

CableFAX Daily™

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What the Industry Reads First

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Data Limit: Cable One Latest to Throw Cap in the Ring

Cable One has rolled out a new 50Mbps HSD tier along with a broadband metered billing structure that charges 50 cents per GB for overage. It caught the attention of **Sanford Bernstein's Craig Moffett**, who said it might be the 1st real usage-based pricing plan in the country because of the per GB overage charge. Cable One may be the largest provider charging such fees (14th largest MSO as of Dec, according to **SNL Kagan** data), but others also have waded into those waters. **Sunflower Broadband**, which was bought by **Knology** last year and became Knology Kansas, has continued to offer overage fees under new ownership. Each level of Knology Internet in KS has a set amount of bandwidth usage, with bandwidth overage priced at \$1 for each additional GB. It looks like Knology has not applied the Sunflower model to its other systems, however. Calls to Knology and Cable One weren't returned by deadline Mon. It's important to note that Cable One continues to offer an unlimited bandwidth usage through its \$50/month 5Mbps tier. "We expect [that] be the case initially for virtually every MSO that follows this path," Bernstein wrote in a note to clients. Earlier this month, **AT&T** capped **U-Verse** at 250GB and legacy DSL subs at 150GB. Instead of charging a per GB fee, the telco put overage at \$10 per 50GBs. Analysts are expecting more usage-based pricing structures to be introduced soon, with the **FCC's** Dec net neutrality order making it clear that there is a place for such a structure. Many are eyeing **Time Warner Cable** as it had planned to launch a usage-based trial in '09 and backed off following protests. TWC CEO **Glenn Britt** reiterated during the company's 1Q earnings call that there are no immediate plans to change pricing, but "I think some sort of pricing with the usage dimension is essentially inevitable."

Retrans Dance: In a move that should give **NBC** stations even more clout in retrans negotiations with cable ops, NBC on Mon sketched out a deal in which it would negotiate with distributors on behalf of its partner stations that opt into the arrangement. In a statement, **NBCU** said the proxy deal, which stemmed from its annual affiliate board meeting Mon, is "another step toward further solidifying the partnership between NBC and NBC Affiliates." NBC stations obviously operate under a unique situation because they're controlled by a cable distributor (**Comcast** through a jv with **GE**). Other broadcast nets have tried with mixed success to strike similar deals with partner stations. NBCU expressed confidence that the proxy arrangement reached Mon will bear fruit. "The successful completion of this arrangement would be a win for



We're On A Winning Streak!

Bubba Watson, 2011 Farmers Insurance Open and 2011 Zurich Classic of New Orleans Champion

Source: Nielsen Company via StarTrak, 1Q11 vs. 1Q10, Live +7 (000), P2+, Mon-Sun 6a-6a, Subject to qualifications available on request.

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the NBC broadcast network and NBC local stations both of whom need to develop additional revenue streams to offset the high cost of producing local and national programming and news," it argued. "It would be a win for the network affiliate partnership to have the split between partners be amicably negotiated. And it would be a win for both distributors and consumers because it would produce fewer negotiations where conflict can result in programming going off the air."

Dishheads: *Charlie Ergen* has stepped aside, tapping former **Sirius** chmn/CEO *Joseph Clayton* as **DISH** pres/CEO effective June 20. Ergen will drop the pres/CEO title, but remain as chmn. Prior to Sirius, Clayton served as pres, **Global Crossing North America** and pres/CEO of **Frontier Corp. Wells Fargo's Marci Ryvicker** applauded the news, saying it signals that Ergen feels DISH is in good enough shape to hand over the reins. "While we did not necessarily expect this announcement today, it makes sense that Charlie would step down as CEO now given DISH's internal momentum and Charlie's focus on the long-term strategic vision of both companies," Ryvicker wrote in a research note. Ergen, who stepped down as CEO of **EchoStar** in '09, lauded Clayton's executive-level experience in the satellite and CE industries.

Rodgers Retires: After 7 years at **TV One** and 45 years in the media business, TV One pres/CEO *Johnathan Rodgers* will retire July 31. "There could have been no better way to cap off a long and satisfying career in the television business for me than to help build a sustainable channel that African American adults, indeed all Americans can be very proud of," said Rodgers, who thanked **Comcast**, *Brian Roberts* and **Radio One's Alfred Liggins** for their support. Under Rodgers' leadership since its '04 launch, TV One has grown to 53mln HHs, won multiple NAACP awards and has seen successive viewership records over the past 3 TV seasons.

More Retrans: After 3 months off the air, **Univision** is back on **Full Channel TV's** East Bay, RI, system. But **Entravision's WUNI** is not. Unable to agree on a new price with Entravision for the out-of-market Univision affil (it's based out of Boston), Full Channel inked an agreement with Univision Comm for the national feed. That means Full Channel's viewers won't get WUNI newscasts and other Boston programming. It also means Univision moves from broadcast basic to digital basic. It sounds like Full Channel sees more trouble on the retrans horizon. "We simply refuse to allow our customers to be extorted. We have spent many, many hours working to reach a deal with just one of the many TV broadcasters demanding access to our customers' pocketbooks," said Full Channel pres/CEO *Linda Jane Maaia*.

Ratings: **TNT** continues to sizzle with playoff NBA coverage. Sun night's Miami-Chicago Eastern Conference opener marked the most-watched game in the NBA's history on cable, scoring a 6.2 rating and 11.2mln HHs. That means it surpassed the '03 NBA All-Star game, which was *Michael Jordan's* last All-Star appearance. Ratings have been strong from the start, with the first 2 rounds of playoff coverage (35 games) averaging a 3.0 HH rating on TNT (+25% over last year) and 4.82mln total viewers (+33%).

Competition: **DirectTV** is rebranding its 101 Network as the **Audience Network** June 1, just before the new season of former **FX** series "Damages" debuts. "We've spent the last six years building this network into something very special," said *Derek Chang*, DirectTV's evp of content strategy and development. "DirectTV is the only television operator who provides customers with a premium quality entertainment channel for free, and the new name perfectly captures who we are doing this for, specifically our demographic, the DirectTV audience."

Technology: ITV company **Ensequence** expanded its product offerings to include interactivity on connected devices across all platforms, including connected TVs. Its debut is a Live Traffic application for the **Yahoo!** Connected TV Widget Engine. It's available on TVs from leading providers, including **Samsung, LG, Vizio, Sony** and **Toshiba**. Yahoo TV has the largest install base of any connected TV platforms. The widget gives viewers a snapshot of traffic conditions before they leave home, offering instant access to street-level maps of favorite commuting routes. Ensequence hired former **Devici** CEO *Brian Powell* to oversee its connected device work. Ensequence chose the traffic app because "it's something people need every day, as opposed to game apps or trivia apps on connected TVs that people tend to use sporadically," the company's CTO and chief product officer *Aslam Khader* said. Ensequence plans to provide core systems for its cable programmer customers "so they can [deploy connected TV apps] in a scalable way. For example, they can have 12 widgets for their top 12 shows across 12 different platforms. And they want to change things before, during and after the show. And they want to manage all this in a content workflow similar to what they use today to create and distribute content," Khader said.

In the States: **Time Warner Cable** NYC digital subs can now access more than 175 HD channels, including **Bloomberg**

BUSINESS & FINANCE

HD, Lifetime HD and OWN HD.

Affiliate Relations: Verizon FiOS and Epix announced the “EPIX Movie Free-for-All,” outdoor movies in NYC. More than 30 new releases and classics are on tap for the 4 venues (Coney Island, Long Island, Brooklyn and Manhattan) June 30-Sept 12, including “Justin Bieber: Never Say Never” and “Top Gun.”


People: 3net named Discovery’s Carlos Gutierrez as vp, biz affairs and legal. -- Olivia Dupuis was upped to vp, PR at AMC. -- Weather Channel Companies appointed Cameron Clayton as evp, digital products. -- Turner hired Rob Collins as vp, brand activation for TNT, TBS and TCM.


Honors: NAMIC is bestowing its Next Generation Leader Awards on Fox Deportes’ Vincent Cordero, NBCU’s Devin Johnson, TLC’s Howard Lee and Comcast Chicago’s Stephen Thomas. The 4 will be honored during the NAMIC Annual Awards Breakfast during the Cable Show, June 16, 7am, McCormick Place Convention Center. NAMIC also will honor several “Luminaries” for their business acumen, managerial expertise and leadership.

Public Affairs: Ted Turner and son/ upcoming Sportsman Channel star Beau Turner will be on hand for the net’s Hunt.Fish.Feed event to fight hunger in Atlanta Wed. Ted’s Montana Grill is donating 50lbs of bison. Beau’s new series “Beau Knows Outdoors” will bow on Sportsman in Oct.

CableFAX Daily Stockwatch

Company	05/16 Close	1-Day Ch	Company	05/16 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
DIRECTV:	49.26	(0.47)	BLNDER TONGUE:	1.95	0.04
DISH:	28.90	0.09	BROADCOM:	33.36	(1.09)
DISNEY:	40.93	(0.59)	CISCO:	16.60	(0.28)
GE:	19.76	(0.13)	CLEARWIRE:	4.14	0.14
NEWS CORP:	18.00	(0.1)	CONCURRENT:	5.95	(0.09)
MSOS					
CABLEVISION:	34.40	(0.5)	CONVERGYS:	13.34	(0.18)
CHARTER:	57.77	(0.09)	CSG SYSTEMS:	19.21	(0.37)
COMCAST:	24.71	(0.42)	ECHOSTAR:	32.44	(0.96)
COMCAST SPCL:	23.33	(0.33)	GOOGLE:	518.42	(11.13)
GCI:	11.15	(0.46)	HARMONIC:	7.49	(0.2)
KNOWLOGY:	14.82	(0.28)	INTEL:	23.64	0.23
LIBERTY CAPITAL:	84.96	(0.77)	JDSU:	20.35	(0.81)
LIBERTY GLOBAL:	45.53	0.01	LEVEL 3:	1.85	(0.04)
LIBERTY INT:	17.54	(0.39)	MICROSOFT:	24.57	(0.46)
SHAW COMM:	20.53	(0.12)	RENTRAK:	21.04	(0.22)
TIME WARNER CABLE:	76.55	(0.71)	SEACHANGE:	9.73	(0.55)
VIRGIN MEDIA:	31.32	(0.49)	SONY:	27.82	0.24
WASH POST:	415.80	(0.72)	SPRINT NEXTEL:	5.11	0.01
PROGRAMMING					
CBS:	25.49	(0.45)	THOMAS & BETTS:	56.32	(0.99)
CROWN:	2.11	(0.05)	TIVO:	9.29	(0.12)
DISCOVERY:	43.62	(0.65)	UNIVERSAL ELEC:	26.17	(0.15)
GRUPO TELEVISIA:	23.17	0.26	VONAGE:	4.60	(0.06)
HSN:	32.61	(0.47)	YAHOO:	15.81	(0.74)
INTERACTIVE CORP:	34.18	(0.44)	TELCOS		
LIBERTY:	41.52	(0.13)	AT&T:	31.06	(0.35)
LIBERTY STARZ:	74.54	(1.71)	VERIZON:	36.97	(0.29)
LIONSGATE:	6.02	(0.11)	MARKET INDICES		
LODGENET:	3.31	(0.08)	DOW:	12548.37	(47.38)
NEW FRONTIER:	1.63	(0.04)	NASDAQ:	2782.31	(46.16)
OUTDOOR:	6.60	(0.07)	S&P 500:	1329.47	(8.3)
SCRIPPS INT:	50.32	(0.45)	TECHNOLOGY		
TIME WARNER:	35.21	(0.78)	ADVANTAGE:	2.60	(0.04)
VALUEVISION:	6.04	(0.41)	ALCATEL LUCENT:	5.92	(0.18)
VIACOM:	57.90	(0.61)	AMDOCS:	29.23	(0.47)
WWE:	10.34	0.04	AMPHENOL:	55.05	0.01
TECHNOLOGY					
AOL:	18.76	(0.45)	AOL:	18.76	(0.45)
APPLE:	333.30	(7.2)	APPLE:	333.30	(7.2)
ARRIS GROUP:	10.77	(0.19)	ARRIS GROUP:	10.77	(0.19)
AVID TECH:	17.02	(0.29)	AVID TECH:	17.02	(0.29)
BIGBAND:	2.19	(0.12)	BIGBAND:	2.19	(0.12)





CableFAX Webinar

Wednesday, May 25 | 1:30 – 3:00pm ET

Monetizing Alternative Platforms: The Evolution of Advanced Advertising

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- The latest ad innovations helping to bring in new revenue streams.
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- Specific steps cable operators and programmers can take to find interested brands and agencies.
- New ideas and techniques from case studies and examples in the industry.
- The best near-term and long-term strategies to take full advantage of advertising model changes.

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EYE ON ADVERTISING

Thinking Outside the Box

It's been about a year since **Outside Television**, formerly Resort Sports Network, morphed names and joined hands with *Outside* magazine. And the move has been a boon for advertising on the broadcaster's stations, which target resort areas. *Outside* is now courting cable distribution beyond its station markets. Since last June, it has secured deals with the likes of Ford Explorer, Jeep Grand Cherokee, GoPro Camera and Geico, growing its largest categories of automotive, outdoor gear and travel, and adding new ones including health. Carmine Parisi, *Outside* svp of sales, tells Cathy Applefeld Olson why so many brands are stepping *Outside*.



Seems it's become easier for you to attract advertising since the network became Outside Television.

CP: Yes. The single biggest influencer on advertiser activity has been the *Outside* brand itself. It's known by so many in the outside living space. And, we've completely revamped our programming. Because of our credibility with the *Outside* brand, folks are looking to commingle their brands with ours, especially when there's shared common ground.

With such close ties to the magazine, what percentage of your advertising deals are cross-platform these days?

CP: We share the same offices, and I'd say a third of our business works across platforms. We'd like it to be even more. In some cases they are TV-driven, in some cases magazine-driven. One example that comes to mind was Ford Explorer. It was a national promotion and a terrific cross-platform integration effort that was promoted on TV, in print, online and using our iPad platform.

How significant is the Upfront for you today?

CP: I anticipate 50%-60% of our business coming from the Upfront, compared to two years ago when it was 30%-40%. We are getting more well received by more

clients, so there is a lot more activity. Of course, when we're looking to develop a real marriage between two brands, those [integrations] require a longer commitment and a longer media campaign on an annual scale. So we are definitely having the conversations 365 days a year. Many of the conversations we started 14 months ago are just coming to fruition now.

What are you looking for from advertisers that approach *Outside*?

CP: Come with a detailed brand so I can understand your marketing efforts, and come to us with some ideas. In this phase of growth, we can be very flexible and can create content jointly—short form or long form—whatever can

be imagined as long as it has respect for the magazine and the brand as well.

Do you have more agility to work on campaigns as an independent network?

CP: We can move more quickly than the big established networks that have so many layers to their management. And they have legal restrictions on what they can do in terms of copyright and where certain content can air. One of the big things that's attracted advertisers like Ford to us was the fact that they can take our content and marry it to their brand and go beyond just the TV medium and distribute it to Facebook or wherever they are gaining impact in the marketplace.

What's the biggest challenge to being an indie?

CP: Getting the word out. We do a lot of B2B work and hold a lot of in-depth meetings. We have a good distribution system with our resort distribution today, and we are very excited about getting imminent distribution deals with a couple major carriers that we'll probably land before this next broadcast Upfront.

(Longtime entertainment industry reporter Cathy Applefeld Olson is delighted to be documenting media's wild ride into the 21st century)

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