

CableFAX Daily™

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What the Industry Reads First

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Summer Sizzle: Ops Look to Turn Cable's Increased Viewing into More Ad Dollars

"Summer Time is Cable Time." That's the message **Time Warner Cable** is promoting, wrapping up its 3rd local ad sales upfront event Wed night in NYC. It and other cable operators are capitalizing on summer cable premieres and broadcast reruns to make concentrated pushes to the ad community. "Cable has been up the last 7 years 20% to a 59% share of total viewership, so the cable story is a very compelling one," said *Jason Forbes*, **Time Warner Cable Media Sales** svp, strategy, new products & marketing. "One of the big challenges we've had over the past 7 years is despite that really good story, we've struggled as an industry to turn that story into a higher level of ad sales." Some of that, he said, is because of a historical view from agencies and some advertisers that a cable ad buy is more complex. **NCC** has greatly simplified that problem on a national level, but the next step is educating buyers, particularly on a local level. Last year, TWC Media Sales held its 1st upfront in NYC. It was so successful that it added presentations in L.A. and Dallas this year, and held its NY event Wed night. Just like the network upfronts, there was star power, courtesy of various cable nets. Big names included *Danny DeVito*, *Joan Rivers*, *Andrew Zimmern* and various "Project Runway" and "Real Housewives of NY" stars. Another aspect of the upfronts is talking up cable's advantages, including the ability to zone ads for particular audiences. Forbes identified auto, healthcare, retail and education as some of LAS' biggest growth drivers, offering up further evidence that the auto market is rebounding: 26% of auto respondents to a TWC survey said they plan to spend more with cable this year. 47% of retail respondents said they'd spend more with cable, and 17% of healthcare respondents said the same, he said. "From what we're seeing from 1st quarter, we're seeing comparable levels of ad spend that match the survey we ran across our markets," Forbes said. **Comcast** is also running various summer promos built around cable's original and high-profile summer programming. In Philly, the cross-platform initiative is called "Red. Hot. Summer." Components include on-air spots that let the buyer purchase groups of channels grouped by themes (lifestyle & interests, family entertainment, etc) and includes opportunities to have sponsorship tags on programming promotion spots. There are also local Comcast.net ad buys or the ability to purchase short (2-15 mins) or long-form (15-30mins) features that will run on VOD. How can programmers best help support MSOs' local ad sales efforts? Forbes suggests providing any insight to natl advertisers or sponsors that local can connect with, as well as providing unique taggable spots that go beyond the



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CableFAX is proud to bring together cable's top buyers and sellers on June 15th at an awards breakfast in New York City. Congratulations to CableFAX's Sweet 16, Sales Hall of Fame and Sales Executives of the Year Finalists.

Register and view the complete list of finalists at www.cablefax.com/seoy.

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standard tune-in. Also important are sweepstakes, local talent visits, premiums, etc, and more education on priority programming so local sellers can better speak to the content.

Talking Title II: FCC commish *Mignon Clyburn* took aim Thurs at the idea that the chmn's so-called "Third Way" approach to broadband classification creates an environment of regulatory uncertainty. Saying that no such thing actually exists, she prefers the term "regulatory predictability." And Clyburn can't see where Title I classification provides any more predictability than Title II with forbearance. Given the recent **Comcast** court decision, Title I "strikes me as completely unpredictable," she said, according to prepared remarks of her speech to the **Media Institute** in DC. Clyburn also said the chmn's classification proposal is nearly identical to the regulatory regime for wireless voice. "All I have heard in the 10 months of my tenure—from Democrats and Republicans alike—is that the [Commercial Mobile Radio Service] regime is responsible for the incredible investment and growth in the wireless sector," she said, pointing to specific comments by **Verizon** and **AT&T**. "How is it that, on the one hand, these companies can praise the regulatory regime governing wireless, and on the other hand sound the alarm of 'uncertainty' for a nearly identical framework proposed for broadband connectivity?" Clyburn voiced support of a Congressional update on the Communications Act, but said the FCC should definitely move forward with Title II reclassification. It's slated to do that June 17, by opening up a NOI on classification.

Comcast-NBCU: The **FCC** will hold a marathon public hearing on the **Comcast/NBCU** jv proposal in Chicago from 1-8pm on July 13. Two panels will be followed by a 2-hour block for public questions/comments. Panelists will be announced. An aide to Rep *Maxine Waters* (D-CA), who has been pushing for public hearings, said she was very pleased by the FCC's decision. Next Tues, the **House Judiciary** cmte will hold a field hearing in L.A. on the proposed transaction.

Competition: **Wells Fargo Securities** analyst *Marci Ryvicker* offered additional insight into **DISH's** launch of a "Free HD for Life" promo for new subs ordering its "America's Top" and "America's Everything" packages. It includes 3 free months of **HBO** and **Showtime** and a free upgrade to an HD DVR along with 3 HD receivers, and requires of consumers a 24-month commitment and autopay/paperless billing or a 1-time \$99 charge. While also noting slight price increases for the DBS op's mid-level packages (\$2/month), Ryvicker said the HD giveaway will adversely affect **DISH's** ARPU and likely bump up SAC, but could be offset by increased equipment leasing charges and "greatly increases **DISH's** competitiveness with other pay-TV operators, especially **DirecTV**." -- **Verizon** intro'd **FiOS Digital Voice**, a VoIP service with 21 features including live voice mail screening and Caller ID on TV. It's available in **FiOS** markets across 11 states and D.C., and can be added for \$10/month by existing customers or as part of **FiOS** triple-play bundles starting at \$100/month. Separately, **VZ Wireless** is seeking companies for assistance in bringing its forthcoming **4G LTE** service to rural communities.

In the States: **Cox Business** is teaming with **Bloomberg TV**, **Cisco** and 13 cable ops to offer a series of free Webcasts designed to offer small business owners direct access to advice from leading experts on topics critical to helping firms thrive in a challenging economy. Productivity and data security will be addressed this yr, on Wed and Oct 6. Info at **SolutionsforSmallBusiness.com**. -- **Cablevision's** proposal to install free WiFi for customers on NY/CT commuter trains has the support of *NY Times'* tech writer *David Pogue*, who tweeted Thurs, "C'mon **MTA**, say yes!!!" -- **A&E**, **History** and **Lifetime** content joined **Verizon Wireless' VCAST** service Mon. Each brand has 10 hours of content, including popular series such as "Intervention," "Ax Men" and "Army Wives."

Pink Slips: In an effort to make its production services unit more efficient, **Outdoor Channel Holdings** is reducing the unit's workforce by approx 30% and focusing its content dev efforts on outdoor programming. The moves are expected to result in a restructuring charge of approx \$300K.

In the Courts: The **ACLU**, **Electronic Frontier Foundation** and **Public Citizen Litigation Group** have filed briefs supporting **Time Warner Cable's** motion to quash or modify subpoenas it received for info about subs who allegedly downloaded certain movies from the Internet via **BitTorrent**. The groups argue that the subpoenas should be quashed because the lawsuits improperly join thousands of unrelated defendants into a single action and were filed in a jurisdiction where few, if any, of the defendants reside.

Advertising: Are you ready for some fútbol? **Univision** unveiled its national ad campaign for the 2010 FIFA World Cup, dubbing it "La Pasión del Mundial" (The Passion of the World Cup). Components include spots in movie theaters nationwide featuring *Shakira* singing the official 2010 World Cup song ("Waka Waka"), along with soccer moments and glimpses

BUSINESS & FINANCE

of South Africa. The singer also will appear in opening pre-game segments for 64 matches broadcast on the nets.

Ratings: **Versus'** Wed night coverage of game 3 of the **Stanley Cup Finals** earned a 3.1 HH rating and averaged 3.6mln viewers, making it the night's most-watched on cable among total viewers, all key male demos and 18-34s, 18-49s and 25-54s—and the game the most-watched Finals game on cable since '02.

VOD: Comcast and Discovery Education collaborated on "Avoid the Brain Drain," a VOD educational scavenger hunt contest challenging IN kids to view education videos through Comcast On Demand, then go to www.learningondemand.com/comcast to answer questions about the videos. The promo's part of **Discovery Education On Demand By Comcast**, which offers IN families instant access to digital educational media, homework help tools and more.

Business/Finance: Nielsen's gearing up for an IPO, with plans to raise up to \$1.75bln for the reduction of its \$8.6bln in debt and general corporate purposes. A group of private equity firms including **Carlyle Group** and **Blackstone Group** purchased the co in May '06 for approx \$9.7bln. Nielsen reported '09 rev of \$4.8bln. -- **Windstream** completed its approx \$1.2bln acquisition of **IA Telecom**, gaining approx 249K access lines, 96K HSI subs and 28K digital video customers.

CableFAX Daily Stockwatch

Company	06/03 Close	1-Day Ch	Company	06/03 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
DIRECTV:	39.68	1.12	ARRIS GROUP:	11.08	0.15
DISH:	21.36	0.42	AVID TECH:	13.82	0.34
DISNEY:	34.71	(0.03)	BIGBAND:	2.91	0.05
GE:	16.45	0.10	BLNDER TONGUE:	1.34	0.06
NEWS CORP:	15.37	(0.06)	BROADCOM:	35.42	0.06
MSOS					
CABLEVISION:	25.44	0.36	CISCO:	23.72	0.37
COMCAST:	18.40	0.02	CLEARWIRE:	8.15	0.08
COMCAST SPCL:	17.45	0.05	COMMSCOPE:	27.35	0.20
GC:	6.21	0.06	CONCURRENT:	5.34	0.03
KNOLOGY:	12.14	0.08	CONVERGYS:	10.70	0.21
LIBERTY CAPITAL:	43.00	(0.55)	CSG SYSTEMS:	20.45	(0.04)
LIBERTY GLOBAL:	26.64	0.44	ECHOSTAR:	21.53	0.78
LIBERTY INT:	13.46	0.42	GOOGLE:	505.60	12.23
MEDIACOM:	6.28	(0.15)	HARMONIC:	5.91	0.07
RCN:	14.53	0.03	INTEL:	21.90	0.09
SHAW COMM:	18.63	0.01	JDSU:	11.27	0.27
TIME WARNER CABLE:	55.98	1.16	LEVEL 3:	1.31	0.03
VIRGIN MEDIA:	16.43	0.23	MICROSOFT:	26.86	0.40
WASH POST:	464.43	0.01	MOTOROLA:	6.87	0.02
PROGRAMMING					
CBS:	14.76	0.13	PHILIPS:	30.40	0.50
CROWN:	1.83	0.00	RENTRAK:	23.90	(0.23)
DISCOVERY:	38.88	(0.19)	SEACHANGE:	8.25	0.12
GRUPO TELEVISA:	18.72	(0.09)	SONY:	30.05	(0.1)
HSN:	26.20	(0.11)	SPRINT NEXTEL:	4.95	(0.04)
INTERACTIVE CORP:	23.48	0.29	THOMAS & BETTS:	39.92	0.68
LIBERTY:	32.55	(0.08)	TIVO:	8.99	0.17
LIBERTY STARZ:	53.44	0.70	TOLLGRADE:	6.66	0.16
LIONSGATE:	7.08	0.07	UNIVERSAL ELEC:	19.76	(0.45)
LODGENET:	5.13	(0.15)	VONAGE:	2.00	(0.02)
NEW FRONTIER:	1.83	0.00	YAHOO:	15.43	0.25
OUTDOOR:	5.68	(0.01)	TELCOS		
PLAYBOY:	3.77	0.06	AT&T:	24.80	0.02
SCRIPPS INT:	46.56	0.31	QWEST:	5.28	(0.02)
TIME WARNER:	31.30	0.23	VERIZON:	27.64	0.05
VALUEVISION:	2.08	(0.01)	MARKET INDICES		
VIACOM:	37.00	(0.45)	DOW:	10255.28	5.74
WWE:	16.75	(0.01)	NASDAQ:	2303.03	21.96
TECHNOLOGY					
ADC:	7.98	0.02			
ADVANTAGE:	2.81	(0.02)			
ALCATEL LUCENT:	2.62	0.02			
AMDOCS:	28.25	0.56			
AMPHENOL:	42.25	0.30			
AOL:	21.00	0.02			
APPLE:	263.12	(0.83)			

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Discover innovative strategies for success from these industry leaders:

- Bob McIntyre**, CTO, Cisco Systems Service Provider Business
- Tom Mathews**, EVP of HR, Time Warner Cable
- Trish Jones**, SVP of Strategic Audience Solutions, Turner Broadcasting System
- Peter Stern**, EVP and Chief Strategy Officer, Time Warner Cable



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PROGRAMMER'S PAGE with Chad Heiges and Seth Arenstein

In the Zone

Futbol's grandest stage, the World Cup, opens next Fri with myriad cable nets/ops as key players, but for now a development in American football bears noting. An initiative that seemingly offers cable ops all manner of marketing opportunities, the **NFL** has decided to make its **NFL RedZone** channel available to all 32 teams for in-stadium feature. A cobbling together of the details and options is an ongoing process, according to the league, but press reports from *SBJ*, *USA Today* and others note how several teams have started the process. The 49ers, for example, will feature net programming before its games while the Ravens and Patriots will broadcast the net on their video boards at some point during game days. An unabashed superfan of pro football, I, as a Redskin fan, am tickled burgundy and gold. In-stadium scores and highlights have been in very short supply in recent years, and I truly hope the diminutive czar, er *Daniel Snyder*, signs on for the RedZone play. For cable ops, it appears a great way to promote local carriage of the net, currently through partners including **Comcast**, **RCN**, **Bresnan**, **Mid-continent** and **Blue Ridge**. It's also carried by **DISH**, **Verizon** and **AT&T**, but importantly not by **DirectTV** because of its exclusive NFL Sunday Ticket package. Interestingly, handset maker **Kangaroo TV** inked a deal with the Dolphins to have the devices feature NFL RedZone following a previous deal with DirectTV that streamed Sunday Ticket programming at certain stadiums. A spokesperson for the DBS op didn't know if that service still exists (an answer in itself, no?), but did say the NFL RedZone play doesn't affect them as its NFL offerings "are designed for fans to watch at home or in a sports bar for example, not in-stadium." Here's a big chance, cable ops, to grab the ball. *CH*

Highlights: "Masterclass: Frank Gehry," Wed, 7p ET, **HBO**. This small gem opens with the iconoclastic architect in a brilliant "Simpsons" treatment. Beyond that it's a sensitive look at 5 young art students whom *Gehry* mentors. *SA*

Worth a Look: "Through The Wormhole With Morgan Freeman," premiere, Wed, 10p ET, **Science**. This series should continue Science's 5-month run of ratings growth. Surely it's lean-in-to-learn TV, but done well. While the material is complex, it's palatable if not always accessible. While examining big questions (What or Who created the universe?), it informs us physicist *Andy Albrecht* is a chocoholic (and Wormhole explains physics' 4 forces using a chocolate soufflé) and theoretical physicist *Garrett Lisi* is a beach bum whose Exceptionally Simple Theory of Everything eventually may be accepted as the unified theory explaining physics' fundamentals. -- "The Sacred Game," Sat, 1:30p ET, **Go! TV**. This ep's interview with Argentine superstar *Lionel Messi* is notable for the 22-year-old's humility and humanity and the probing questions of soccer legend/Gol CEO *Enzo Francescoli*. *SA*

Notable: Will he stay or will he go? *LeBron James* tells *Larry King*, sort of (Fri, 9p ET, **CNN**). -- *Kid Rock* hosts the **CMT Music Awards**, **Food's Paula Deen** presents (Wed, 8p). -- **ESPN** starts the **World Cup** with the opening concert (Thurs, 2p ET). *SA*

Basic Cable Rankings			
(4/26/10-5/30/09)			
Mon-Sun Prime			
1	USA	2.3	2319
2	TNT	2.2	2184
3	DSNY	1.7	1712
3	ESPN	1.7	1678
5	FOXN	1.5	1427
6	NAN	1.4	1408
7	HIST	1.2	1149
8	TBSC	1.1	1128
9	TOON	1	1004
9	A&E	1	986
11	DISC	0.9	913
11	FX	0.9	886
11	HGTV	0.9	863
14	FAM	0.8	764
14	TRU	0.8	753
14	SYFY	0.8	738
14	AMC	0.8	731
14	NKJR	0.8	563
19	FOOD	0.7	746
19	TLC	0.7	723
19	LIFE	0.7	673
19	CMDY	0.7	659
19	MSNB	0.7	613
19	VS	0.7	501
25	TVLD	0.6	629
25	SPK	0.6	616
25	BRAV	0.6	608
25	BET	0.6	585
25	HALL	0.6	572
25	LMN	0.6	481
31	MTV	0.5	526
31	APL	0.5	500
31	CNN	0.5	494
31	EN	0.5	479
31	OXYG	0.5	359
36	VH1	0.4	418
36	HLN	0.4	383
36	NGC	0.4	289
36	WGNA	0.4	261
36	ID	0.4	245
41	TRAV	0.3	331
41	ESP2	0.3	325
41	SOAP	0.3	262
41	CMT	0.3	237
41	GSN	0.3	229
41	SPD	0.3	226

*Nielsen data supplied by ABC/Disney

CableFAX
PROGRAM AWARDS

Sponsorship Opportunities: Debbie Vodenos at 301.354.1695 or dvodenos@accessintel.com
Entry Questions: Kate Schaeffer at 301.354.2303 or kschaeffer@accessintel.com

From the most outstanding cable programs to the best surprise ending, the annual CableFAX Program Awards to 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 October at the Grand Hyatt Hotel in NYC and in the annual CableFAX Program Awards Issue.

