

CableFAX Daily™

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What the Industry Reads First

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The World is Watching: World Cup Content Explodes Across Platforms

And so it begins. The **World Cup** kicked off Fri with outsized expectations for fan engagement by Americans, evidenced by the raft of ops and programmers that have launched event-related initiatives to join multiplatform flag bearers **ESPN** and **Univision** in hopes of scoring big. Plays were intro'd up to kick off, in fact, as **DISH** added Fri the **Univision FIFA World Cup South Africa** channel (24/7 access to Univision recaps, highlights and prime game replays) for its DishLATINO subs and **CNN** bowed with social network **Foursquare** a multi-country scheme promoting fan interaction. Using the World Cup as a driving force, **ESPN 3D** is now featured in more than 40mln homes, and Univision gained new HD carriage across myriad ops. Everywhere, it seems, the buzz is palpable. On a Thurs conference call, veteran ESPN anchor **Bob Ley** called the sports giant's World Cup operation "the most complex, the most ambitious and the most dedicated production I have ever seen." As 300 ESPNers are on site in South Africa, programming vp **Scott Guglielmino** remains bullish on the World Cup's stateside prospects yet also hinted at tempered expectations for linear viewership. "With the World Cup and how we're going to be employing the best available screen... a big part of our delivery here is wherever, whenever," he said, noting how ESPN will specifically look at the usage of broadband and wireless plays once the tourney ends, especially considering the pre-prime ET feature of most games. Notably, as the World Cup promotes emotional and interactive fandom, many Americans flock to pubs to watch games. Still, "we are absolutely looking for substantial growth" in viewership, said Guglielmino. With its exclusive Spanish-language coverage of games, Univision has come out kicking, and is extremely pleased with the demand of ops for World Cup content. "We exceeded our targets," said Univision pres, news **Alina Falcon** of distribution for Univision's HD nets. "In fact, **Galavisión** was not part of our initial HD plan, but based on the interest we received we decided to accelerate our launch." In addition to the DISH/FIFA channel deal, Falcon said the World Cup prompted Univision to ink several unprecedented deals. As every US cable MSO, DBS op and telco is offering the net's VOD feature of all 64 Cup matches, for example, 7 ops new to Univision On Demand came aboard such as **Charter** and **Mediacom**. "Distributors committed to growing business with Hispanic consumers recognize that they need to offer the most robust viewing experience," said Falcon, and in '10, that means the World Cup. **Cox** is working with Univision for "very heavy marketing among Hispanics," said Cox sr manager, marketing **Renata Franco**, who expects

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17588

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EUREKA

Season 3 averaged more than 3MM viewers.[†]

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#6 Cable Entertainment Network^{††}

#1 Cable Network Among Technophiles^{†††}

#6 Must Keep Cable TV Network^{††††}

nbcunetworks.com

[†] Source: The Nielsen Company, (7/1/09-9/18/09), L7, P2+, (000), Eureka premiere episodes. Subject to qualifications available upon request.

^{††} Source: The Nielsen Company, Since Re-brand (7/7/09-4/25/10), M-Su 8p-11p, L7, (000), A25-54 vs. All ad-supported cable, excluding sports networks. Subject to qualifications upon request.

^{†††} Source: Simmons NCS/NHCS: FALL 2009 ADULT FULL YEAR (NOV 08 - DEC 09), 2009 Behaviorgraphics, Adults.

^{††††} Source: SRG Must Keep TV Tracking, Wave 3, January 2010.

Syfy
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“immense participation” in the Spanish-language offerings. She also foresees solid adoption of **ESPN3**'s coverage in 7 different languages, which highlights the contemporary techie version of the World Cup. “Being able to hear in your own language is huge,” said Franco, adding that “technology is allowing us to be even more engaged in the World Cup.”

Yellow Card: Looks like the influx of World Cup fans to **ESPN3** crashed the Website Fri afternoon. Angry Twitter users began reporting around 4pm ET that the site was saying **Comcast** is not an authorized ISP. An operator at the ESPN Customer Care center told us the site had crashed and that they were trying to fix it. An ESPN rep blamed the disruption on a technical problem and said the site was working by the end of the first match. It's unclear if other ISPs also were impacted.

Street Talk: Fears of price regulation continue to live on Wall St with the **FCC** contemplating a Title II-lite regime for broadband. “If we go down the path of regulating broadband price, cable will get crushed,” **JP Morgan** US telecom research exec dir *Mike McCormack* said Fri at the Broadband Policy Summit in DC. His reasoning is that cable is already losing video subs and the number of wireline phone users continue to dwindle, so broadband is its bread and butter. Wireline telco wouldn't fare much better, with buildout for **FiOS** and **U-Verse** ending very quickly, he said. At this point, McCormack doesn't see a pullback in cap ex spending in the sector—calling the threat more of a tool to negotiate with Washington. But while it's business as usual now, capital investment will come down if Title II becomes a reality, said **Credit Suisse** telecom services dir *Jonathan Chaplin*. He said the next place companies would look to capture some of the return is costs, which would mean jobs. **Regulatory Source Assoc** *Anna-Maria Kovacs* described the FCC as an unusually unified majority, which should mean a move in Oct to codify Title II-lite. Then it will be up to the courts. In her nearly 20 years of experience, “this is the 1st time I can remember an FCC chmn who can count to 3 without any debate at all,” she said. “He can establish a position and pretty much carry it out.” Litigation on classification could last many years. “Either way, it seems it is going to result in uncertainty,” Chaplin said. “There will be overhang that dampens the willingness of investors to invest in the industry for a while.”

Multiplatform Viewership: Though TV still leads by a huge margin—the avg viewer watched the tube for approx 158 hours/month in 1Q, +1.3% YOY—use of online video and time-shifted TV continues to accelerate, according to **Nielsen**. Monthly viewership of time-shifted TV grew by 14.7% in 1Q, to more than 9 hours, and by 5.9% for online video to more than 3 hours. As PC Internet surfing fell 13%, simultaneous use of the Web and TV increased 9.8% to 3.66 hours/month. Nielsen said more than half of US TV homes own an HDTV, up 189% over 1Q08, and that YOY growth of mobile online video viewing, though still fairly limited, jumped 51.2%.

On the Hill: **Google's** response to lawmakers on its collection practices of private info over WiFi nets have key members asking for further investigation. “Google now confesses it has been collecting people's information for years, yet claims they still do not know exactly what they collected and who was vulnerable,” Rep *Joe Barton* (R-TX) said. He was joined in releasing Google's response by Reps *Ed Markey* (D-MA) and *Henry Waxman* (D-CA). Barton called for a hearing at minimum and Markey said concerns have been raised with the **FTC**.

In the States: **Cablevision** bows new commercials Mon for Optimum WiFi slamming the data performance of 3G networks. Take a gander at: www.youtube.com/watch?v=DqsAwrMpUE0 and www.youtube.com/watch?v=Hl1HNw3qkoo. -- **FCC** commish *Mignon Clyburn* launched her own blog, “Clyburn Chat” (<http://reboot.fcc.gov/commissioners/clyburn/blog>).

Programming: **Hallmark** continues its move to the Martha Channel, announcing the pick up of “Whatever, Martha!” with 26 eps to debut next year. The show, in which Martha's daughter and her friend crack wise on vintage “Living” eps, had a 2-year run on the recently shuttered **Fine Living Network**. -- **Adult Swim** bowed new comedy series “Children's Hospital” on July 11, 10:30pm. It's based on the Webby Award-winning digital series on TheWB.com in '08.

Editor's Note: Just a note that **ESPN** svp *Chris LaPlaca* will be a special guest at our sister publication *PR News'* Media Relations Forum in DC on Jun 17. And **CableFAX's** own *Seth Arenstein* will lead the Q&A. For more info, go to <http://www.prnewsonline.com/conferences/mediarelationsconference2010.html>.

Business/Finance: His \$7/share cash tender offer for the shares of **Lionsgate** he doesn't own expiring Wed—and with no extension planned—*Carl Icahn* wrote a lengthy and scathing letter to the co's board, decrying its recent performance and alleged blind eye to corporate excess. Icahn said he expects a substantial number of favorable share tenders to arise by Wed, and pointed to 5.4% shareholder *Mark Cuban's* announced likelihood of tendering his own holdings as evidence.

CableFAX Week in Review

Company	Ticker	6/11 Close	1-Week % Chg	YTD %Chg
BROADCASTERS/DBS/MMDS				
DIRECTV:	DTV	38.47	1.50%	15.35%
DISH:	DISH	20.84	2.46%	0.34%
DISNEY:	DIS	34.24	2.45%	6.17%
GE:	GE	15.56	(0.95%)	2.84%
NEWS CORP:	NWS	15.59	5.62%	(2.07%)
MSOS				
CABLEVISION:	CVC	23.40	(5.65%)	(9.37%)
COMCAST:	CMCSA	18.19	2.25%	7.89%
COMCAST SPCL:	CMCSK	17.28	2.55%	7.93%
GCI:	GNCMA	6.17	7.68%	(3.29%)
KNOLOGY:	KNOL	11.48	(0.17%)	5.13%
LIBERTY CAPITAL:	LCAPA	41.28	2.05%	72.86%
LIBERTY GLOBAL:	LBTYA	25.41	1.52%	16.08%
LIBERTY INT:	LINTA	12.99	1.41%	19.83%
MEDIACOM:	MCCC	6.79	8.29%	51.90%
RCN:	RCNI	14.70	1.73%	35.48%
SHAW COMM:	SJR	19.19	6.14%	(6.71%)
TIME WARNER CABLE:	TWC	53.57	(0.56%)	29.43%
VIRGIN MEDIA:	VMED	17.49	8.77%	3.92%
WASH POST:	WPO	451.22	0.35%	2.64%

Company	Ticker	6/11 Close	1-Week % Chg	YTD %Chg
PROGRAMMING				
CBS:	CBS	14.41	(1.03%)	2.56%
CROWN:	CRWN	1.77	1.14%	22.07%
DISCOVERY:	DISCA	38.51	4.22%	25.56%
GRUPO TELEVISIA:	TV	18.70	3.66%	(9.92%)
HSN:	HSNI	26.24	6.58%	29.97%
INTERACTIVE CORP:	IACI	23.24	1.18%	13.48%
LIBERTY:	L	32.55	3.01%	(10.45%)
LIBERTY STARZ:	LSTZA	51.30	(0.72%)	11.16%
LIONSGATE:	LGF	6.97	(0.99%)	19.97%
LODGENET:	LNET	3.99	(17.73%)	(27.85%)
NEW FRONTIER:	NOOF	1.68	(7.69%)	(11.11%)
OUTDOOR:	OUTD	5.33	(1.3%)	(8.1%)
PLAYBOY:	PLA	3.94	3.96%	23.13%
SCRIPPS INT:	SNI	45.21	1.07%	8.94%
TIME WARNER:	TWX	31.53	3.51%	8.20%
VALUEVISION:	VVTV	1.73	(3.35%)	(63.96%)
VIACOM:	VIA	37.46	4.29%	18.92%
WWE:	WWE	16.49	1.23%	7.57%

Company	Ticker	6/11 Close	1-Week % Chg	YTD %Chg
TECHNOLOGY				
ADC:	ADCT	7.73	2.93%	24.48%
ADVANTAGE:	AEY	2.79	(0.36%)	41.62%
ALCATEL LUCENT:	ALU	2.66	6.40%	(19.88%)
AMDOCS:	DOX	27.62	0.04%	(3.19%)
AMPHENOL:	APH	41.01	0.54%	(11.2%)
AOL:	AOL	21.00	1.79%	(9.79%)
APPLE:	AAPL	253.51	(0.96%)	20.30%
ARRIS GROUP:	ARRS	10.59	0.86%	(7.35%)
AVID TECH:	AVID	12.89	(1.98%)	1.02%
BIGBAND:	BBND	2.92	0.69%	(15.12%)
BLNDER TONGUE:	BDR	1.41	8.46%	23.68%
BROADCOM:	BRCM	33.88	0.86%	7.66%
CISCO:	CSCO	22.91	(0.19%)	(4.31%)
CLEARWIRE:	CLWR	7.79	(2.14%)	15.24%

Company	Ticker	6/11 Close	1-Week % Chg	YTD %Chg
COMMSCOPE:	CTV	26.28	1.39%	(0.94%)
CONCURRENT:	CCUR	4.93	(4.46%)	24.49%
CONVERGYS:	CVG	10.28	(0.87%)	(4.37%)
CSG SYSTEMS:	CSGS	19.56	(0.15%)	2.46%
ECHOSTAR:	SATS	20.73	0.83%	2.93%
GOOGLE:	GOOG	488.50	(2.05%)	(21.21%)
HARMONIC:	HLIT	5.60	1.63%	(11.39%)
INTEL:	INTC	20.64	(1.48%)	1.18%
JDSU:	JDSU	11.10	4.52%	34.55%
LEVEL 3:	LVLTL	1.20	(4.76%)	(21.57%)
MICROSOFT:	MSFT	25.66	(0.5%)	(15.81%)
MOTOROLA:	MOT	7.11	6.12%	(8.38%)
RENTRAK:	RENT	22.07	(2.6%)	24.90%
SEACHANGE:	SEAC	8.42	8.51%	28.35%
SONY:	SNE	28.60	(2.19%)	(1.38%)
SPRINT NEXTEL:	S	4.87	1.88%	33.06%
THOMAS & BETTS:	TNB	38.58	1.61%	7.80%
TIVO:	TIVO	7.63	(8.62%)	(25.05%)
TOLLGRADE:	TLGD	6.60	3.94%	8.02%
UNIVERSAL ELEC:	UEIC	19.17	1.70%	(17.44%)
VONAGE:	VG	2.00	4.17%	42.86%
YAHOO:	YHOO	15.29	1.93%	(8.88%)

Company	Ticker	6/11 Close	1-Week % Chg	YTD %Chg
TELCOS				
AT&T:	T	25.29	4.63%	(9.78%)
QWEST:	Q	5.29	0.95%	25.65%
VERIZON:	VZ	28.56	4.96%	(13.79%)

Index	Ticker	6/11 Close	1-Week % Chg	YTD %Chg
MARKET INDICES				
DOW:	DJI	10211.07	2.81%	(2.08%)
NASDAQ:	IXIC	2243.60	1.10%	(1.13%)

WINNERS & LOSERS

THIS WEEK'S STOCK PRICE WINNERS

COMPANY	CLOSE	1-WK CH
1. VIRGIN MEDIA:	17.49	8.77%
2. SEACHANGE:	8.42	8.51%
3. BLNDER TONGUE:	1.41	8.46%
4. MEDIACOM:	6.79	8.29%
5. GCI:	6.17	7.68%

THIS WEEK'S STOCK PRICE LOSERS

COMPANY	CLOSE	1-WK CH
1. LODGENET:	3.99	(17.73%)
2. TIVO:	7.63	(8.62%)
3. NEW FRONTIER:	1.68	(7.69%)
4. CABLEVISION:	23.40	(5.65%)
5. LEVEL 3:	1.20	(4.76%)

Applying Social Media to Customer Experience Management

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