

# CableFAX Daily™

Wednesday — May 19, 2010

What the Industry Reads First

Volume 21 / No. 096

## Got Your Back: Indy Nets Support Retrans Reform

On Mon, it was **Retirement Living TV** (*Cfax*, 5/18). On Tues, the deadline for filing comments at the **FCC**, some other independent programmers stepped up to the plate to support a petition to change the retrans consent process by distributors and public interest groups. **Starz**, **C-SPAN** and other programmers told the FCC they are impacted. "... [T]he retransmission consent structure skews the negotiations between local broadcasters and MVPDs in a manner that tends to increase artificially consumer prices for cable service. The net result is that consumers are paying higher prices," Starz said, although its chief worry is the tying of broadcast retrans consent to carriage of non-broadcast cable nets. It wants the practice prohibited, saying it disrupts the market for cable nets. **NAB**, meanwhile, said the idea that retrans fees lead to higher cable rates "cannot be seriously maintained" and argued that the petition is "an attempt to tilt the retransmission negotiating process in favor of MVPDs and against local television stations." In their petition, **Time Warner Cable**, **Cablevision**, **Verizon** and others call on the FCC to establish an arbitration process and to require carriage during negotiations. C-SPAN agreed that the retrans process is "broken." Long critical of must carry as an "unfair governmental preference" of broadcast over cable, C-SPAN said retrans is must carry's "next of kin" and that it impedes the Congressional purpose of achieving diversity in the marketplace. **Africa Channel** discussed the challenges indie nets have gaining carriage, and said that in many instances, MVPDs point to "excessive demands" by broadcasters and affiliated cable nets as the chief constraint on their ability to offer carriage to independents. "We believe that retransmission consent issues are occupying too much of the time, financial resources, and bandwidth of the major distributors and that it is one of the factors that chokes the ability of new unaffiliated networks to grow distribution," RLTV gm *Pat Baldwin* told us. Comments in the proceeding trickled in Tues, with comments from **Time Warner Cable** and **ACA** not filed by our deadline. Some, such as **NCTA** and **Comcast**, have opted not to weigh in. **Free Press**, **Consumers Union** and **Parents Television Council** used their comments to push (again) for a la carte, suggesting a dispute resolution process that includes mandatory disclosure of the cost of each individual channel included in the retrans dispute, along with a consumer right to opt out of paying for any unwanted channels. "Such an action would shift the balance of power to consumers, who would no longer be prisoners of pricey bundles, but would have the freedom to select and pay for only those channels they want, lowering costs to cable operators and consumers alike," they wrote.



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CABLEFAX DAILY (ISSN 1069-6644) is published daily by Access Intelligence, LLC ● www.cablefaxdaily.com ● fax: 301.738.8453 ● Editor-in-Chief: Amy Maclean, 301.354.1760, amaclean@accessintel.com ● Exec Editor: Michael Grebb, 301.354.1790, mgrebb@accessintel.com ● Assoc Editor: Chad Heiges, 301.354.1828, cheiges@accessintel.com ● Asst VP, Ed Director: Seth Arenstein, 301/354-1782, sarenstein@accessintel.com ● Publisher: Debbie Vodenos, 301/354-1695, dvodenos@accessintel.com ● Marketing Dir: Carol Brault, 301.354.1763, cbrault@accessintel.com ● Prod: Joann Fato, 301.354.1681, cdaily@accessintel.com ● Diane Schwartz/VP and Group Publisher ● Subs/Client Services: 301.354.2101, fax 301.309.3847 ● Group Subs: Carol Brault, 301.354.1763, cbrault@accessintel.com

**Competition:** AT&T U-verse intro'd new "Choice" quad-play bundles offering subs a 1-yr pricing guarantee and DVR service and free premium features. For example, the "Choice Plus" bundle starts at \$172/month and features U-verse TV U300 with Total Home DVR capability, U-verse HSI Elite (up to 6 Mbps), AT&T Nation 450 wireless voice with unlimited messaging; and unlimited nationwide home phone calling—which the telco says provides a savings of \$540 for 1 year.

**In the States:** Efforts to sap the power from a rogue Intelsat satellite threatening to interfere with SES World Skies' bird that delivers cable net programming across the US were unsuccessful, leaving May 25-Jun 7 as the window for potential delivery problems. SES is planning to move some US customers to an alternate satellite to help rectify the situation. Stay tuned. -- MSG Ent, Nickelodeon and Broadway Across America noted how the 12-performance run of "Nickelodeon Presents Storytime Live!" at Radio City Music Hall delivered total gross rev of \$2.8mln to break the venue's record for a week-long family touring show. At the same time, the net and BAA added more than 40 additional markets to the show's run, beginning May 22 in Boston and ending in Costa Mesa, CA, on Oct 31.

**Customer Care:** Overall customer satisfaction increased in the cable & satellite TV sector and major MSOs delivered notable improvement, according to Univ of MI's American Customer Satisfaction Index. Trouble is, the group still trails the telcos and DBS ops, and only Cox earned a rating higher than the industry avg (66). Cox earned a 67, marking 1.5% YOY growth, while Comcast and Time Warner Cable each notched a 61 (+3.5%) and Charter trailed all with a 60, albeit while delivering an industry-leading 17.6% increase. Ranked for the 1st time, Verizon (73) and AT&T (72) paced the industry, and were followed by DISH (71, +10.9%), "all others" (70, flat) and DirecTV (68, -4.2%). Among fixed-line phone service providers, which overall earned a 75 (+4.2%), most of the big players displayed improvement. AT&T led with a 75 (+5.6%), followed by Cox (74, flat), Verizon (73, +2.8%), Qwest (72, +1.4%), CenturyLink (70, +2.9%) and Comcast (68, +1.5%).

**On the Hill:** Reps Mike Doyle (D-PA) and Fred Upton (R-MI) wrote to the FCC Tues to throw their support behind the proposed Comcast-NBCU jv, saying they believe the Commission will find it furthers the public interest. They also dismissed calls for public hearings on the merger, noting that 4 Congressional committees held more than 15 hours of hearings and that it has the longest formal pleading cycle ever set for any similar transaction. "We recommend that you hold assiduously to the FCC's 180-day transaction clock and reject any further efforts to stop the clock," they wrote.

**Advertising:** Comcast Nets, Discovery Comm, NBCU and Rainbow signed on as Canoe's initial partners, agreeing to launch its national iTV solutions across their individual programming nets. Initially, they'll be able to offer a "Request-for-Information" application, which is slated to be deploying later this Q. -- AETN commissioned NeuroFocus to determine consumers' subconscious reactions to the program and advertising content featured in "Intervention," with the results suggesting the series' advertising ranked as more effective at generating viewers' emotional engagement in each of 6 different

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# CableFAX PROGRAM AWARDS

**Deadline: June 4, 2010**

**More Information:**

[www.cablefaxprogramawards.com](http://www.cablefaxprogramawards.com)

From the most outstanding cable programs to the best surprise ending, the annual CableFAX Program Awards honor the best in cable programming content and people. Now is your chance to win a CableFAX Program Award and get recognized for bringing value to your viewers. The winners and honorable mentions will be saluted during an awards luncheon in October 2010 in New York City.

Enter as many categories as you like but please tailor your entry to the category you are entering.

**Platinum/People Categories:**

- Best Actor in Cable
- Best Actress in Cable
- Best Cable Program
- Best New Cable Program
- Best Producer
- Best Writer
- Best Director
- Hall of Fame: Open to actors, writers, directors and producers for a body of work

**By Genre: Best Show or Series In The Following Genre**

- Animals/Nature
- Animated

- Children's
- Comedy
- Documentary
- Drama
- Education/Instructional
- Family Friendly
- Faith Based/Religious
- Fitness/Health
- Food
- Music
- News
- Public Affairs
- Reality/Game Show
- Sci Fi
- Sports

- Talk Shows
- Best Regional Program
- Other: enter your best in a genre not mentioned above

**By Genre: Best Actor/Actress/Host In The Following Genres**

- Animals/Nature
- Comedy
- Drama
- Family Friendly
- Food
- Music
- News/Public Affairs
- Reality/Game Show
- Sports

- Talk Shows
- Best Regional Program
- Other: enter your best in a genre not mentioned above

**Special Categories:**

- Best Opening Sequence
- Best Surprise Ending

**Tech Categories:**

- Best Online/Mobile Extras for a Linear Show
- Best Online-Only/Mobile-Only Show
- Best Video on Demand Program/Special

**Compiling Your Entry** (Visit [www.cablefaxprogramawards.com](http://www.cablefaxprogramawards.com) for full details)

**What to Send**

At the beginning of your two page synopsis, include the following information for all categories:

- Category entered • Title of entry • Key contact for entry • Organization submitting entry

**Supporting Materials**

- Video of Program on DVD • Clippings • Photos

**How To Enter:** Use this form or visit [www.cablefaxprogramawards.com](http://www.cablefaxprogramawards.com) for additional category information and to enter online.

Mary Lou French  
CableFAX Program Awards  
Access Intelligence  
4 Choke Cherry Rd, 2nd Floor  
Rockville, MD 20850

**Deadline:** June 4, 2010  
**Late Deadline:** June 11, 2010  
**Event:** October 2010

**Entry From** (All information required)

Title of Entry/Name of Entrant (as you'd like it to appear on your award if selected): \_\_\_\_\_

Company and/or Client: \_\_\_\_\_

Contact Name of person submitting entry Job Title: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Telephone of Contact: \_\_\_\_\_ Fax of Contact: \_\_\_\_\_

Email Address (Required): \_\_\_\_\_

**Entry Fees**

- Primary entry: \$300 each \$300 each \$ \_\_\_\_\_
- Secondary entry of same campaign\*\* into one or more categories: \$175 each \$175 each \$ \_\_\_\_\_
- Late entry fee: \$175 per entry \$175 each \$ \_\_\_\_\_  
(for entries sent between June 5, 2010 and June 11, 2010)

Total \$ \_\_\_\_\_

The late entry fee must be applied to each individual entry postmarked after February 5, 2010.

\* Payment in full must accompany the entry.

\*\* If entering more than one category, please submit separate entry forms.

**Payment Options**

- Check (payable to Access Intelligence/CableFAX)  Money Order
- Mastercard  Visa  Discover  American Express

Credit Card # \_\_\_\_\_

Exp. \_\_\_\_\_

Print name of card holder \_\_\_\_\_

Signature \_\_\_\_\_

Entry fees are not refundable.

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The awards are presented by the most trusted information source in cable: CableFAX Daily and sister brand CableFAX: The Magazine.

Questions? Contact Awards Coordinator Rebecca Stortstrom at 301-354-1610; [rebecca@accessintel.com](mailto:rebecca@accessintel.com).

Sponsorship Opportunities: Debbie Vodenos at 301-354-1695; [dvodenos@accessintel.com](mailto:dvodenos@accessintel.com).

ad categories compared to identical advertising that ran during an ep of another net's drama—purportedly because of its heart-tugging thrust. As a result, AETN's now using NeuroFocus research on a greater scale.

**Research:** **Parks Assoc** predicts that US revenues for online video advertising will exceed \$1.3bn this year, thanks to steady growth in viewership and targeting ability. Currently over 50% of heads-of-household 25-54 watch online video at least weekly, and the percentage jumps to 75% for ages 18-34, the firm said.

**Carriage:** **Sí TV** has launched on **Time Warner Cable** in San Diego and Desert Cities.

**At the Portals:** The **FCC** Media Bureau set the comment deadline for its Notice of Inquiry in the video device competition proceeding for July 13; reply comments are due Aug 12. Comments are due June 14 in its Further Notice of Proposed Rulemaking for CableCARDs, with replies due June 28. -- **NBC** has teamed with the **Minority Media & Telecom Council** to identify prospective qualified buyers, particularly minorities and women, for Spanish-language station **KWHY** in L.A. **Comcast, GE** and **NBC** pledged to either sell the independent station or assign its license to a divestiture trust, with **Bahia Honda** serving as trustee, before closing on their \$30bn jv.

**Earnings:** **Suddenlink** reported 6.8% growth in 1Q rev and an 11.2% increase in adjusted EBITDA, plus a quarterly record 92K net RGU adds. The MSO added 4,800 basic subs, 30,600 digital, 34,800 residential HSD and 21,800 phone. Rev improved across all services as ad rev expanded by 10.4% and total ARPU jumped 10.3% to \$110.58.

**Technology:** **Best Buy** will bow **CinemaNow** this month to provide customers with same-day instant access to new release movies and TV shows, and said the service will initially be accessible through select connected Blu-ray Disc players and HDTVs, and on most PCs via the web at **Cinemanow.com**. Powered by the **RoxioNow** tech platform, the jv service including **Sonic Solutions** will also allow customers to seamlessly access their premium content on a wide range of Internet-connected devices from multiple manufacturers.

**Upfronts:** **ESPN's** busy day featured announcements across platforms, including a **CreativeWorks** ad service the sports giant said will allow development of custom co-branded and client-branded creative across all screens and devices. On **ESPN3.com**, clients can target the 1st commercial break during a user's session regardless of when they enter game action. **ESPNU's** new signature nightly show "U:Nite" will "cheer, debate and celebrate" items of interest to viewers including pop culture, gaming, tech and music, and **ESPN Deportes** plans to launch "Nacion ESPN," the net's 1st studio show to be produced in L.A. that like U:Nite will be fueled by fan interaction. **ESPN's** also bowing free local **iPhone** apps starting in Dallas, and inked a 2-yr deal with **Playdom** to dev **ESPN-branded** sports genre games for social media platforms. And **ESPN 3D's** World Cup schedule was released and features 24 matches beginning Jun 11.

**Ratings:** **Versus'** coverage of the **NHL's** Conference Semifinal round averaged a 1.0 HH rating and 1.04mln viewers to set a cable viewership record for the round. Through 2 rounds the net's averaging 775K viewers, also a cable record.

**Programming:** **Spike TV** greenlit new original series "Auction Heroes," which features 2 friends who make their fortune purchasing storage containers at auction and reselling the contents. The premiere will be announced at a later

## CableFAX Workshop 3.0

June 16, 2010 9:00am-4:00pm NYC

# Social Media Beyond Twitter and Facebook: Leveraging the New Platforms

CableFAX's one-day workshop will focus on how to leverage the newest and most promising social media platforms for your cable promotions. The goal is to get you up to speed on many of the exciting new platforms that are below the radar now – but not for long. They will help you promote your program, your content, your brand and your business.

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Questions: Saun Sayamongkhun at [saun@accessintel.com](mailto:saun@accessintel.com) or 301-354-1610.



# BUSINESS & FINANCE

date. -- TBS picked up the off-net rights to CBS series "The Big Bang Theory" for a window beginning in fall '11. -- BBC America is co-producing new drama "Outcasts," which explores "humans' drive for power, politics and sex in a new post-Earth era." Created by Ben Richards ("MI-5"), it stars Eric Mabius ("Ugly Betty"). -- History's "Only in America with Larry the Cable Guy" (3Q) features the comedian exploring the US for bits if history while immersing himself in local jobs, hobbies, and lifestyles that "celebrate the American experience." -- USA ordered pilots for "Necessary Roughness," centered on a female sports therapist, and "A Legal Mind," featuring a high-IQ man who wins a big law firm job despite not having a college degree.

**Marketing:** Hallmark Channel teamed with Best Friends Animal Society to promote upcoming original movie "You Lucky Dog" (June 26) and to encourage pet adoption from a rescue organization.

**Doing Good:** GAC's 3-hour telethon for victims of the Nashville-area flood raised more than \$1.7mln this weekend. Scripps Nets Interactive donated \$100K and Comcast chipped in \$50K.

**People:** Discovery chief David Zaslav notified TiVo that he won't stand re-election at the end of his term, which expires at the co's annual stockholder meeting. Zaslav has served as a dir of TiVo for 9 years.

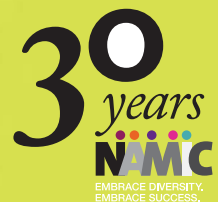
## CableFAX Daily Stockwatch

Company	05/18 Close	1-Day Ch	Company	05/18 Close	1-Day Ch
<b>BROADCASTERS/DBS/MMDS</b>					
AOL:	23.36	(0.58)	APPLE:	252.36	(1.86)
BRITISH SKY:	33.21	(0.79)	ARRIS GROUP:	11.50	(0.21)
DIRECTV:	38.01	(0.24)	AVID TECH:	14.32	(0.56)
DISH:	22.47	(0.68)	BIGBAND:	2.86	(0.05)
DISNEY:	33.73	(0.47)	BLNDER TONGUE:	1.37	0.06
GE:	17.23	(0.33)	BROADCOM:	32.04	(0.6)
NEWS CORP:	16.10	(0.35)	CISCO:	24.36	(0.51)
<b>MSOS</b>					
CABLEVISION:	24.06	(0.62)	CLEARWIRE:	8.21	(0.14)
COMCAST:	17.69	(0.41)	COMMSCOPE:	28.33	(0.48)
COMCAST SPCL:	16.94	(0.33)	CONCURRENT:	5.51	(0.11)
GCI:	6.19	(0.07)	CONVERGYS:	11.60	(0.14)
KNOLGY:	12.95	(0.35)	CSG SYSTEMS:	21.99	(0.3)
LIBERTY CAPITAL:	41.54	(0.21)	EHOSTAR:	20.64	0.09
LIBERTY GLOBAL:	24.90	(0.7)	GOOGLE:	498.37	(9.6)
LIBERTY INT:	12.93	(0.11)	HARMONIC:	5.78	(0.06)
MEDIACOM:	5.50	(0.12)	INTEL:	21.43	(0.59)
RCN:	14.30	(0.08)	JDSU:	11.41	(0.27)
SHAW COMM:	18.32	(0.12)	LEVEL 3:	1.26	(0.06)
TIME WARNER CABLE:	51.51	(0.96)	MICROSOFT:	28.60	(0.21)
VIRGIN MEDIA:	15.64	(0.44)	MOTOROLA:	6.78	(0.07)
WASH POST:	501.72	(11.52)	PHILIPS:	30.89	(0.49)
<b>PROGRAMMING</b>					
CBS:	14.91	(0.34)	RENTRAK:	24.59	(0.57)
CROWN:	1.80	0.00	SEACHANGE:	8.35	(0.14)
DISCOVERY:	37.09	(0.12)	SONY:	30.42	(0.25)
GRUPO TELEVISA:	18.56	(0.29)	SPRINT NEXTEL:	4.70	0.20
HSN:	25.80	(0.75)	THOMAS & BETTS:	39.87	(0.75)
INTERACTIVE CORP:	22.52	(0.58)	TIVO:	9.90	(0.44)
LIBERTY:	33.19	(0.75)	TOLLGRADE:	6.46	0.03
LIBERTY STARZ:	55.13	(0.46)	UNIVERSAL ELEC:	21.23	(0.95)
LIONSGATE:	6.69	0.15	VONAGE:	2.08	0.09
LODGENET:	5.37	(0.07)	YAHOO:	16.03	(0.24)
NEW FRONTIER:	1.87	0.00	<b>TELCOS</b>		
OUTDOOR:	6.49	0.08	AT&T:	25.59	(0.18)
PLAYBOY:	4.21	(0.21)	QWEST:	5.27	(0.05)
RHI:	0.22	-0.00	VERIZON:	28.42	(0.24)
SCRIPPS INT:	46.23	(0.1)	<b>MARKET INDICES</b>		
TIME WARNER:	30.62	(0.01)	DOW:	10510.95	(114.88)
VALUEVISION:	2.60	(0.19)	NASDAQ:	2317.26	(36.97)
VIACOM:	37.53	(0.1)	<b>TECHNOLOGY</b>		
WWE:	16.98	(0.29)	ADC:	7.79	0.03
<b>TECHNOLOGY</b>					
ADDVANTAGE:	3.01	0.06	ALCATEL LUCENT:	2.50	(0.08)
AMDOCS:	30.73	(0.36)	AMPHENOL:	44.16	(0.65)

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