

CableFAX Daily™

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What the Industry Reads First

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Map It Out: Data Bill Looks to Redefine High-Speed

When all else fails, try looking at a map. With all the fretting over the digital divide and where the US falls in broadband penetration rankings, House Telecom subcommittee chairman *Ed Markey* (D-MA) is drafting legislation directing the **NTIA** to create a map showing broadband service availability across the country. Many have complained over the years that the **FCC's** broadband data is inaccurate and sparse. **NCTA** stands behind the mapping idea, although industry head *Kyle McSarrow* testified Thurs that Congress should "be careful today about anything we put in legislation that defines high-speed data or broadband" because the metrics are always changing. Case in point: the FCC currently defines broadband as a paltry 200kbps and higher. Markey's House Telecom Committee draft deems high-speed as 2Mbps downstream/1Mbps upstream, even as telcos and cable are talking about offering speeds of 100Mbps plus. While Thurs' witnesses were all in agreement that more data would be a good thing, several said the info collected should include all high-speed offerings, even if it's only a couple hundred kilobits per sec. "The purpose is to figure out who has what," and speeds that are 4 times faster than dial-up can be meaningful to consumers, **US Telecom Assn** president *Walter McCormick* said. On the other hand, McSarrow raised concerns that a provider offering fast download speeds of 10Mbps but an upload stream of less than 1Mbps wouldn't qualify as an HSD provider. A broadband map could be useful to the cable industry, which has long complained that the **Dept Agriculture's** Rural Utilities Service broadband loan program grants money for providers to enter markets that already have one or more HSD providers. That program and others suffer somewhat because they partly depend on applicants to define unserved areas, McSarrow said. Markey is trying to work with Republicans for bipartisan support and aims to introduce legislation in June.

Closing up Shop: As many expected, **Discovery** announced Thurs it will close its 103 mall-based and standalone **Discovery Channel Stores** by the end of 3Q. About 1K full-time and part-time employees (approx 25% of Discovery's global workforce) will be impacted. The stores haven't exactly been a bright spot on Discovery's balance sheet, losing \$30mln per year despite pulling in \$125mln-\$130mln in annual revenue, an exec said. The programmer's new strategy will focus on pushing products through large retailers, such as **Toys "R" Us**, and via e-commerce (Web and ITV commerce). **DiscoveryStore.com** and the company's other e-commerce operations posted record growth in '06 and are up 144% YTD over last year (Discovery doesn't break out its e-commerce revenue). "By eliminating our owned and operated brick-and-mortar storefronts, which are cost-intensive and complicated businesses, Discovery can focus its efforts on high-growth e-commerce and licensing operations," Discovery president/CEO *David Zaslav* said. "While retail is historically not the core competency of global media companies, there is strong consumer demand for Discovery's branded product lines." The move is part of Zaslav's overall restructuring effort. Discovery cut 200 jobs in Apr and eliminated several senior positions in Feb, including the post of Discovery Nets US president held by *Billy Campbell*. Further restructuring is expected.

HISTORIC EVENT. CLASSIC VOICE.

Tennis Channel welcomes Bill Macatee, host of *French Open Tonight*, May 27- June 8.



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Major League Trade: The **Atlanta Braves** may have lost Wed night, but **Time Warner** and **Liberty Media** both believe they emerged victorious from a deal that granted Liberty ownership of the Braves franchise and \$960mln in cash in exchange for roughly 68.5mln shares of Time Warner common stock. **MLB** owners unanimously approved the transaction Wed night. "We are pleased with the successful conversion of these Time Warner shares as this transaction enhances our financial and strategic flexibility," Liberty chmn *John Malone* said of the deal, which finally closed after a year of pitching. The removal of the Braves from its lineup provides a pair of benefits to Time Warner. "It not only helps to streamline our portfolio of assets as we focus on our core businesses but also enables us to effectively complete our \$20bln share repurchase program," said chmn *Dick Parsons*. The assets of **Leisure Arts**, the subsidiary that holds the club, will be attributed to **Liberty Capital Group**, while Liberty retains approx 103mln (2.8%) of Time Warner common stock. No immediate changes to the franchise are expected.

Competition: Nexstar Broadcasting, a staunch proponent of squeezing retrans consent fees from cable, hired **Goldman Sachs** to assist in reviewing strategic alternatives, including a possible sale. -- **AT&T** launched "AT&T Mover's One Source," providing transferal/establishment of media and utility services, help with moving van acquisition and address change processing. -- **Verizon** added **SportsNet NY HD** to its FiOS TV channel lineup in northern NJ.

Broadband: Insight is allowing customers of its "Broadband 10.0" service to download for free the full suite of **CA Internet** security software, including anti-virus and anti-spyware protection, parental control settings and a personal firewall.

Over at Last: The tough game played this spring by **MLB**, **DirecTV** and cable for rights to the league's out-of-market games package and linear channel recorded its final out Thurs, as league owners unanimously approved the deals covering some 35 MSOs. The baseball channel is now poised to launch in 47mln satellite and cable homes come '09, with **Time Warner Cable**, **Cox** and **Comcast** collectively owning roughly 17% of the net. The league also received basic or digital carriage assurances from all its partners for the channel, something **NFL Net** hasn't been able to pull off.

Blackout: FSN Midwest added 20 additional **Cardinals** games to its schedule this season, but not every cable sub will see them. That's because some operators are balking at the surcharge the RSN is charging for the games. The majority of affiliates are carrying the games, but **Insight** (which has FSN Midwest subs in IL) and **Mediacom** (IL, IA and MO) have opted against it. **Comcast**, which has just 1 market (DuQuoine, IL) in the net's Cardinals footprint, isn't carrying the games either. The sides are still talking, an FSN spokesman said. MO's largest cable operator, **Charter**, is carrying the games, as are **DirecTV** and **EchoStar**. The issue came into the spotlight this week as the 1st of the added games debuted on the net Tues night.

Programming: USA will debut 6 original series this summer—a number it says is an industry record. Newbies include "The Starter Wife" (2hr premiere May 31, followed by four 1-hour eps) and ex-spy series "Burn Notice" (June 28). "The 4400," "Dead Zone," "Monk" and "Psyche" all return this summer. -- **HRTV's** "Preakness Preview Show" (Fri, 11am ET) picked up additional mounts, with slated appearances on **MASN** in the Baltimore/D.C. area, and on the NYC and Capital off-track-betting channels in NY. -- **HBO's** doc "Shot in the Dark" (Jun 3, 10:30pm) chronicles filmmaker *Adrian Grenier's* dialogue with fathers and sons in an effort to better understand the meaning of fatherhood. -- **The Inspiration Nets** will provide live coverage of the Tues (1pm ET) funeral service for *Jerry Falwell*, the noted evangelist who died Tues at 73.

CableFAX databriefs



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BUSINESS & FINANCE

Replanting: HGTV uprooted its marketing and creative services departments and replanted them as the merged marketing, creative and brand strategy department. Several staffers in turn grew additional responsibilities, including svp, consumer marketing *Mike Boyd*, who will now oversee off-air marketing, press and PR, as well as the online marketing dir and the dir, partnerships and new business marketing.

On the Circuit: FCC commish *Jonathan Adelstein* will keynote **ACA** and **NCTC's** Independent Show (July 29-Aug 1, Monterey, CA).

Obit: Cable Pioneer *Ed Hewson* passed away Mon night after a long battle with cancer. A celebration of his life is slated for June 3 in Seattle. Hewson's bio includes stints as pres of **Northwest Cable Comm Assoc** and WA cable system **Coastal Communications**.

People: **Sundance Channel** promoted *Christopher Barry* to svp, digital media and business strategy.

Business/Finance: **Motorola** will acquire video encoding firm **Modulus Video** for an undisclosed amount. Following the deal's expected 2Q or 3Q closing, Modulus will become a wholly owned Moto subsidiary, and will take up residence in Moto's cable unit. Moto's cable segment has changed its name from **Connected Home Solutions** to **Home and Networks Mobility**.

CableFAX Daily Stockwatch

Company	05/17 Close	1-Day Ch	Company	05/17 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
BRITISH SKY:	51.19	0.37	AMPHENOL:	34.40	0.01
DIRECTV:	23.46	(0.23)	APPLE:	109.44	2.10
DISNEY:	35.99	(0.02)	ARRIS GROUP:	14.95	(0.18)
ECHOSTAR:	48.48	(0.5)	AVID TECH:	32.44	(0.26)
GE:	36.53	(0.3)	BLNDER TONGUE:	1.55	0.00
HEARST-ARGYLE:	25.75	0.42	BROADCOM:	31.37	(0.54)
ION MEDIA:	1.41	(0.01)	C-COR:	12.76	(0.16)
NEWS CORP:	23.34	(0.16)	CISCO:	26.28	(0.2)
TRIBUNE:	33.11	0.15	COMMSCOPE:	50.07	(0.71)
MSOS					
CABLEVISION:	35.33	(0.03)	CONCURRENT:	1.45	0.00
CHARTER:	3.56	(0.09)	CONVERGYS:	25.09	(0.15)
COMCAST:	26.90	(0.3)	CSG SYSTEMS:	27.11	(0.09)
COMCAST SPCL:	26.58	(0.13)	GEMSTAR TVG:	4.37	(0.11)
GCI:	13.30	0.05	GOOGLE:	470.96	(1.65)
KNOLOGY:	17.99	0.00	HARMONIC:	8.72	0.22
LIBERTY CAPITAL:	117.10	1.50	JDSU:	13.09	(0.19)
LIBERTY GLOBAL:	37.65	(0.23)	LEVEL 3:	5.36	(0.03)
LIBERTY INTERACTIVE:	24.55	0.00	MICROSOFT:	30.98	(0.09)
MEDIACOM:	8.95	0.08	MOTOROLA:	18.60	0.38
NTL:	28.22	0.00	NDS:	51.44	(0.02)
ROGERS COMM:	40.06	(0.16)	NORTEL:	23.83	(0.26)
SHAW COMM:	39.58	0.78	OPENTV:	2.13	0.02
TIME WARNER CABLE:	37.66	0.07	PHILIPS:	40.70	0.08
WASH POST:	765.00	(0.5)	RENTRAK:	15.00	0.02
PROGRAMMING					
CBS:	32.01	(0.03)	SEACHANGE:	8.82	0.04
CROWN:	6.46	0.13	SONY:	55.05	(0.8)
DISCOVERY:	22.65	(0.25)	SPRINT NEXTEL:	20.52	0.12
EW SCRIPPS:	44.51	0.52	THOMAS & BETTS:	56.07	0.22
GRUPO TELEVISIA:	29.50	(0.05)	TIVO:	5.95	(0.05)
INTERACTIVE CORP:	33.77	(0.4)	TOLLGRADE:	11.29	0.03
LODGENET:	33.98	1.17	UNIVERSAL ELEC:	31.75	(0.83)
NEW FRONTIER:	8.83	(0.1)	VONAGE:	3.05	(0.01)
OUTDOOR:	10.09	0.08	VYYO:	6.00	(0.32)
PLAYBOY:	10.60	0.08	WEBB SYS:	0.05	0.00
TIME WARNER:	21.52	(0.08)	WORLDGATE:	0.48	(0.1)
UNIVISION:	36.23	0.00	YAHOO:	28.57	(0.64)
VALUEVISION:	10.24	0.10	TELCOS		
VIACOM:	42.87	(0.09)	AT&T:	41.26	0.12
WWE:	17.95	(0.06)	QWEST:	9.69	(0.11)
TECHNOLOGY					
3COM:	4.60	0.02	VERIZON:	42.14	(0.6)
ADC:	17.69	(0.14)	MARKET INDICES		
ADVANTAGE:	4.49	(0.27)	DOW:	13476.72	(10.81)
ALCATEL LUCENT:	13.30	0.02	NASDAQ:	2539.38	(8.04)
AMDOCS:	35.30	(0.45)			

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PROGRAMMER'S PAGE with Chad Heiges and Seth Arenstein

Lions, Leopards and Grizzlies, Oh My!

Nat Geo hatched last week at **NGCWild.com** a broadband service featuring short- and long-form content within 4 initial categories: amazing moments, animal preservation, predation and the tamer side. Amid an attractive and easily navigable site, users can catch videos highlighting a king cobra being caught for relocation, fur seals brawling for territory or reasons for a falling dolphin population in the Mediterranean. "It's all about celebrating animals in nature with a focus on the preservation angle," said Nat Geo vp, research and digital media *Brad Dancer*, who noted that the service will become a key extension of the net's **Save Our Planet** conservation initiative when it launches this fall. The campaign will get its own channel on the site, as will the **Wildlife Conservation Society**, the org that runs the Bronx Zoo. Until then, user feedback is determining what works and what doesn't on the site, where content will be rotated weekly, said Dancer. That users currently spend an average of 15min perusing content is promising, but big plans are already in the offing. A primary goal remains for the site to "become very fluid and transparent with users," said Dancer, through content sharing and online discussions. Tech upgrades for full-screen viewing are underway, and Wild will emerge this summer on cable VOD and mobile devices. The overarching goal for the service is to be everywhere that consumers want it, a common thrust among today's evolving content owners. It's just not everyone that can proffer footage of a man crawling into an alligator den or of humpback whales coordinating for a fish hunt. At **NGCWild.com**, the common digital term "quick bites" assumes an entirely different meaning. *CH*

Highlights: "Act of Honor, El Honor De Un Sacrificio," Sat, 7pm ET, **History Channel & History Channel en Espanol**. Those who have not sustained a personal loss in Iraq often think of the thousands of U.S. troops who have perished there as nameless and faceless. This simple doc rectifies that wrong for one patriotic soldier. -- "Gabon, The Last Eden," Friday, 10pm, **Nat Geo**. With media's focus on edgy fare, this nature program is a throwback, but thank goodness Nat Geo's doing it. Gabon makes an excellent subject: a lush, exotic land, loaded with photogenic animals endangered by poachers. Add the ravages of a civil war, a bureaucracy with a will to preserve nature and *Glenn Close's* adept narration. *SA*

Worth a Look: "Wide Awake," Wed, 8pm, **HBO**. What came first, the night or the night owl? *Alan Berliner* doesn't ask that question in his humorous, first-person look at the not-so-amusing problem of sleep deprivation, but his curiosity is entertaining. Does Berliner's insomnia derive from hearing his parents battle late at night? Or is sleeplessness genetic? Could sleep deprivation be a synonym for human error? A sobering thought: a person without sleep for 24 hours has the same reaction time as someone who's legally drunk. Credit HBO for giving this doc an alternate premiere at a time when those who need it most can watch it—Wed at 1:30 am. [More reviews, including **GSN's** Salute to *Bob Barker*, at www.cable360.net] *SA*

Basic Cable Rankings (5/07/07-5/13/07) Mon-Sun Prime			
1	TNT	2.1	1978
2	DSNY	1.9	1693
3	USA	1.7	1554
4	ESPN	1.2	1138
4	TBSC	1.2	1122
4	TOON	1.2	1106
4	FOXN	1.2	1060
8	NAN	1	968
8	LIFE	1	931
8	A&E	1	888
8	HALL	1	785
12	CORT	0.9	824
12	SCIF	0.9	788
14	DISC	0.8	777
14	SPK	0.8	763
14	HGTV	0.8	759
14	FX	0.8	750
14	HIST	0.8	711
14	FAM	0.8	703
20	CMDY	0.7	673
20	TLC	0.7	662
20	MTV	0.7	610
23	VH1	0.6	594
23	TVLD	0.6	580
23	AMC	0.6	546
23	CNN	0.6	525
23	BET	0.6	470
28	FOOD	0.5	489
28	ESP2	0.5	421
28	BRAV	0.5	396
28	VS	0.5	351
28	LMN	0.5	263
33	MSNB	0.4	382
33	EN	0.4	345
33	APL	0.4	319
33	SOAP	0.4	261
33	WGNC	0.4	253
38	HLN	0.3	297
38	TTC	0.3	281
38	CMT	0.3	221
38	TVGC	0.3	220
38	NGC	0.3	212
38	OXYG	0.3	208
38	TDSN	0.3	187
38	GSN	0.3	175
38	DSCI	0.3	147

*Nielsen data supplied by ABC/Disney

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Benoit Legault, Product Marketing Director, Ciena
Glen Calafati, Director of Business Products, Optimum Lightpath
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