

CableFAX Daily™

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What the Industry Reads First

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Xbox One: Set-top Replacement or Compliment?

Watch out MVPDs, Xbox might be eyeing a slice of the TV pie. As great as the gaming capabilities of **Microsoft's** new entertainment console "Xbox One" are, the device screams TV—especially live TV. That appears to be the underlying message from the Xbox reveal, a 1-hour demo aired on **Spike** and online Tues. At the demo, the company's interactive entertainment execs put heavy emphasis on capabilities like direct access to live TV using voice commands and displaying multiple programs on-screen. Integrated with voice and gesture control, the console can switch between live TV programs, apps, games and music without a remote control. A snap mode allows viewers to overlay apps and other programs over live TV. It also lets users watch live sports while researching stats on key players. There's more football: Microsoft is teaming with **NFL** to bring exclusive fantasy football content to Xbox One under a multi-year contract. The NFL on Xbox will be built around apps like Xbox SmartGlass, with a new fantasy football solution and a personalized NFL portal. Meanwhile, the console's integration with Skype, which allows group and video calling on TV, is a first among TV-based **Skype** integration, said *svp Yusuf Mehdi*. And there is the live TV guide. Offering easy access to viewers' favorite content and shows currently trending, the interactive guide can be controlled by voice throughout. The device is tied to a specific user's voice, and its commands will be conversational, according to execs. Microsoft is already working on content for the console, with some help from *Steven Spielberg*. The director/producer is creating a live-action TV series based on the "Halo" game franchise, said *Nancy Tellem*, entertainment and digital media pres. The company is producing various content across genres for the device, "merging the story-telling magic of TV with the interactive power of the Xbox One," said the former **CBS** pres. "For the first time ever, TV will be truly personalized to your tastes and your needs," Tellem said. Meanwhile, the device includes 8G of system memory, a 500 GB hard drive, a Blu-ray drive, and USB 3.0 and HDMI that can connect the device to cable. The device will be released later this year, though no price info was available. Microsoft is "committed to bringing live TV through various solutions to all the markets where Xbox One will be available," the company said.

Oklahoma Tornado: As rescue workers continued to dig through the rubble left in the wake of Mon's catastrophic tornado in OK, a **Cox** rep told us late Tues that all of the MSO's employees were accounted for and safe. Cox has



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REELZ CHANNEL

CableFAX is excited to honor this year's Sales Hall of Fame Inductees

June 24 • Grand Hyatt, NYC

Congratulations

- **Greg D'Alba, Turner Broadcasting System**
- **Steve Gigliotti, Scripps Networks Interactive**
- **Cathy Hetzel, Rentrak**
- **Alan Klein, IFC/Sundance Channel**



CableFAX will also honor the Sales Executives of the Year at the awards breakfast on June 24. All of the honorees took chances and made incredible strides in the cable industry. Join us in celebrating them. Space is limited, so register yourself and your team today at CableFAX.com

If you have any questions, or would like to register by phone, please contact Saun Sayamongkhun at saun@accessintel.com or 301-354-1694.

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almost 2K employees in the state. Several have had their homes severely damaged or destroyed. "We're working with them, getting them into situations where they have a place to sleep, a place to eat, get their families stabilized," Cox pres *Pat Esser* told us Tues. "We have an incredible [internal program] called the Employee Disaster Relief Fund that we activated immediately. It was created by the Cox family as well as other employees who give to it for moments just like this." Employees who are stable are helping to restore the MSO's network. Yes, power outages are the main problem, but thousands of customers with power have no cable because of damage to Cox's plant. "The width of this tornado was over a mile wide, some say 2. We have fiber all over the market. If you're an aerial plant, when winds are over 150-200 miles per hour, they're going to damage," Esser said. "We had people working all night long, laying miles of fiber just to get the market back and communications networks back. It's just incredible to think about folks and how they take care of each other and how they take care of their hometown." We saw similar efforts following Hurricane Sandy last fall, with 7 **Cablevision** employees who were also volunteer firefighters working to restore plant and to man the firehouse, one of the few buildings in the town with constant power. And Cox itself is no stranger to disaster recovery, as the main provider serving New Orleans in the wake of Hurricane Katrina. As of early Tues, Cox was still unable to access many areas impacted by the storms to make a full assessment of the damage. The MSO was bringing in additional resources to help repair damaged plant as quickly as possible. "Unfortunately, we've learned how to do this. We have a rather well-oiled business continuity plan... led by *Percy Kirk*, who runs that region for us, and all his direct reports, and all the managers and supervisors. They are working that plan exactly how we're supposed to."

TiVo: TiVo wants the **FCC** Media Bureau to reconsider its order granting **Charter** a 2-year waiver to the set-top integration ban. Like **CEA** (*Cfax*, 5/21), it is concerned that the order releases Charter from providing Cable-CARDS to subs who want to use retail devices. TiVo also argued that the Bureau made an unsupported finding that Charter's conditional access approach is compliant with the integration ban "even though adequate information about Charter's planned system was never presented to the Bureau for consideration or to the public for comment." Unlike CEA, TiVo did not oppose Charter's waiver request. It chose not to object based on the fact it was a limited, 2-year waiver and that the MSO had pledged to continue to support CE makers who may not be willing or able to use Charter's planned system. However, the vendor said in an FCC filing that the order goes beyond that. Charter had signed a TiVo deal before *Tom Rutledge* came on board as CEO. It has since stopped deploying TiVo boxes but said in Dec that it's exploring offering TiVo's software interface. During TiVo's 1Q earnings call Mon after the bell, CEO *Tom Rogers* said the company continues to work with Charter on its strategy for advanced TV. As for 1Q, Tivo added 277K users through pay TV partnerships in 1Q (mostly through **Virgin Media**), the most in 7 years. Its net loss narrowed to \$10.3mln from \$20.8mln a year ago, as sales rose 22% to \$82.6mln.

Clearwire and Sprint: The bidding war between **Sprint** and **SoftBank** just got a more interesting. The telco raised its offer for Clearwire by 14% Tues, when Clearwire shareholders were scheduled to vote on the original offer. Clearwire shareholders will now meet on May 31. The offer is Sprint's best and final offer, the company said.

ESPN Layoffs: Even the most-expensive cable network has pains, evidenced by Mon's news that a few hundred positions were being eliminated at **ESPN**. That number, which is said to be fewer than 400, includes some vacant posts that will not be filled. Yes, sports rights take a lot of money... "We are implementing changes across the company to enhance our continued growth while smartly managing costs. While difficult, we are confident that it will make us more competitive, innovative and productive," the network said in a statement.

TVE: **Cablevision's** Optimum TV to Go TV Everywhere service now features programming from **Food**, **HGTV** and **Travel**. The content can be accessed on any desktop or Internet connected laptop, with additional devices to be added. Optimum currently offers access to more than 50 networks Optimum TV to GO services.

Programming: **TV One** is bringing back original "Love That Girl!" for a sophomore season this fall. -- **VH1** premieres weekday morning show "The Gossip Table," gossip columnists giving the scoop in a panel-like discussion, on June 3 at 9am. -- **CMT** greenlit 11 additional eps of "Dog and Beth: On the Hunt," with the new eps to begin airing in Aug. The bounty hunter program is currently the net's #1 series.

BUSINESS & FINANCE

Intl: HBO signed a deal with Russian producer **Amedia** to bring the net's original programming to Russian audiences. The 5-year deal gives Amedia exclusive pay TV rights to "The Newsroom," "Game of Thrones" and other select originals.

Marketing: Bravo's "Summer By Bravo" marketing campaigns have become almost as anticipated as the return of the ice cream truck. The 4th campaign features 30 Bravo-lebrities stranded on a deserted island and who use their talents to turn it into paradise. It's set to "Fall Down," the new *will.i.a.m/Miley Cyrus* tune.

People: Universal Sports Net named *Robert James*, formerly of **Comcast Cable** in Denver, to the newly created post of vp, programming. -- *Julie Piepenkotter* was elevated to evp, research for **FX Nets**. -- *David Alvarado* joined **Telemundo** as vp, ent publicity. -- **NBCU** named *Cherie Cohen* as svp, cable ad sales, overseeing the company's regional sales offices in Detroit, Chicago and L.A. -- The **Digital Place-based Advertising Assn** named *Barry Frey* as its new pres/CEO. He replaces *Susan Danaher*, who resigned to accept a position at **Adspace Digital Mall Network**. Frey, a former **Cablevision** exec, most recently was sr adviser at NY-based investment bank **Sonenshine Partners**.

CableFAX Daily Stockwatch

Company	05/21 Close	1-Day Ch	Company	05/21 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
DIRECTV:	65.00	0.56	ECHOSTAR:	40.24	(0.24)
DISH:	39.93	1.23	GOOGLE:	906.97	(1.56)
DISNEY:	65.83	(0.29)	HARMONIC:	6.07	(0.01)
GE:	23.66	0.09	INTEL:	24.15	0.07
NEWS CORP:	33.37	0.20	JDSU:	13.85	(0.04)
MSOS					
CABLEVISION:	15.70	0.41	LEVEL 3:	22.30	(0.5)
CHARTER:	114.00	2.59	MICROSOFT:	34.85	(0.23)
COMCAST:	42.23	0.71	RENTRAK:	23.37	(0.49)
COMCAST SPCL:	40.45	0.59	SEACHANGE:	11.26	(0.14)
GCI:	9.30	(0.06)	SONY:	22.91	1.94
LIBERTY GLOBAL:	76.05	0.92	SPRINT NEXTEL:	7.39	0.10
LIBERTY INT:	23.19	0.22	TIVO:	12.92	0.26
SHAW COMM:	23.40	0.88	UNIVERSAL ELEC:	26.07	(0.18)
TIME WARNER CABLE:	97.01	0.37	VONAGE:	2.75	0.02
VIRGIN MEDIA:	50.54	0.33	YAHOO:	27.00	0.42
WASH POST:	469.38	0.63	TELCOS		
PROGRAMMING					
AMC NETWORKS:	67.72	1.44	AT&T:	36.94	(0.28)
CBS:	51.03	(0.02)	VERIZON:	52.07	(0.67)
CROWN:	2.07	UNCH	MARKET INDICES		
DISCOVERY:	80.00	1.16	DOW:	15387.58	52.30
GRUPO TELEVISIA:	26.24	(0.76)	NASDAQ:	3502.12	5.69
HSN:	55.67	0.24	S&P 500:	1669.16	2.87
INTERACTIVE CORP:	51.32	0.44			
LIONSGATE:	27.31	(0.48)			
SCRIPPS INT:	68.86	0.57			
STARZ:	22.96	0.25			
TIME WARNER:	60.47	0.40			
VALUEVISION:	3.86	0.09			
VIACOM:	70.19	0.50			
WWE:	9.16	(0.06)			
TECHNOLOGY					
ADVANTAGE:	2.23	(0.04)			
ALCATEL LUCENT:	1.51	(0.05)			
AMDOCS:	36.36	(0.07)			
AMPHENOL:	81.00	(0.93)			
AOL:	37.27	(0.28)			
APPLE:	439.66	(3.27)			
ARRIS GROUP:	16.25	(0.5)			
AVID TECH:	6.87	(0.06)			
BROADCOM:	37.40	UNCH			
CISCO:	24.01	0.07			
CLEARWIRE:	3.40	0.14			
CONCURRENT:	6.94	(0.12)			
CONVERGYS:	18.14	(0.08)			
CSG SYSTEMS:	21.71	0.01			

CableFAX

PROGRAM AWARDS

Sponsorship Opportunities: Amy Abbey at aabbey@accessintel.com
Entry Questions: Mary Lou French at 301.354.1851 or mfrench@accessintel.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. This unique awards program from the industry's most trusted brand, CableFAX, raises the bar on what's good on and about cable. Now's your chance to win a CableFAX Program Award and get recognized for bringing value to your viewers.

It's simple to compete, as your content and people speak for themselves. But you have to enter to be considered, so don't let your competitors steal the show. We'll be honoring the winners and honorable mentions in September.

