Malin* was named svp, marketing for **History, H2** and its portfolio of brands, effective immediately. She previously served as svp, global partnerships for **Viacom Intl Media Networks**. -- **GRB Ents** *Emily Mayer* is joining **Comcast Ent Studios** as vp, dev.

Business/Finance: **Ensequence** secured nearly \$26mln in investments to help accelerate its expansion into mobile and connected TV. The funding round was led by **Myrian Capital**, a VC firm chaired by *Mike Mathile*.

CableFAX Daily Stockwatch

Company	05/10 Close	1-Day Ch	Company	05/10 Close	1-Day Ch
BROADCASTERS/DBS/MMDS			CLEARWIRE:.....	1.28	(0.03)
DIRECTV:.....	47.77	0.13	CONCURRENT:.....	3.65	0.13
DISH:.....	30.81	0.52	CONVERGYS:.....	12.52	(0.47)
DISNEY:.....	45.28	0.26	CSG SYSTEMS:.....	16.53	0.15
GE:.....	19.09	0.18	ECHOSTAR:.....	28.07	0.06
NEWS CORP:.....	20.60	1.00	GOOGLE:.....	613.66	4.51
MSOS			HARMONIC:.....	4.29	(0.11)
CABLEVISION:.....	12.49	(0.04)	INTEL:.....	27.24	0.05
CHARTER:.....	67.70	0.56	JDSU:.....	10.74	(0.07)
COMCAST:.....	29.63	0.46	LEVEL 3:.....	24.40	(0.2)
COMCAST SPCL:.....	29.17	0.32	MICROSOFT:.....	30.74	(0.02)
GCI:.....	7.54	0.05	MOTOROLA MOBILITY:.....	39.35	0.03
KNOLOGY:.....	19.49	0.01	RENTRAK:.....	17.47	0.54
LIBERTY GLOBAL:.....	49.53	0.37	SEACHANGE:.....	8.35	(0.08)
LIBERTY INT:.....	18.25	(0.07)	SONY:.....	15.38	0.15
SHAW COMM:.....	19.33	(0.14)	SPRINT NEXTEL:.....	2.45	0.05
TIME WARNER CABLE:.....	77.35	0.30	THOMAS & BETTS:.....	71.91	0.01
VIRGIN MEDIA:.....	22.34	(0.11)	TIVO:.....	10.02	0.03
WASH POST:.....	337.00	(1.93)	UNIVERSAL ELEC:.....	14.97	0.11
PROGRAMMING			VONAGE:.....	1.79	0.01
AMC NETWORKS:.....	40.50	0.88	YAHOO:.....	15.44	0.14
CBS:.....	33.03	0.09	TELCOS		
CROWN:.....	1.51	(0.02)	AT&T:.....	33.13	0.32
DISCOVERY:.....	50.78	0.31	VERIZON:.....	40.55	0.30
GRUPO TELEVISA:.....	21.07	(0.25)	MARKET INDICES		
HSN:.....	36.80	0.31	DOW:.....	12855.04	19.98
INTERACTIVE CORP:.....	48.75	(0.26)	NASDAQ:.....	2933.64	(1.07)
LIONSGATE:.....	12.21	0.37	S&P 500:.....	1357.99	3.41
LODGENET:.....	2.16	0.02			
NEW FRONTIER:.....	1.55	0.03			
OUTDOOR:.....	7.20	0.11			
SCRIPPS INT:.....	54.25	(0.52)			
TIME WARNER:.....	35.87	0.23			
VALUEVISION:.....	1.65	0.11			
VIACOM:.....	51.53	0.59			
WWE:.....	8.84	(0.09)			
TECHNOLOGY					
ADDVANTAGE:.....	2.42	0.05			
ALCATEL LUCENT:.....	1.53	0.03			
AMDOCS:.....	30.12	(0.14)			
AMPHENOL:.....	54.22	(0.53)			
AOL:.....	26.28	(0.19)			
APPLE:.....	570.52	1.34			
ARRIS GROUP:.....	12.69	0.14			
AVID TECH:.....	7.55	(0.24)			
BLNDER TONGUE:.....	1.18	0.05			
BROADCOM:.....	33.37	(0.27)			
CISCO:.....	16.81	(1.97)			

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Univision

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PROGRAMMER'S PAGE

Must See Everything, Everywhere...

Gather 'round, children (ie, those of you born after 1985). There was once a mythical land where TV shows could bag a 25- or 30-share, and people of all races, creeds, ages and genders could congregate around one huge watercooler and discuss the latest episode. Niches were non-existent. And the broadcast networks ruled the world. But among those rulers, one night ruled them all. One block of programming was untouchable, and it was called Must-See TV. "The other networks just rolled over and played dead," noted *Michael Schneider*, L.A. bureau chief at **TV Guide** magazine, reflecting on **NBC's** Thurs night programming block that ruled the 1990s. He was moderating a panel at the Paley Center Mon night in L.A. including not only bcst legend and then-NBC Ent pres *Warren Littlefield* but also **Showtime Networks** pres, entertainment *David Nevins*, who was a junior exec under Littlefield during that era. These days, it's hard to imagine a 3-hour block of programming on 1 network attracting a third of U.S. TV households all at once. But back then, it was doable. Series like "Friends," "Seinfeld," "Frasier," "Will & Grace" and "E.R." were unstoppable. And it wasn't just smart scheduling; the shows were also darn good. E.R. took off immediately. Nevins recalled audience testing on the pilot that was so off the charts, he called in NBC's then vp, program research *Eric Cardinal*—now at **The CW**—just to confirm the numbers so people would believe him. Seinfeld's famously slow start, however, might have doomed the show had execs not stuck with it on pure gut instinct. The rest is history. So what can we learn from all this? What's the secret to good TV and scheduling? Hard to say, but legendary producer *James Burrows* reminded the audience that "it's not the idea. It's the execution." And Nevins said the best shows project a certain, intangible confidence from its actors and writers. "Eventually the audience picks up on that," he said. "Creative confidence." Must-See TV may never happen again. But good TV, it would seem, is universal. *MG*

Reviews: "Notes from the Heart Healer," Sat, 8p, **Hallmark**. It's early to call it a trend, but the last 2 films we've seen from Hallmark Movie Channel and Hallmark Channel, respectively, have been strong. Gorgeously shot in Canada, this is the latest in one of Hallmark's top-rated original movie franchises and stars veterans *Genie Francis* and *Ted McGinley* as just-married journalists. And, hard as it is to believe, they have some money. In fact, on one level the film's plot—an unemployed single mother abandons her child—can be seen as a commentary on haves and have-nots. All this from a Hallmark Channel original, imagine that. — "Common Law," pilot, Fri, 10p, **USA**. "Characters welcome" is USA's tagline and Travis (the usually wonderful *Michael Ealy*) and Wes (*Warren Kole*) certainly are characters. They're also excellent homicide detectives whose perpetual arguing has landed them in couples' therapy. If you buy this unlikely premise, their ultra-silly banter, Travis' unbroken stream of sexual partners and Wes' anal personality will be enjoyable. If not, you'll wish "Common Law" was a bit more serious. — "Inside the Actors Studio," Mon, 7p, **Bravo**. **CableFAX** faves *Jon Hamm* and *James Lipton* join forces as "Mad Men" cast members answer questions written on small blue cards.

Basic Cable Rankings

(4/30/12-5/06/12)

Mon-Sun Prime

1	TNT	2.6	2528
2	USA	2.1	2069
3	DSNY	1.5	1530
4	FX	1.4	1353
5	HIST	1.3	1315
5	FOXN	1.3	1298
7	TBSC	1.2	1207
8	NBCS	1	804
8	DSE	1	68
10	A&E	0.9	891
10	ADSM	0.9	874
10	NKJR	0.9	643
13	FOOD	0.8	835
13	HGTV	0.8	804
13	FAM	0.8	798
13	SYFY	0.8	774
13	ESPN	0.8	754
13	BRAV	0.8	713
19	DISC	0.7	740
19	TLC	0.7	724
19	LIFE	0.7	710
19	CMDY	0.7	653
19	TRU	0.7	640
19	ID	0.7	542
25	NAN	0.6	613
25	TVLD	0.6	608
25	MSNB	0.6	584
25	SPK	0.6	574
25	BET	0.6	524
25	LMN	0.6	516
31	VH1	0.5	501
31	MTV	0.5	497
31	APL	0.5	491
31	AMC	0.5	476
31	HALL	0.5	464
36	EN	0.4	375
36	NGC	0.4	355
36	CNN	0.4	350
36	OXYG	0.4	315
36	NKTN	0.4	252
41	ESP2	0.3	309
41	HLN	0.3	303
41	TRAV	0.3	291
41	DXD	0.3	250
41	INSP	0.3	218
41	OWN	0.3	218

*Nielsen data supplied by ABC/Disney

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