

CableFAX Daily™

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What the Industry Reads First

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Competitive Vaulting: Comcast-NBCU Spends Big To Win Olympics Rights

Comcast-NBCU's victory in the bidding competition for the US rights to the '14-'20 Olympics (2 Summer, 2 Winter) doesn't shock the way the Miracle on Ice did some 30 years ago, but it does qualify as a surprise—particularly after the IOC noted Tues the \$4.38bln price tag. Comcast has been preaching fiscal prudence and discipline since gaining control of NBCU, which lost \$223mln on the '10 Games, and the announcement came mere hours after NBCU said it has agreed to acquire **The Blackstone Group's** 50% interest in **Universal Orlando** for \$1.03bln. Moreover, **ESPN** said in a release it "made a disciplined bid... to go any further would not have made good business sense for us," intimating Comcast-NBCU's winning number is steep. Indeed, as the price for the '14 Games was \$775mln and for the '16 Games approx \$1.23bln, a source said ESPN bid \$1.4bln for the pair and Fox \$1.5bln. *SBJ* reported that **Fox** bid \$3.4bln for all 4 Games; ESPN didn't bid for all 4. Comcast chmn/CEO *Brian Roberts* believes the deal "will be a profitable relationship... we're very comfortable with where this ended up." That the deal encompassed 4 Olympiads instead of a pair was critical to both Comcast and the IOC, with Roberts noting an important opportunity to enhance and build up NBCU's assets (and presumably Comcast's as well) before the '14 Sochi Games. NBCU will also feature the '12 London Games. The new rights encompass coverage across every current platform/tech, plus those "still to be conceived," added NBC Sports Group chmn *Mark Lazarus*, who believes the combined Comcast-NBCU owns the assets necessary to "reach every prospective consumer and viewer" with Olympics promotion. During the '10 Vancouver Games, NBCU slotted approx 100 hours of coverage across both **CNBC** and **MSNBC** while **USA** featured approx 41 hours, and likely in the rotation now (for '12 in London, too) are **Versus** and **Golf Channel**. And don't dismiss the possibility of a stateside Olympics channel like the 1 previously planned by Comcast and the USOC, as an IOC official said the new deal allows for such a venture. Comcast-NBCU committed to provide live coverage of every event from all 4 Games "on one platform or another," said Lazarus, and all of its coverage from the '16 Games in Brazil will be live because of cooperative time zones. As for London next year, Lazarus said to expect more real-time streaming of events. The new deal could reap benefits for the US, too. In noting how Comcast-NBCU has ensured the viability of the IOC and USOC for the next decade, IOC pres *Jacques Rogge* said he's "very indebted to the US... for the Olympic movement" and would be quite pleased to see a US bid for the '20 Games. Also of note: perhaps *Bob Costas* was able to help Comcast-NBCU overcome the recent departure of *Dick Ebersol* (*Cfax*, 5/20), which was expected to hamper the company's bid given the NBC Sports vet's long-standing Olympics experience. Games fixture Costas "made a very emotional appeal" for acceptance of the Comcast-NBCU bid, said IOC exec board member *Richard Carrión* in lauding the commitment exhibited by the winner. Comcast shares gained 0.42% Tues.

In the States: Comcast, Clearwire and Sprint expanded the Clearwire 4G footprint in the greater Pittsburgh and Philadelphia areas, adding an additional 10,951 and 921,000 people, respectively, to the area mobile broadband

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coverage provided by each company. 830K total Pittsburgh residents and approx 4.2mln Philadelphians can now access the services. – **Nexstar** agreed to carry **Bounce TV** in 10 markets when the African American-focused digitnet launches this fall. Having already inked deals with **LINTV** and **Raycom**, Bounce has cleared in 32% of the country.

OTT: Won't be able to live without your daily dose of *Glenn Beck* commentary when he leaves **Fox News** at the end of the month? Don't worry, Beck's **Mercury Radio Arts** is set to launch a subscription online show in Sept at GBTV.com, where a behind-the-scenes reality show about the making of GBTV, a daily 2-hour program, will run until the launch date. Subscriptions run \$4.95/month for access to the show, or \$9.95/month for additional access to a radio simulcast, docs and special events, and all new subs can get the former rate for a limited time. "GBTV is the future... the confines of traditional media no longer apply." said Beck at GlennBeck.com. "GBTV is about getting active in the community, participating in stories, and finding new ways to deliver news, information and entertainment directly to the audience."

Pv6 Testing: **NCTA** and cable ops including **Comcast**, **Cox** and **Time Warner Cable** are participating Wed in World IPv6 Day, which marks a global-scale test of new IP address system IPv6. The current IPv4 system's 4.3bln offered addresses are nearly exhausted, necessitating a transition to v6 by Web-related companies. "This transition involves all the parts of the entire Internet 'ecosystem,' including content providers and websites, ISPs, consumer electronics retailers, equipment manufacturers, and consumers," wrote NCTA svp, science & tech *William Check* in a recent blog post. Cable industry planning for the transition has been underway for months and in some cases years, and come Wed the aforementioned participants will conduct tests to assess how subs will interact with their Websites that are testing IPv6. NCTA will provide a good deal of transition info at next week's Cable Show through several dedicated sessions.

Technology: **Verimatrix** will demonstrate next week **StreamMark**, which uniquely marks compressed video files during delivery to support rev generation in emerging video consumption models. Developed in collaboration with Hollywood studios, the solution is designed to enable early release windows for premium VOD content and also applies to OTT-delivered video content. -- **Entropic Comm** announced its shipment since '07 of more than 50mln MoCA 1.1/1.1 chipsets that enable whole-home ent solutions from providers including **Comcast**, **Time Warner Cable**, **Cox** and **DirectTV**.

Ratings: **ABC Family's** "Switched at Birth" became the net's top original series debut ever among total viewers (3.3mln), 18-34s (1.0mln), women 18-34 (754K), 18-49s (1.7mln) and women 18-49 (1.3mln). -- **HBO's** 8th ep of "Game of Thrones" notched a series high Sun by averaging 2.7mln viewers at 9pm, up 22% since the show's premiere. The ep also led all cable telecasts lat week with a 6.4/1.91mln. -- The season finale of **Bravo's** "The Real Housewives of Orange County" delivered the series' most-watched ep ever with 2.88mln total viewers and highest-rated of the season with 1.86mln 18-49s.

Programming: **Viacom's** "Race to the Top Commencement Challenge Special" follows students at Booker T. Washington High School in Memphis, TN, as they win the opportunity to host *President Obama* as graduation speaker. It airs on **BET** and **Centric** Wed, **Comedy Central** next week and other VIA nets later. -- **Bravo** greenlit a 4th season of "The Real Housewives of New Jersey."

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BUSINESS & FINANCE

People: Rick Kaplan, now FCC chief counsel and senior legal advisor to the chmn, will take over as Wireless Bureau Chief. He succeeds *Ruth Milkman*, who will step down to "take on new responsibilities" in chmn *Julius Genachowski's* office. The change is effective June 20. -- *Johnnie Giles* was upped to vp, external affairs, **Comcast Cable**, and exec dir, external affairs, Comcast Corp. -- **MGM** tapped *Roma Khanna* as pres, TV Group and Digital.

Business/Finance: A day after announcing definitive plans to spin off **AMC Networks**, **Cablevision** saw its shares gain 4.48% Tues while **Nomura** analyst *Mike McCormack* maintained his 'buy' rating. McCormack believes CVC's more streamlined asset mix will attract additional investors. -- **The Banl of NY Mellon Trust Company** has appealed a DE Court of Chancery's ruling that the pending split-off of **Liberty Capital** and **Liberty Starz** from **Liberty Media** will not constitute a disposition of all or substantially all the assets of Liberty Media under the indenture governing its public indebtedness. Liberty has asked for an expedited appeals process and hopes to complete the split-off prior to Sept 23. -- **Comcast-Spectacor** is in talks to sell the Philadelphia 76ers to a group led by **Apollo Global Management** founder *Joshua Harris*, according to **ESPN**.

Oops: **News 12 Nets** and **MSG Varsity** will remain with **Cablevision** after **AMC Nets** is spun off later this month.

CableFAX Daily Stockwatch

Company	06/07 Close	1-Day Ch	Company	06/07 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
DIRECTV:	47.62	0.03	BLNDER TONGUE:	1.63	(0.01)
DISH:	28.65	0.08	BROADCOM:	34.27	0.25
DISNEY:	39.35	(0.05)	CISCO:	15.51	(0.48)
GE:	18.48	0.02	CLEARWIRE:	4.11	0.14
NEWS CORP:	17.40	(0.21)	CONCURRENT:	5.77	(0.09)
MSOS					
CABLEVISION:	35.65	1.53	CONVERGYS:	12.40	0.08
CHARTER:	57.87	0.49	CSG SYSTEMS:	18.45	(0.07)
COMCAST:	24.02	0.10	ECHOSTAR:	32.21	0.21
COMCAST SPCL:	22.66	0.09	GOOGLE:	519.03	(2.03)
GCI:	11.57	0.18	HARMONIC:	7.12	0.03
KNOLGY:	14.78	(0.45)	INTEL:	22.06	0.23
LIBERTY CAPITAL:	85.61	(0.44)	JDSU:	18.41	0.45
LIBERTY GLOBAL:	43.39	0.09	LEVEL 3:	2.16	(0.04)
LIBERTY INT:	17.54	(0.03)	MICROSOFT:	24.06	0.05
SHAW COMM:	21.22	0.26	RENTRAK:	19.40	0.22
TIME WARNER CABLE:	75.61	0.41	SEACHANGE:	10.04	(0.23)
VIRGIN MEDIA:	31.97	0.21	SONY:	25.27	(0.49)
WASH POST:	423.98	5.28	SPRINT NEXTEL:	5.49	(0.11)
PROGRAMMING					
CBS:	26.55	0.09	THOMAS & BETTS:	51.10	(0.08)
CROWN:	1.86	(0.01)	TIVO:	10.25	0.14
DISCOVERY:	41.38	0.32	UNIVERSAL ELEC:	24.84	(0.11)
GRUPO TELEVISA:	22.52	(0.02)	VONAGE:	4.45	(0.09)
HSN:	33.33	0.36	YAHOO:	15.45	(0.01)
INTERACTIVE CORP:	35.46	(0.24)	TELCOS		
LIBERTY:	40.88	(0.06)	AT&T:	30.31	(0.05)
LIBERTY STARZ:	77.98	(0.62)	VERIZON:	35.38	0.17
LIONSGATE:	5.97	0.05	MARKET INDICES		
LODGENET:	3.38	(0.01)	DOW:	12070.81	(19.15)
NEW FRONTIER:	1.45	UNCH	NASDAQ:	2701.56	(1)
OUTDOOR:	5.97	0.05	S&P 500:	1284.94	(1.23)
SCRIPPS INT:	46.06	(0.25)	TECHNOLOGY		
TIME WARNER:	34.82	(0.29)	ADVANTAGE:	2.51	0.07
VALUEVISION:	7.01	0.33	ALCATEL LUCENT:	5.54	0.07
VIACOM:	57.11	(0.6)	AMDOCS:	29.19	(0.3)
WWE:	10.01	0.06	AMPHENOL:	52.00	(0.12)
TECHNOLOGY					
AOL:	19.85	(0.66)	AOL:	19.85	(0.66)
APPLE:	332.04	(6)	APPLE:	332.04	(6)
ARRIS GROUP:	10.66	0.04	ARRIS GROUP:	10.66	0.04
AVID TECH:	16.52	0.03	AVID TECH:	16.52	0.03
BIGBAND:	2.09	0.06	BIGBAND:	2.09	0.06

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