

CableFAX Daily™

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What the Industry Reads First

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Media Marriage: Television is a Whole New World

Media convergence is more than just throwing up **Twitter** on a TV screen, but a union between new and old media is on its way. That was the consensus at Thurs' closing general session at the Cable Show. "The next thing is connecting these experiences," said Twitter CEO *Evan Williams*. "It's not just putting Tweets on TV or talking about shows. iPad paints a picture of what it could be. I'd much rather read a Tweet on an iPad and not have [it overlaid on the TV], but it would be awesome if [the devices] could talk to each other." That will happen soon, **Cablevision** COO *Tom Rutledge* predicted. Rather than becoming a threat, devices like the iPad "make the services we have work better," he said. **William Morris Endeavor** CEO *Ari Emanuel* called for the word "television" to be redefined because content means different things to different people. Along those lines, he said he's thinking differently about how to best monetize his celebrity clients. Sometimes that might mean going to a network for a TV deal, but other times it could mean reaching out directly to consumers through something like Twitter and working with a brand, like Coke or Pepsi. *Ashton Kutcher's* nearly 5mln Twitter followers got mentioned repeatedly during the panel. Williams and Emanuel both cited social media as a complement to traditional media, with Emanuel pointing to Fri night movie updates on Twitter helping or hurting box office receipts and Williams referencing a social media campaign **Oxygen** used to successfully drive viewers to its "Bad Girls Club" premiere. **Showtime** quietly created a social media group several years ago, and now has 25 different **Facebook** pages based around its shows, said Showtime chief *Matt Blank*. "In a couple years I don't think we'll be talking about social media discretely any more," he said. "There is nothing new about social aspects of media. People gathered around the radio to listen to weekly episodes of 'The Shadow.'" One thing that cable should do to help with this convergence is improve its user interfaces, which "aren't a whole lot more modern than they were 15 years ago or so," said **TiVo's** *Tom Rogers*.

FCC Q&A: With the threat of Title II casting a bit of a cloud over the Cable Show, there was a lot of interest in what **FCC** chmn *Julius Genachowski* would say about his proposal to classify broadband under the provision but forbear the burdensome obligations that come with it. **NCTA** chief *Kyle McSlarrow* quizzed him on the issue, asking if there was any way to ensure that a future chmn wouldn't undo that forbearance, with visions of *Kevin Martin* no doubt popping up in the audiences' minds. "You've described a problem for which I'm sure there is a solution," Genachowski said, adding that there has

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never been an “un-forbearance... If all the stakeholders are concerned about this and focus constructively on solutions... we can [solve it].” The chmn didn’t seem to buy into the proposal creating uncertainty for the industry, saying that the uncertainty came when the Court created a “damaged legal foundation” when it rejected the **Comcast-BitTorrent** action.

Untethered TV: Panelists at **Cfax** sibling pub *Communications Technology’s* tech breakfast agreed the time is now for ops to start deploying all content across all screens. “There are ways to do it, and content needs to show up on every device consumers want,” said **HBO** CTO/evp, tech **Bob Zitter**. “Otherwise, we will be marginalized.” Added **Mike LaJoie**, evp/CTO, **Time Warner Cable**, “There really aren’t a lot of ‘demos’ on the floor this year. There is a lot of reality on the floor.” But as both ops and programmers accelerate the pace of new related product and service rollouts—spurred in part by devices like **Apple’s** iPad and **Google’s** Android handsets—DRM issues remain. Zitter cautioned that prevention of content piracy may not be the correct focus going forward. “Now we see DRM as a way to provide content to different devices that play by the rules,” he said, noting ad-supported, transactional and subscription content as ways to overcome DRM impasses.

Familiar Noises: Much has changed in media, yet traditional arguments continue to dominate the advertising business, an **NCTA** panel demonstrated Thurs. Brands want nets to prove that TV ads influence consumers to buy their products, and “I don’t always have the data to do that... I only have exposure metrics,” **MTV’s** **Colleen Fahey Rush** said. Yet she was upbeat about products promised by **Nielsen** and from elsewhere that could help. Indeed Nielsen’s **Manish Bhatia** noted products combining online, linear and mobile data will be ready in Q3 or 4. Yet **Robert Ivins** of **Comcast Spotlight** argued for “a holistic view” of media consumption. He also said the industry is “a long way” from robust set-top data. Said **Gary Reisman** of **NewMediaMetrics**: “We must go back to the basics” on data, emphasizing an understanding of the consumer, his/her choices of media and brand consumption, before moving into more in-depth research.

Vanguards: The **Vanguards** ceremony was distinguished by the erudition of the honorees, their brevity and an amusing choice of music, which sounded like the fanfares **John Williams** wrote for **NBC’s** Olympics coverage. Young Leader honoree **Peter Stern** of **Time Warner Cable** began the festivities with a witty comparison of cable to a family, complete with the **FCC** continuing “to egg our family’s house.” Tech honoree **Marwan Fawaz** of **Charter** noted his humble beginnings in Lebanon and his high school in Liberia. He said he emulated tech legend **Jim Chiddix**. **Rainbow’s** **Josh Sapan** joked about the irony of winning a Vanguard for creating series featuring excessive smoking, drinking, philandering, manufacturing crystal meth and frazzled brides. There were constant references to family. When operations honoree **Cathy Avgiris** of **Comcast** was told by her young son that his friend had switched to **FIOS**, she retorted: “He’s not your friend anymore.” Top Vanguard winner **Bonnie Hammer** of **NBCU** mentioned to fellow Vanguarder **Jim Dolan** of **Cablevision** that her 16-year-old son is ready and willing to take a front-office job with the NY Knicks or replace announcer **Walt Frazier** “if he needs a break.” Perhaps the most surprising family reference came from Dolan, who saluted his father **Chuck** for guiding the MSO. “My dad deserves this award,” he said. Others honored included **Cox’s** **Sandy Wilson**, **AETN’s** **David Zagin** and lawyer **Howard Symonds**.

Home Networking: **Comcast’s** demo Wed of an **Apple** iPad app allowing the device to interface with set-tops has created a lot of buzz. By functioning as a remote and programming guide that features recommended content and ways to share that content with friends, the app importantly mirrors Web functionality and can “liberate you from that cable box” that’s a virtual tech dinosaur, Comcast chief **Brian Roberts** told **Jim Cramer** on **CNBC’s** “Mad Money” Wed evening. Though there’s no hard release date for the app just yet, **BTIG’s** **Richard Greenfield** called it “a true game

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changer for the industry” and said it could represent “the beginning of the most important technical enhancement to multichannel video provider offerings in a long, long time.” Yet while new devices are becoming increasingly integral to service providers’ home networking plays, current consumer preference in the space is led by demand for Start Over-type functionality, availability of prime on demand content and whole home DVRs, according to **Parks & Assoc.** Also, said the firm, the most sought after value-adds in networked homes remain efficient tech support, managed Internet security and online file backup. Parks did say many multichannel subs would very much like to receive personalized content recommendations, something Comcast’s iPad app appears poised to deliver.

On the Circuit: **NAMIC** held another classy leadership breakfast, recognizing those in the industry who champion diversity. *George Bodenheimer*, honorary co-chair for the event, said diversity makes good business sense and best reflects the industry’s audience. -- Big props to **NBCU**, which rolled out the red carpet literally Wed night by opening up **Universal Studios** to Show attendees. The rides, celebs and Maroon 5 were awesome, but perhaps we most enjoyed seeing throngs of execs waiting in line to play free carnival games. We’re not sure how they fit those giant stuffed animals in their carry-ons.

CableFAX Daily Stockwatch

Company	05/13 Close	1-Day Ch	Company	05/13 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
BRITISH SKY:	34.57	(1.16)	AOL:	24.03	(0.47)
DIRECTV:	37.63	(0.52)	APPLE:	258.36	(3.73)
DISH:	21.96	(0.41)	ARRIS GROUP:	11.80	(0.21)
DISNEY:	34.75	(0.38)	AVID TECH:	14.84	(0.17)
GE:	18.05	(0.39)	BIGBAND:	2.87	(0.04)
NEWS CORP:	16.75	(0.27)	BLNDER TONGUE:	1.19	0.00
MSOS					
CABLEVISION:	24.66	(0.36)	BROADCOM:	33.03	(1.03)
COMCAST:	17.76	(0.42)	CISCO:	25.53	(1.21)
COMCAST SPCL:	17.02	(0.37)	CLEARWIRE:	8.43	0.20
GCI:	6.14	0.05	COMMSCOPE:	29.45	(0.74)
KNOWLOGY:	13.02	(0.17)	CONCURRENT:	5.70	0.01
LIBERTY CAPITAL:	41.53	(0.79)	CONVERGYS:	12.00	(0.18)
LIBERTY GLOBAL:	25.94	0.05	CSG SYSTEMS:	22.25	(0.21)
LIBERTY INT:	13.62	(0.35)	EHOSTAR:	20.47	(0.03)
MEDIACOM:	5.73	(0.16)	GOOGLE:	510.88	5.49
RCN:	14.49	(0.08)	HARMONIC:	5.71	(0.07)
SHAW COMM:	19.00	(0.06)	INTEL:	22.50	(0.59)
TIME WARNER CABLE:	52.23	1.07	JDSU:	12.25	(0.48)
VIRGIN MEDIA:	16.71	(0.4)	LEVEL 3:	1.31	(0.03)
WASH POST:	511.37	(3.31)	MICROSOFT:	29.24	(0.2)
PROGRAMMING					
CBS:	15.00	(0.43)	MOTOROLA:	6.84	(0.14)
CROWN:	1.90	0.00	PHILIPS:	31.83	(1.07)
DISCOVERY:	38.09	(0.63)	RENTRAK:	25.26	(0.38)
GRUPO TELEVISA:	19.46	(0.1)	SEACHANGE:	8.93	(0.02)
HSN:	27.84	(0.22)	SONY:	31.53	(1.71)
INTERACTIVE CORP:	22.65	0.36	SPRINT NEXTEL:	4.46	0.31
LIBERTY:	34.89	(0.47)	THOMAS & BETTS:	41.52	(0.38)
LIBERTY STARZ:	53.91	(1.38)	TIVO:	17.39	(0.1)
LIONSGATE:	6.78	(0.13)	TOLLGRADE:	6.46	0.11
LODGENET:	5.59	(0.08)	UNIVERSAL ELEC:	21.85	(0.15)
NEW FRONTIER:	1.93	0.01	VONAGE:	1.88	0.05
OUTDOOR:	6.57	(0.15)	YAHOO:	16.14	(0.33)
PLAYBOY:	4.44	(0.06)	TELCOS		
RHI:	0.25	(0.01)	AT&T:	25.74	(0.08)
SCRIPPS INT:	46.88	(1.09)	QWEST:	5.37	0.06
TIME WARNER:	31.16	(0.38)	VERIZON:	28.69	(0.01)
VALUEVISION:	2.64	(0.1)	MARKET INDICES		
VIACOM:	37.95	(0.38)	DOW:	10782.95	(113.96)
WWE:	16.90	0.48	NASDAQ:	2394.36	(30.66)
TECHNOLOGY					
ADC:	8.00	(0.21)			
ADDVANTAGE:	3.07	(0.13)			
ALCATEL LUCENT:	2.66	(0.1)			
AMDOCS:	31.17	0.07			
AMPHENOL:	45.02	(0.42)			

INDUSTRY TRANSFORMATION: AN OPPORTUNITY TO TAKE CHARGE!

Discover innovative strategies for success from these industry leaders:

Bob McIntyre, CTO, Cisco Systems Service Provider Business

Tom Mathews, EVP of HR, Time Warner Cable

Trish Jones, SVP of Strategic Audience Solutions, Turner Broadcasting System

Peter Stern, EVP and Chief Strategy Officer, Time Warner Cable



PROGRAMMER'S PAGE with Chad Heiges and Seth Arenstein

VOD Data In Demand

That **DirectTV** and **DISH** highlighted notable 1Q upticks in VOD and PPV transactions while cable ops were largely mum further stoked my enthusiasm for the state of video on demand. With growth in digital homes ebbing and consumers increasingly gravitating to the Web to order programming at will, it appears cable VOD must adapt to changing predilections to either perpetuate or re-ignite adoption rates. That inserted “either” demands attention because obtaining data on growth/decline in VOD usage has been, for me at least, more difficult than finding a quiet theater in which to watch “Iron Man 2.” Sure, *overall* multichannel VOD consumption continues to rise—ops continue to add digital homes if at a slower rate—but what is the breakdown in adoption growth within particular homes and demos? I asked **Magna's Brian Wieser** to comment on VOD growth trends while only considering the firm's data that growth in DVR subs is outstripping that of on demand subs. Put another way, if more and more people are receiving the option to record content, will a decline in VOD transactions follow? He said it's a logical conclusion but very difficult to know because there's only limited data to support any hypothesis. Per **Rentrak**, we do know this: VOD viewers spent more than 3.1bln hours watching VOD content in '09. But the “free” data offered by the firm concerning free, subscription and movie transactions isn't apples-to-apples, further muddling the picture. **iN Demand**, meanwhile, is reticent to drill down on its own stats. Perhaps telling is the ready anecdotal evidence from numerous industry sources pointing to escalating adoption of VOD films, which seems to cast a dubious light on the future of other on demand content types. Cable's \$30mln campaign touting day-and-date movie releases to drive younger viewers offers additional thought, as does **Time Warner CEO Jeff Bewkes'** highlight of linear VOD limitations this week. More to come on this... hopefully. *CH*

Highlights: “The Pacific,” series finale, Sun, 9p, **HBO**. Yes, we sound like a broken record, but this final ep stands alone, so if your subs haven't seen any of this series, they'll still savor this highly emotional look at a warrior returning home. Arguably it's the best of the 10-part series. -- “Secret Life of Elephants,” Sun, 8p, **Animal Planet**. A fascinating and emotional look at how a small group of dedicated people attempt to care for and protect elephants in a 60-acre preserve in Kenya. *SA*

Notable: We'll take a slight departure and urge anyone who knew or just knew of **Bill Bresnan** to head to **The Cable Center's** site now and watch a video tribute to its departed leader (<http://www.cablecenter.org/content.cfm?id=23>). Premiered Tues at **The Cable Hall of Fame** induction dinner, the video features **Brian Lamb, Chuck Dolan, Matt Blank** and a bevy of cable notables. Cable Center chairman **Michael Willner** wanted the piece to emphasize Bresnan's leadership, but also his humor and kindness. It does. A quibble—perhaps our **Paul Maxwell** could have been among the assembled. Mr. Bresnan chose Paul to introduce him into the Hall; Bresnan returned the favor when Paul was inducted later. Still, in a short period the video conveys well Bresnan's essence, his humanity and why he's missed. *SA*

Basic Cable Rankings (5/03/10-5/09/10) Mon-Sun Prime			
1	TNT	2.2	2154
2	USA	2.1	2116
3	DSNY	1.7	1700
4	ESPN	1.5	1447
4	FOXN	1.5	1428
6	NAN	1.4	1407
7	HIST	1.2	1167
8	TBSC	1.1	1104
9	TOON	1	1014
9	FX	1	984
9	A&E	1	945
9	VS	1	735
13	DISC	0.9	896
13	TRU	0.9	791
15	HGTV	0.8	825
15	AMC	0.8	764
15	SYFY	0.8	744
15	HALL	0.8	674
15	NKJR	0.8	552
20	FOOD	0.7	707
20	FAM	0.7	676
20	TLC	0.7	670
20	CMDY	0.7	657
20	BRAV	0.7	646
20	BET	0.7	595
26	TVLD	0.6	627
26	LIFE	0.6	613
26	MSNB	0.6	588
26	SPK	0.6	569
30	CNN	0.5	519
30	EN	0.5	509
30	APL	0.5	471
30	MTV	0.5	464
30	LMN	0.5	425
30	OXYG	0.5	351
36	HLN	0.4	406
36	VH1	0.4	396
36	NGC	0.4	297
36	SOAP	0.4	276
36	ID	0.4	236
41	ESP2	0.3	326
41	TRAV	0.3	301
41	CMT	0.3	262
41	WGNA	0.3	246
41	DHLT	0.3	243
41	GSN	0.3	230

*Nielsen data supplied by ABC/Disney

CableFAX's Customer Experience Management Guidebook
Lessons and Insights for the Cable Industry

CableFAX and The Cable Center collaborated to publish this 150-page guidebook on customer experience management for the cable industry. The guidebook includes case studies, tips and articles on understanding the foundations of customer experience management and gaining insight to use it to improve your business. You also will learn about the latest measurement strategies, research insights, personnel and compensation strategies, social media tactics and communications techniques for implementing customer experience management in your company.



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