

CableFAX Daily™

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What the Industry Reads First

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Countdown: Cable Preps for Fri DTV Transition

With the national DTV transition just days away, *Pres Obama* urged unprepared Americans in a Thurs statement to “act today so you don’t lose important news and emergency information on June 12... there will not be another delay.” The cable industry is trying to prepare for any scenario. Thurs morning, an email titled “Test Message - Re: June 12 DTV Transition War-room” went out from **NCTA** to dozens of industry execs. The trade group will use it to communicate potential issues of interest before, during and after the transition. “We want to make sure the lines of communication are open among all member companies. If something happens in one part of the country, we want others to know in case it may happen [in their area] or if they have advice,” said NCTA communications chief *Rob Stoddard*. The hope and anticipation by many is that cable won’t have much to worry about Fri, but like a good Boy Scout, the NCTA set up a hotline so anyone, including the **FCC**, can contact it to disseminate messages immediately to members. Meanwhile, engineers, marketers and other execs can compare notes in a series of industry-wide conference calls on Thurs, Fri and Sat. The **NAB** will also host another full DTV Coalition meeting on Mon. And cable ops continue to educate consumers in an effort that has attracted thousands of new subs so far this year. According to **Knowledge Networks**, 26% of US TV homes added new services or devices to address the transition, and 5% of respondents said they took pay TV service instead of upgrading or replacing hardware. **Time Warner Cable**, which said a significant amount of its 36K basic adds in 1Q stemmed from the transition, is providing free, bilingual community forums at various Walmart locations in Southern CA, and using direct mail in heavy Hispanic markets such as L.A., NY and Dallas. **Comcast** recently ramped up its effort to attract new customers by guaranteeing new service installation within 48 hours through Fri. Markets including New England, OR and NM guarantee same-day installs if calls are made by noon. And many ops are offering discounted broadcast basic promos, including **Charter**, which has a deal through June 30 for limited basic for \$9.99 for 12 months plus install (installation occurs the same day if customers call before 1pm, the next day if they call after 1pm). TWC offers a basic video package with just broadcast and public access channels for \$8-\$10/month, which a rep said was the MSO’s most successful DTV-related offering.

At the Portals: Acting **FCC** chmn *Michael Copps* said *Blair Levin*, who served as a staffer under former FCC chmn *Reed Hundt*, will rejoin the commission to help coordinate its development of a natl broadband plan. Through admin-



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Administrative leave from **Stifel Nicolaus**, Levin also served as an advisor on *Pres Obama's* transition team. Other changes announced by Copps: *David Hunt* takes over as Acting Inspector General following the retirement of *Kent Nilsson*, *Mary Beth Richards* will serve as acting managing dir, *Monica Shah Desai* will become special advisor to the Genl Counsel, and *Robert Ratcliffe* will become acting chief, Media Bureau to fill Desai's former post. -- The **ACA** is asking the **FCC** to maintain at fiscal '08 levels the regulatory fees owed the commission by small cable ops that own fewer than 5K subs. The request follows an FCC proposal to hike per-sub cable fees by 10% and microwave relay licenses by more than 25%. "Holding fees at current levels for these providers makes sense considering that Congress and the Administration are looking to these operators to help deploy broadband in unserved and underserved areas," said ACA pres/CEO *Matt Polka*. Approx three-quarters of ACA's members serve fewer than 5K subs and more than half serve fewer than 1K.

In the States: **Discovery Channel** is collaborating with **Running Subway Productions** for **Discovery Times Square Exposition**, offering beginning this month limited-run experiential exhibits in the former Times Square home of the *NY Times'* printing presses. The Exposition involves a pair of major gallery halls featuring exploration of world culture, art, artifacts and events. Opening Jun 24: "Titanic: The Artifact Exhibition" and "Lucy's Legacy: The Hidden Treasures of Ethiopia."

Advertising/Marketing: **Lifetime** and **Mary Kay** will jointly promote the return of "Army Wives" (Jun 7). Marketing components include Mary Kay's sponsorship of the season premiere ep; the net's show-related vignettes, which air during commercial breaks and at **MyLifetime.com** and **MaryKay.com**, and an interstitial celebrating American military wives.

Ratings: The Thurs series premiere of **USA's** "Royal Pains" won a 4.18 HH rating, 5.6mln total viewers and 2.3mln 18-49s. Following was the best season premiere ever for "Burn Notice," which got a 4.24, 6mln total viewers and 2.5mln 18-49s.

Programming: *Ellen DeGeneres'* "Ellen's Bigger Longer & Wider Show" (Jun 27) on **TBS** features *Kanye West* and *David Blaine*, and is again part of the net's "A Very Funny Festival: Just For Laughs" (Jun 17-21).

Honors: **HBO** led cable with 6 **TV Critics' Assn Award** noms while **FX's** "The Shield" paced all cable programs with 4 noms, including 1 for Program of the Year, for which **AMC's** "Mad Men" (3) and **SciFi's** "Battlestar Galactica" are also up. **HBO's** "No. 1 Ladies' Detective Agency" and "True Blood" and **Showtime's** "United States of Tara" are up for best new show. Other net noms: **AMC** (5), **FX** (5), **Nickelodeon** (2), **Disney Channel**, **Sci Fi**, **Comedy Central**, **Showtime**, **MSNBC**. Broadcast led cable in noms, 25-20. -- **TV One** evp, marketing and creative services *Susan Banks* receives homage from **Emerson College** during the weekend of Jun 5-7 for alumni of the school who are leaders in the field of comm and the arts.

Business/Finance: **Viacom's** board approved a change to its fiscal year to Sept 30 from Dec 31, effective Sept 30 '10. Viacom pres/CEO *Philippe Dauman* said the change will better align financial reporting with the cable broadcast year.



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CableFAX Week in Review

Company	Ticker	6/05 Close	1-Week % Chg	YTD %Chg
BROADCASTERS/DBS/MMDS				
BRITISH SKY:	BSY	28.75	0.30%	4.30%
DIRECTV:	DTV	21.81	(3.1%)	(4.8%)
DISH:	DISH	15.96	(2.6%)	43.90%
DISNEY:	DIS	24.95	3.00%	11.50%
GE:	GE	13.54	0.40%	(10.7%)
HEARST-ARGYLE:	HTV	4.50	0.40%	(24.6%)
NEWS CORP:	NWS	11.55	2.80%	21.80%

Company	Ticker	6/05 Close	1-Week % Chg	YTD %Chg
MSOS				
CABLEVISION:	CVC	18.73	(1.6%)	12.40%
COMCAST:	CMCSA	14.11	2.50%	(15.2%)
COMCAST SPCL:	CMCSK	13.32	2.50%	(16.3%)
GCI:	GNCMA	7.72	16.80%	(4.6%)
KNOLGY:	KNOL	8.05	0.60%	56.00%
LIBERTY CAPITAL:	LCAPA	14.60	5.10%	210.00%
LIBERTY ENT:	LMDIA	23.69	(1.9%)	35.50%
LIBERTY GLOBAL:	LBTYA	13.56	(1.9%)	(14.8%)
LIBERTY INT:	LINTA	5.89	0.50%	88.80%
MEDIACOM:	MCCC	6.29	5.20%	46.30%
SHAW COMM:	SJR	16.94	(2.2%)	(0.7%)
TIME WARNER CABLE:	TWC	32.00		
VIRGIN MEDIA:	VMED	8.88	2.10%	80.40%
WASH POST:	WPO	357.90	(0.6%)	(6.1%)

Company	Ticker	6/05 Close	1-Week % Chg	YTD %Chg
PROGRAMMING				
CBS:	CBS	8.78	19.00%	8.40%
CROWN:	CRWN	1.94	(18.1%)	(31.9%)
DISCOVERY:	DISCA	23.02	2.50%	62.50%
EW SCRIPPS:	SSP	2.24	14.60%	1.40%
GRUPO TELEVISIA:	TV	17.33	(2.5%)	16.00%
HSN:	HSNI	11.77	4.20%	61.90%
INTERACTIVE CORP:	IACI	16.31	0.80%	3.70%
LIBERTY:	L	27.69	2.40%	(1.8%)
LODGENET:	LNET	5.89	1.60%	741.40%
NEW FRONTIER:	NOOF	2.22	0.90%	30.60%
OUTDOOR:	OUTD	6.75	(3.6%)	(9.9%)
PLAYBOY:	PLA	2.76	(17.1%)	27.80%
RHI:	RHIE	3.15	1.00%	(61.2%)
SCRIPPS INT:	SNI	28.50	2.70%	30.30%
TIME WARNER:	TWX	25.30	8.00%	14.00%
VALUEVISION:	VVTV	0.78	4.00%	136.40%
VIACOM:	VIA	24.02	2.20%	19.40%
WWE:	WWE	13.89	11.30%	35.10%

Company	Ticker	6/05 Close	1-Week % Chg	YTD %Chg
TECHNOLOGY				
3COM:	COMS	4.99	15.50%	118.90%
ADC:	ADCT	7.59	8.00%	39.10%
ADDVANTAGE:	AEY	1.83	(6.2%)	2.80%
ALCATEL LUCENT:	ALU	2.74	7.90%	27.40%
AMDOCS:	DOX	22.12	2.20%	20.90%
AMPHENOL:	APH	33.41	0.10%	39.50%
APPLE:	AAPL	144.67	6.50%	69.50%
ARRIS GROUP:	ARRS	12.36	2.10%	55.50%
AVID TECH:	AVID	15.22	6.90%	39.50%
BIGBAND:	BBND	5.61	7.50%	1.60%
BLNDER TONGUE:	BDR	1.57	2.60%	55.40%
BROADCOM:	BRCM	25.46	(0.1%)	50.00%

Company	Ticker	6/05 Close	1-Week % Chg	YTD %Chg
CISCO:	CSCO	19.87	7.40%	21.90%
CLEARWIRE:	CLWR	4.60	3.40%	15.90%
COMMSCOPE:	CTV	25.38	(3.3%)	63.30%
CONCURRENT:	CCUR	5.20	8.30%	52.90%
CONVERGYS:	CVG	9.72	5.10%	51.60%
CSG SYSTEMS:	CSGS	14.52	5.40%	(16.9%)
ECHOSTAR:	SATS	17.01	6.00%	14.40%
GOOGLE:	GOOG	444.32	6.50%	44.40%
HARMONIC:	HLIT	6.00	4.20%	7.00%
INTEL:	INTC	15.92	2.20%	19.10%
JDSU:	JDSU	6.10	13.40%	65.20%
LEVEL 3:	LVL	1.16	8.40%	65.70%
MICROSOFT:	MSFT	22.14	6.00%	15.20%
MOTOROLA:	MOT	6.24	3.00%	42.00%
OPENTV:	OPTV	1.37	(21.7%)	11.40%
PHILIPS:	PHG	19.63	3.60%	8.00%
RENTRAK:	RENT	10.77	11.00%	(8.7%)
SEACHANGE:	SEAC	7.77	4.40%	7.80%
SONY:	SNE	27.83	6.10%	27.30%
SPRINT NEXTEL:	S	5.11	(0.8%)	179.20%
THOMAS & BETTS:	TNB	32.76	6.80%	36.40%
TIVO:	TIVO	10.65	52.10%	48.70%
TOLLGRADE:	TLGD	5.62		17.60%
UNIVERSAL ELEC:	UEIC	21.21	8.10%	30.80%
VONAGE:	VG	0.46		(30.3%)
YAHOO:	YHOO	16.64	5.10%	36.40%

Company	Ticker	6/05 Close	1-Week % Chg	YTD %Chg
TELCOS				
AT&T:	T	24.56	(0.9%)	(9.5%)
QWEST:	Q	4.17	(4.4%)	19.00%
VERIZON:	VZ	29.25	0.00%	(9.6%)

Index	Value	1-Week % Chg	YTD %Chg	
MARKET INDICES				
DOW:	INDU	8763.13	3.10%	(0.2%)
NASDAQ:	COMPX	1849.42	4.20%	17.30%

WINNERS & LOSERS

THIS WEEK'S STOCK PRICE WINNERS

COMPANY	CLOSE	1-WK CH
1. TIVO:	10.65	52.10%
2. CBS:	8.78	19.00%
3. GCI:	7.72	16.80%
4. 3COM:	4.99	15.50%
5. EW SCRIPPS:	2.24	14.60%

THIS WEEK'S STOCK PRICE LOSERS

COMPANY	CLOSE	1-WK CH
1. OPENTV:	1.37	(21.7%)
2. CROWN:	1.94	(18.1%)
3. PLAYBOY:	2.76	(17.1%)
4. ADDVANTAGE:	1.83	(6.2%)
5. QWEST:	4.17	(4.4%)



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MaxFAX...

Y2K Redux? Or Digital Cliff

Here comes Friday the 12th.

Too bad it isn't on the 13th!

So far, so good.

But that soft test a few weeks ago drove more than a few phone calls. Last chance for a sub bump... just watch out for those *Consumer Reports* guys who cut a deal with the NSA to track the phone calls.



Paul S. Maxwell

No naughty attempts to actually sell your services.

Random Notes:

• **Which Is the "Bigger" Date?** The June 12th "final" digital transition or Sept 14th and Jay Leno debuting at 10pm ET?

• **Summer Cruising:** I've already got a ragtop so my bald spot can get sunburned. But there's a cool '68 white Pontiac GTO Tribute convertible available from the ever-enthusiastic *Chuck Klein*... for pix and details, email him at chuck@ckponline.com.

• **Bye-Bye Benita!** The great runner is running away... from **WICT** to USA Track & Field... and you can send her off on the 18th if you RSVP by the 15th at jrosenberg@wict.org. Benita will be tough to replace. Going away party is at WICT's HQ in Chantilly, VA on Thursday the 18th starting at 4:30 pm.

• **And They "Need" Retransmission Fees?** News item: "Senators *Olympia Snowe* (R-ME) and *Susan Collins* (R-ME) introduced a bill that would help broadcasters buy

equipment to fill signal coverage gaps created by the DTV transition. The DTV Cliff Effect Assistance Act would provide \$125mIn reimbursements for the construction of digital repeater or translator towers, which run approximately \$80K to \$100K each to build. Wow... free spectrum and free equipment! What a deal!

• **Spectrum:** I still think this new activist government should just take the spectrum back from the broadcasters and make it all "must carry" for cable and satellite providers. Think of how that could allow for better wireless usage!

• **A New "West Side Story":** Our friend *Michael Willner* sent along a cool link for the times: <http://www.newsday.com/media/flash/2009-04/46217527.swf>.

• **Highway Sounds:** Our old friend *Stan Hitchcock* is performing again... and signing his memoirs. If you're in Nashville on Wed the 10th, stop by *Ernest Tubb's Record Shop #1* from 1:00 pm to 2:30 pm or #2 that evening at 4:30 pm... for details, go to www.cornerofmusicrow.com... and remember, two wrongs don't make a right.

• **The Satellite Soaps:** You've got to wonder what tribute *Dr John Malone* extracted from *Rupert Murdoch* as the good Doctor allows *Chase Carey* to return to News Corp next month. No question, though, that Chase did a hell of a good job at **DirecTV**. Meanwhile, **DISH** seems to be doubling down on the downside with low-ball new customer offers even as it continues to finance so many of *Tom Rogers'* dreams.

• **Positively Cable:** The Denver Chapter is putting the final touches on this regularly raucous evening! Don't miss the chance to see some daring cable industry execs take

the stage in the Chapter's signature event on June 16, this year titled: "Escape From The Planet of Mutant Broadband Hell." Positively Cable is a sure bet to raise the roof for a great cause, and help out Denver's Rainbow House. Tickets are \$75 and are now available online at www.cablepositive.org.

• **Binged, Yet?** Will "bing" become a verb like "google"? Not something I'd bet on.

• **Cable Only?** Earlier this month, *BusinessWeek's Jon Fine* wondered about broadcasters, **CBS** in particular, going "all cable." Those dual revenue streams, don't you know? Besides that, local stations are in a world of hurt... some (can you spell **Equity**?) won't even make the transition Fri... just going dark. But the amazing thing about the article (sub-titled "A tempting idea for broadcast networks, but it's all but impossible, at least for now") was the writer had no idea about the experience of what was once **WTCG/WTBS**.

• **Ted Turner Rides Again!** At the **Cable Center** on Thurs the 18th, the cable- news- bison burger- and environmental-icon will be honored by the Colorado Conservation Trust. Honorary hosts include former Colorado Senators *Timothy Wirth* and *Gary Hart*, former cable operator and former Chancellor of the University of Denver *Daniel Ritchie* and *Dr John Malone*. Cool pic of Ted on horseback on the web site.

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