

CableFAX Daily™

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What the Industry Reads First

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tru Luv: Major CE Firms Join Sony in tru2way Party

What began as a romantic dinner between cable and CE giant **Sony Electronics** on Mon blossomed into a full-blown soirée that now includes fellow CE heavies **Panasonic** and **Samsung**, as well as set-top makers **ADB** and **Digeo**, and microchip leader **Intel**. All of those companies have signed on to the historic “memorandum of understanding” that Sony inked last month with **Comcast**, **Time Warner Cable**, **Cox**, **Charter**, **Cablevision** and **Bright House Networks** (*Cfax*, 5/28). In essence, the pact enables consumers to purchase 2-way digital TVs and other devices that don’t require a set-top. Speaking Mon at the National Press Club, **NCTA** pres/CEO *Kyle McSllarrow* called the MOU a “model for resolving complicated technology issues” through partnerships and compromise. “I am well aware that we have not always embraced that model in the past,” he said. “But we know that in a competitive world, strong partnerships and collaboration are a must in order to serve our customers.” McSllarrow said the industry now has the necessary critical mass to create a strong retail environment for tru2way-enabled TVs and devices. Interestingly, McSllarrow publicly thanked “my friend, [CEA chief] *Gary Shapiro*” despite CEA’s past efforts to convince the **FCC** to endorse rival technology DCR+, which now appears dead. “tru2way is going to happen, and DCR-Plus isn’t,” McSllarrow said, noting that the FCC’s still pending 2-way plug-and-play proceeding may be losing its relevance. “I’m not sure what’s needed at this particular time” as private negotiations resolve issues, he said. – In other comments, McSllarrow also cited a “false rivalry” between network operators and those at the network’s edge, some of whom put forth the “almost laughable allegation” that cable wants to undermine broadband speeds to protect linear TV... “in which case, we sure are wasting a lot of time and money enabling all these great applications.”

Deutsche Bank Notebook: Cable’s interactive ad tech initiative **Project Canoe** bodes well for multiple platforms, said **Time Warner Cable** COO *Landel Hobbs* Tues at the **Deutsche Bank** conference. Advanced advertising is needed “to really keep [local ad sales] growing,” he said, especially since the pool, which represents approx four-fifths of the MSO’s ad rev, has experienced a “little slowdown” due to economic woes. And as Canoe pleases advertisers by providing the “granularity of the Internet for TV” by uniting “the learnings of all those digital set top boxes out there,” said Hobbs, ops’ VOD offerings will benefit as well. Integrated and targeted ads “fit nicely into VOD,” he said, important because Time Warner continues to see linear growth in on demand use, including 25%-30% growth in movies. Separately, Hobbs said the MSO views the targeting of Hispanic HHs as a key way to help with future retrans negotiations, as several of its markets (L.A., NYC, TX) count expansive Latino populations. In L.A., where 21% of the homes passed by Time Warner are Hispanic-led, a new programming package targeting the group has succeeded (half of package subs are new to Time Warner and half take an additional, non-video service). Time Warner plans to roll out similar packages in NYC and TX. -- **Viacom** pres/CEO *Philippe Dauman* continues to tout the premium channel jv involving **Paramount**, **MGM** and



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Lionsgate, saying that no multichannel op has expressed disinterest in the project. Compelling to potential partners, he said, are plans to place every movie on the net on the 1st day of their pay windows and the vast catalog of content owned by the partners, plus interactive opportunities and marketing flexibility. Expressing further bullishness on cable, Dauman said that Viacom is heavily focused on driving efficiencies across segments "in order to take best advantage of cable opportunities." However, the company must do better with attracting the older demos that are increasingly migrating from broadcast to cable, he said. To this end Viacom is ramping originals on **TV Land**, enhancing net-related online initiatives, and working to promote total-family viewership of **Nickelodeon** and **Nick at Nite**.

At the Portals: On the eve of the **House Telecom Subcmte's** Tues hearing to review the status of the DTV transition, **ACA** pres/CEO **Matt Polka**, in a letter to chmn **Ed Markey** (D-MA), urged subcmte members to study how forthcoming retrans negotiations between small/medium cable ops and broadcasters might negatively affect consumers amid the DTV transition. Citing a recent request from **Mediacom** and several other indie cable ops for the **FCC** to adopt a retrans consent "quiet period" to ensure that private commercial disputes don't trigger transition-related consumer confusion or service disruptions, the letter urges Congressional members to "play an active role in monitoring negotiations" for the same purpose. Of **LIN TV's** hardball retrans tactics against **Charter** last week (**Cfax**, 6/5), Polka wrote that they "exemplify the view of the broadcast industry at large, and foretell a crisis that could interfere with the success of the DTV transition."

Competition: **LIN TV** and **DirectTV** have inked a retrans agreement covering the SD/HD signals of TV stations in 15 markets including Indianapolis, Buffalo and Austin. -- **AT&T** launched **U-verse Voice** in parts of OK City, completing triple-play availability in the area. Also, the telco said **U-verse TV** is now available to more than 250K homes in the San Diego area after a local launch in Jun '07. -- **Verizon** announced the availability of more than 1K premium games through **GamesonDemand.Verizon.net**, where gamers can get unlimited access for \$15/month and play full versions of PC games without the need to fully download them to their computers.

In the States: **RCN** signed NY Giant **Justin Tuck** and NY Jet **Brad Smith** as NY market spokesmen. -- **CABLEready** tapped **Entertainment In Motion** as the exclusive sales agent for airline rights covering its programming catalog.

Carriage: Offering programming from Puerto Rican broadcaster **WAPA-TV**, **WAPA America** has launched on **Bright House** in Orlando and will soon launch on the MSO's Tampa system and on **Time Warner Cable** in NYC.

Technology: **CableLabs** has certified from **Arris** and **Motorola** devices that integrate **DOCSIS 3.0** and can deliver cable digital voice, marking the industry's 1st certification for dual incorporation of **DOCSIS 3.0** and **PacketCable**.

Online: **Sony Pictures' Crackle.com** has released 9 original series in genres ranging from comedy to lifestyle, including sketch show "Comedy Gumbo."

Ratings: The 2nd season premiere of **Lifetime's** "Army Wives" established several original drama records for the net, including HH rating (3.7), total viewers (4.5mln) and women 18+ (3.3mln). -- **YES' Yankees** telecasts have averaged a 4.4/423K through the season's 1st 2 months, tops for the net over the period since at least '95. Also over Apr and May, the net's pre- and post-game shows have shown respective viewership increases of 14% and 33%.

Programming: **Versus** has picked up the exclusive US TV rights through '13 for the **Tour de France**. This year's

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BUSINESS & FINANCE

coverage begins Jul 5 and will feature an average of 14 coverage hours/day. -- *Barack Obama* will appear on **V-me's** "Oppenheimer Presenta" (Fri, 10pm) to discuss US-Latin America affairs, trade agreements, immigration and US-Cuba relations. -- The Tues (8pm ET) edition of **HDNet's** "Dan Rather Reports" features an interview with former White House press sec *Scott McClellan*.

On the Circuit: **NAMIC's** summer membership drive runs through Jul 11 and includes a partnership with **The Africa Channel** granting each new member eligibility to win a net-sponsored grand prize trip for 2 to South Africa. -- \$100 pre-registration savings for individuals planning to attend **SCTE Cable-Tec Expo '08** end Fri. The event's exhibit hall is sold out.

People: **Discovery Comm** appointed *Julie Robertson* vp, domestic licensing, and promoted *Jo Edwards* to vp, intl licensing.

Business/Finance: **GE/NBCU's Peacock Equity Fund** and **GMT Comm Partners** have agreed on a majority buyout of **Bigpoint**, a developer of multiplayer online games. Through the deal, expected to close within 2 months, NBCU will partner with Bigpoint to power a series of browser-based game titles to be featured on **SciFi.com** and **USA.com**. -- *Piper Jaffray* has upgraded **Gemstar-TV Guide** owner **Macrovision** from 'neutral' to 'buy.'

CableFAX Daily Stockwatch

Company	06/09 Close	1-Day Ch	Company	06/09 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
ARRIS GROUP:	9.79	(0.34)	AVID TECH:	20.31	0.20
BRITISH SKY:	41.21	(0.04)	BIGBAND:	5.24	(0.12)
DIRECTV:	27.70	0.00	BLNDER TONGUE:	1.20	0.00
DISNEY:	33.18	0.17	BROADCOM:	27.70	0.33
ECHOSTAR:	34.87	(0.26)	C-COR:	11.00	0.00
GE:	30.06	0.04	CISCO:	26.43	(0.11)
HEARST-ARGYLE:	21.40	0.10	COMMSCOPE:	53.49	(0.99)
ION MEDIA:	1.45	0.00	CONCURRENT:	0.64	(0.02)
NEWS CORP:	17.89	(0.08)	CONVERGYS:	15.26	(0.17)
MSOS					
CABLEVISION:	26.55	(0.39)	CSG SYSTEMS:	12.24	(0.08)
CHARTER:	1.55	0.11	ECHOSTAR HOLDING:	36.01	0.13
COMCAST:	21.96	0.02	GOOGLE:	557.87	(9.13)
COMCAST SPCL:	21.74	0.04	HARMONIC:	9.84	(0.16)
GCI:	7.85	(0.12)	JDSU:	12.12	(0.19)
KNOLGY:	14.39	(0.18)	LEVEL 3:	4.15	0.00
LIBERTY CAPITAL:	15.11	(0.1)	MICROSOFT:	27.71	0.22
LIBERTY ENTERTAINMENT:	26.11	(0.36)	MOTOROLA:	8.92	(0.01)
LIBERTY GLOBAL:	35.05	(0.39)	NDS:	51.72	(0.53)
LIBERTY INTERACTIVE:	16.91	(0.11)	NORTEL:	7.77	0.11
MEDIACOM:	6.08	(0.23)	OPENTV:	1.38	(0.08)
SHAW COMM:	20.32	(0.11)	PHILIPS:	37.07	(0.09)
TIME WARNER CABLE:	29.57	0.50	RENTRAK:	14.01	(0.02)
VIRGIN MEDIA:	16.04	(0.04)	SEACHANGE:	8.32	0.40
WASH POST:	606.00	9.50	SONY:	49.73	(0.57)
PROGRAMMING					
CBS:	21.01	(0.35)	SPRINT NEXTEL:	8.82	(0.22)
CROWN:	4.58	(0.2)	THOMAS & BETTS:	39.93	(0.07)
DISCOVERY:	25.79	0.14	TIVO:	7.20	(0.17)
EW SCRIPPS:	46.54	0.34	TOLLGRADE:	5.44	(0.09)
GRUPO TELEVISA:	25.43	(0.4)	UNIVERSAL ELEC:	24.79	(0.16)
INTERACTIVE CORP:	21.15	(0.08)	VONAGE:	1.80	(0.08)
LODGENET:	6.51	(0.33)	WEBB SYS:	0.05	0.00
NEW FRONTIER:	3.84	(0.06)	WORLDGATE:	0.30	0.00
OUTDOOR:	7.96	0.02	YAHOO:	26.58	0.14
PLAYBOY:	5.97	0.23	TELCOS		
TIME WARNER:	15.18	(0.09)	AT&T:	37.56	(0.65)
VALUEVISION:	3.75	(0.15)	QWEST:	4.52	(0.18)
VIACOM:	33.93	(0.5)	VERIZON:	37.94	(0.29)
WWE:	16.13	(0.1)	MARKET INDICES		
TECHNOLOGY					
3COM:	2.56	0.04	DOW:	12280.32	70.51
ADC:	16.97	(0.35)	NASDAQ:	2459.46	(15.1)
ADVANTAGE:	3.17	(0.24)			
ALCATEL LUCENT:	6.92	(0.18)			
AMDOCS:	32.45	(0.23)			
AMPHENOL:	47.35	(0.02)			
APPLE:	181.61	(4.03)			



CableFAX Digital Webinar: Marketing **HD** & Breaking Through the Clutter

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'Top Ops' Issue

The Stand-out Indie Operators and MSOs

Coming July 2008

This yearly issue recognizes top cable operators who have distinguished themselves by achieving excellence in technology, operations and Involvement in the community. The issue represents and honors all the independent operators fighting on the front lines, literally rolling up their sleeves to battle rivals that typically offer more product at a lower price. It also salutes the legion of MSOs as they battle the competition in video, voice and Internet access, while also working with content partners to bring customers HD programming and serve their local communities as they address important public affairs issues.

Beyond the Award Winners

The July issue will also include the following features:

- Anatomy of a Great Programmer - Operator Relationship
- Cable Upshots: A look at the best young talent in cable
- 7 Ways to Make Money from HD
- Best Places to Work in Cable
- New trends in cable advertising
- Home Security: The Next Big Wave in Cable?
- By the Numbers (an irreverent look at what numbers say about cable)
- Predictions: Our panel of cable operators prognosticate on what cable will look like 5 years from today

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October 2008 - The Top Cable Programs

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November 2008 - Most Influential Women in Cable

Distributed at the 24th Annual WICT Gala, Washington, DC

December 2008 - CableFAX 100 Issue

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