

CableFAX Daily™

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What the Industry Reads First

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Scripps Change: Costantini Departs Scripps Nets

After guiding **Scripps Nets Interactive** through **Food Net** rate increases and public renewal battles, affil sales chief *Lynne Costantini* will step down in June. "After successfully leading affiliate sales & marketing at Scripps Networks Interactive through the most challenging distribution negotiations in the company's history, Lynne Costantini has decided to pause and evaluate new opportunities for her future outside of the company," Scripps pres *John Lansing* said in a memo obtained by **Cfax**. During last year's renewal negotiations, Scripps Nets' **Food** and **HGTV** went dark on **Cablevision** for about 3 weeks. **AT&T U-Verse** briefly pulled **HGTV**, **Food**, **DIY**, **Cooking** and **GAC** for a couple days last fall. The renewal efforts resulted in a 67% overall YOY increase in affiliate revenues for Scripps brands, Lansing said in Thurs' memo, noting that Scripps had faced renegotiating rates for 78% of Food's distribution and renewing 63% of HGTV affil contracts. **Cooking Channel** also was launched to nearly 60mln homes under Costantini's tenure. Costantini joined Scripps as evp, affil sales & marketing from **Time Warner Cable** in '08, leaving her gig as svp, chief business affairs officer at the MSO. Scripps is launching an immediate search for a replacement. In the interim, Scripps Nets evp, planning and strategy *Jim Clayton* will oversee the affil sales & marketing team. "For all of these contributions and the difference she has made here, I want to personally thank Lynne," Lansing wrote. "While we don't know what her next chapter will be, I feel certain it will be a page turner."

Retrans: **Cablevision's** proposals for retrans reform include ending the practice of tying cable channels to broadcast nets, making retrans fees public and preventing broadcasters from "discriminating" among cable and satellite providers based on size or other factors. The MSO filed its comments at the **FCC** ahead of Fri's deadline. "We are pleased the FCC has initiated this important proceeding, and have proposed 3 simple market-based reforms to the good faith negotiations rules that will protect consumers from the threat of broadcaster blackouts," said Cablevision COO *Tom Rutledge*. "As the FCC and Congress know, consumers are the ones who are harmed when broadcasters pull or threaten to pull their networks from cable systems." CVC also wants the FCC to prevent stations from jointly negotiating retrans if they're not jointly owned. The FCC has proposed eliminating the syndicated exclusivity and network non-duplication rules, a move Cablevision supports. **NAB** will, of course, tell the FCC Fri that major changes to existing retrans consent rules are not needed and would be harmful. It'll drag out the argument that disruptions to broadcasters' signals are rare, pointing to a study that

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found only about 0.01% of annual total television hours have been affected since Jan '06. NAB is supporting expansion of the FCC's notice requirements to non-cable MVPDs, as well as making sure consumers aren't impeded by MVPDs' early termination fees. It also believes the FCC could adopt rules aimed at "ensuring that broadcasters have ready access to information about the ownership and operations of MVPDs to facilitate retransmission elections and communications."

Pyramid Scheme: ACA wants the FCC to create a broadband speed guide modeled after the USDA's food pyramid to keep consumers informed. The guide would educate consumers about broadband performance needs, similar to nutritional labeling on food products or fuel efficiency guides for autos. "Once this 'food pyramid' for broadband is in place, ACA believes that obligations on broadband providers, particularly the smallest ones, should not exceed a straightforward requirement that the resulting speed chart be posted on the provider's website," ACA pres/CEO *Matt Polka* said. The pyramid, ACA argued, would meet the FCC's goal of producing a broadband speed guide that reflects the views of a wide spectrum of industry participants while minimizing burdens on small providers.

Miramax Cable? Ex-Fox Cable affil chief *Lindsay Gardner* and ex-Twentieth TV pres/COO *Bob Cook* were named strategic advisers to Miramax CEO *Mike Lang*. They'll work on a broad range of initiatives, including digital distribution, domestic TV syndication and, yes, the development of Miramax branded cable nets. Lang worked closely with Cook and Gardner when at Fox Ent. Lang said Gardner served as the lead negotiator and point person in Miramax's recent Netflix deal.

On the Hill: Senate Judiciary approved the PROTECT IP Act, which is aimed at Websites with pirated TV, movie and other content. "By cracking down on rogue websites that have for too long encouraged the theft of valuable content and intellectual property, the PROTECT IP Act of 2011 sends a strong message that this illicit practice will no longer be tolerated," NCTA pres/CEO *Michael Powell* said in a statement urging the Sen to pass the bill this year. -- Members on both sides of the aisle expressed doubts about the proposed AT&T-Mobile deal during Thurs' House Judiciary's subcmte hearing. "There are legitimate questions about whether this merger could move the wireless market past the anticompetitive tipping point," said Rep *Bob Goodlatte* (R-VA). Rep *John Conyers* (D-MI) said he sees "absolutely no redeeming reason" for the merger's approval. There will be plenty of additional hearings for AT&T and T-Mobile to plead their case.

Technology: Remember that unnamed MVPD mentioned in a Fox FCC filing and that plans to soon make video services available directly to devices such as gaming consoles (*Cfax*, 5/13)? Hmm... Comcast apparently is testing a system to let users replace their set-tops with any Internet-ready device. The *WSJ* reported that the MSO will use MIT to test the system.

Ratings: Univision said it's poised to gain 8% in 18-49 viewership for the '10-'11 prime broadcast season while ABC (-9%), CBS (-8%), Fox (-4%) and NBC (-14%) will all lose eyeballs in the demo. Moreover, Univision's seasonal prime audience has been higher than NBC's on 2 out of every 3 nights, and the net ranked tops among broadcasters in Fri prime among 18-34s and 12-34s for the 4th consecutive season.

Programming: An exclusive output agreement calls for HBO to feature Summit Ent's slate of films that hit theaters beginning in Jan '13 through the end of '17. Expected to be included are 3D prod "Pompeii" and the studio's re-imagination of "Highlander." -- Discovery Channel partnered with Cadillac for the 1st build-off between father and son Teutul on "American Chopper" slated to air over a 2-part season finale (Mon and June 6). The competing choppers will be inspired by the carmaker and voted on by viewers, and later auctioned off to benefit Cure Duchenne. -- USA debuts newest original drama series "Suits," starring *Patrick Adams*, June 23, 10pm. USA and *Entertainment Weekly* will give the public a sneak peek at the net's summer originals with 3 nights of free summer screenings, May 31-June 2 at NY's Hudson River Park's Pier 46. Tues is "White Collar" and "Covert Affairs." Wed is "Royal Pains" and "Necessary Roughness" and Thurs is "Burn Notice" and "Suits." -- FX's new comedy "Wilfred" (debuts June 23) will air on BBC3 in the UK this fall. -- Bravo has a new *Kara DioGuardi* docu-series in development, broadening her relationship with the net. DioGuardi serves as head judge in upcoming Bravo music competition series "Platinum Hit," Mon, 10pm.

People: Time Warner Cable tapped as evp/CFO *Irene Esteves*, who will oversee all the MSO's finance functions, including treasury, accounting, financial planning, M&A and investor relations. -- NBC Sports pres *Ken Schanzer* is the latest to announce his retirement. He'll stay on through the summer to help with the transition to *Mark Lazarus* as NBC Sports Group chmn following *Dick Ebersol's* resignation last week. -- Former Oxygen pres and co-founder *Lisa Gersh* was named pres, COO of Martha Stewart Living Omnimedia and is slated to become CEO within 12 to 20

BUSINESS & FINANCE

months. MSLO has hired **Blackstone** to review proposals from parties that have expressed interest in potentially partnering or investing in the company, as well as to explore other opportunities. MSLO has teamed with **Hallmark Channel**, with the net carrying a Martha-themed daytime block. -- *Marv Nelson* is stepping down from **SCTE** after nearly 20 years at the organization. He'll pursue other opportunities, but will remain available to SCTE in a consulting role. Most recently, Nelson served as svp, strategic initiatives, working with industry organizations, the intl community and other organizations to expand the scope of SCTE's activities.

Honors: **Cisco** and **Verizon** made *Working Mother's* list of 23 best companies for multicultural women.

Business/Finance: **Comcast** combined **Comcast Interactive Capital** with former **NBCU** capital affil **Peacock Equity**, creating a newly combined fund called **Comcast Ventures**. The new entity manages the joint portfolio, valued at \$750mln. *Amy Banse* will serve as **Comcast Ventures'** managing dir and head of funds. She will relocate to San Fran, but Comcast Ventures will maintain its offices in NY, Philly and London. -- **Arris** completed its existing share repurchase program with the purchase in 2Q of 2.6mln shares of common stock for an aggregate consideration of \$30.7mln. The board also authorized a new \$150mln share repurchase program.

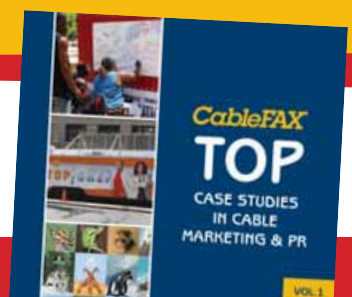
CableFAX Daily Stockwatch

Company	05/26 Close	1-Day Ch	Company	05/26 Close	1-Day Ch			
BROADCASTERS/DBS/MMDS								
DIRECTV:	49.73	0.69	BLNDER TONGUE:	1.83	0.01			
DISH:	29.67	0.50	BROADCOM:	34.65	1.42			
DISNEY:	40.99	(0.14)	CISCO:	16.25	0.06			
GE:	19.42	0.20	CLEARWIRE:	4.50	0.05			
NEWS CORP:	18.38	0.44	CONCURRENT:	6.00	(0.02)			
MSOS								
CABLEVISION:	34.63	0.81	CONVERGYS:	12.93	0.08			
CHARTER:	55.68	(0.07)	CSG SYSTEMS:	18.84	0.08			
COMCAST:	24.93	0.49	ECHOSTAR:	32.75	0.31			
COMCAST SPCL:	23.51	0.55	GOOGLE:	518.13	(1.54)			
GCI:	12.28	0.09	HARMONIC:	7.83	0.11			
KNOLGY:	15.40	0.10	INTEL:	22.50	(0.18)			
LIBERTY CAPITAL:	90.50	0.56	JDSU:	19.86	0.19			
LIBERTY GLOBAL:	44.92	0.67	LEVEL 3:	2.22	0.02			
LIBERTY INT:	17.62	0.33	MICROSOFT:	24.67	0.48			
SHAW COMM:	21.00	0.06	RENTRAK:	19.60	(0.42)			
TIME WARNER CABLE:	76.31	0.68	SEACHANGE:	9.89	0.32			
VIRGIN MEDIA:	32.01	0.53	SONY:	27.21	(0.44)			
WASH POST:	408.49	0.03	SPRINT NEXTEL:	5.91	0.04			
PROGRAMMING								
CBS:	27.45	1.12	THOMAS & BETTS:	53.86	0.37			
CROWN:	2.01	0.05	TIVO:	10.23	0.07			
DISCOVERY:	43.39	0.06	UNIVERSAL ELEC:	25.34	(0.32)			
GRUPO TELEVISA:	23.61	0.64	VONAGE:	4.54	(0.09)			
HSN:	33.32	0.61	YAHOO:	15.98	(0.17)			
INTERACTIVE CORP:	35.10	0.23	TELCOS					
LIBERTY:	41.99	0.30	AT&T:	31.11	0.11			
LIBERTY STARZ:	76.26	0.58	VERIZON:	36.61	0.21			
LIONSGATE:	5.98	0.11	MARKET INDICES					
LODGENET:	3.51	0.29	DOW:	12402.76	8.10			
NEW FRONTIER:	1.51	0.04	NASDAQ:	2782.92	21.54			
OUTDOOR:	5.98	0.27	S&P 500:	1325.69	5.22			
SCRIPPS INT:	50.10	0.61	TECHNOLOGY					
TIME WARNER:	35.69	0.10	ADVANTAGE:	2.64	0.01			
VALUEVISION:	6.70	0.03	ALCATEL LUCENT:	5.55	(0.01)			
VIACOM:	59.43	(0.28)	AMDOCS:	30.33	0.24			
WWE:	10.20	0.18	AMPHENOL:	53.48	0.36			
TECHNOLOGY								
ADDVANTAGE:	2.64	0.01	AOL:	19.78	0.06			
ALCATEL LUCENT:	5.55	(0.01)	APPLE:	335.00	(1.78)			
AMDOCS:	30.33	0.24	ARRIS GROUP:	11.10	0.24			
AMPHENOL:	53.48	0.36	AVID TECH:	17.21	0.20			
AOL:	19.78	0.06	BIGBAND:	2.15	0.01			
APPLE:	335.00	(1.78)						
ARRIS GROUP:	11.10	0.24						
AVID TECH:	17.21	0.20						
BIGBAND:	2.15	0.01						

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PROGRAMMER'S PAGE with Chad Heiges and Seth Arenstein

Working Vacation

Adorable as a puppy and wearing a robin's egg blue shirt—a key portion of the apparent Thai school uniform—a 7-yr-old boy sat watching **Cartoon Network** for at least 2 hours, transfixed. The location was a restaurant in Chiang Mai, Thailand, a city and country where it turns out a foreign visitor such as myself needn't pine for Western media brands. There weren't hundreds of TV channels available in any of the 5 hotels I stayed in over the past 2 weeks throughout Thailand, mind you, but when arising or ending my days I was always able to find comforting (and understandable) examples of made-in-the-USA entertainment. Given the international expansion designs of companies such as **Discovery Comm**, **ESPN** and **Time Warner**, I was interested to see which would be represented in SE Asia. While on vacation, I caught 2 NBA playoff games, 1 each on **TNT** and **ESPN** that aired before 10am and without commercials; during timeouts, the announcers would talk amongst themselves or with producers. In "The Lovely Bones," I watched a disappointing movie on **HBO**, yet also received financial news from **CNBC** and **Bloomberg** while marveling at the number of soccer and rugby matches available for viewing seemingly at all hours of the day. What struck me with the greatest force, though, were the unadulterated features of **Discovery Channel** and **Nat Geo** in certain locales. I didn't watch either net—I was on an exotic sojourn, after all—but DISCA CEO *David Zaslav's* oft-repeated assertion that non-fiction programming travels well globally was reinforced nonetheless. I don't know how many Thais or other Asians routinely watch shows about American swamp loggers or correctional facilities, of course, but if you give that prospect some thought, wouldn't those subject matters and more be intriguing to curious people almost anywhere? Real life is often more compelling than fiction regardless of longitude, and perhaps great geographic distance from the subject matter only enhances that argument. *CH*

Highlights: "Gettysburg," Memorial Day, 9p ET, **History**. History's kickoff of its 150th Civil War anniversary celebration is a lurid and fascinating look at the deadliest 3 days in US history. Its combination of history, useful graphics and excellent cinematography from *Ridley* and *Tony Scott* is compelling, but not suitable for small children. *SA*

Worth a Look: "4th and Forever," premiere, Thurs, 9p ET, **Current**. The strength of this reality series is its outstanding stories about footballers on a legendary HS team seeking escape from the roughness of Long Beach, CA. They're told stiffly; scenes are staged as is the play-by-play. Still, it's a decent look at the pressure parents put on their kids to perform. -- "Franklin & Bash," pilot, Wed, 9p, **TNT**. Sometimes a series can be summed up in a line: "If the facts are against you, argue the law. If the law is against you have a hot chick with enormous breasts take off her clothes in court." That's "Franklin & Bash," a romp about radical lawyers that wants to be cooler than it is. Despite some flatness, this "Entourage" and "LA Law" mix is decent summer entertainment. And it features *Malcolm McDowell* playing a variant of his Entourage character. -- "NY Ink," Thurs, 10p, **TLC**. *Ami James* of "Miami Ink" heads north to create art on skin. *SA*

Basic Cable Rankings (5/16/11-5/22/11) Mon-Sun Prime			
1	TNT	2.4	2372
2	USA	2	1980
2	ESPN	2	1972
4	DSNY	1.9	1863
5	FOXN	1.4	1422
6	HIST	1.2	1243
7	FAM	1.1	1054
8	NAN	1	1017
8	ADSM	1	967
10	DISC	0.9	929
10	A&E	0.9	886
10	HGTV	0.9	885
10	TBSC	0.9	870
14	LIFE	0.8	824
14	AMC	0.8	797
14	FX	0.8	778
14	CMDY	0.8	767
14	BRAV	0.8	755
14	TRU	0.8	706
14	SPD	0.8	622
14	NKJR	0.8	557
22	TLC	0.7	702
22	SYFY	0.7	671
22	TVLD	0.7	649
22	MSNB	0.7	630
26	FOOD	0.6	649
26	MTV	0.6	611
26	SPK	0.6	576
26	VS	0.6	460
30	CNN	0.5	516
30	BET	0.5	432
30	HALL	0.5	396
33	APL	0.4	438
33	EN	0.4	423
33	VH1	0.4	382
33	LMN	0.4	360
33	HLN	0.4	355
33	ID	0.4	337
33	NGC	0.4	288
40	TRAV	0.3	298
40	TWC	0.3	270
40	OXYG	0.3	259
40	DXD	0.3	233
40	WGNA	0.3	219
40	WE	0.3	219
40	SOAP	0.3	215

*Nielsen data supplied by ABC/Disney

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