

CableFAX Daily™

Wednesday — June 17, 2009

What the Industry Reads First

Volume 20 / No. 114

Mr Fix-It? Senators Call on Genachowski to Turn FCC Around

FCC chmn nominee *Julius Genachowski* got a smooth nomination hearing Tues, but received a clear and substantial directive. "Fix the agency or we will fix it for you. Prove to us that the FCC is not battered beyond repair," said Sen Commerce chmn *Jay Rockefeller* (D-WV). Democratic senators repeated that refrain often. Sen *Byron Dorgan* (D-ND) said that it seems to him "you will lead a rather unhealthy agency." Sen *John Kerry* (D-MA) referenced a "tenure and stewardship, if you can call it that, of your predecessor, that really I thought was a bleak period" and that didn't take advantage of the "revolution" in the communications world. Several times, senators brought up the FCC's Website, saying it was not user friendly. "If confirmed, my goal would be to have the FCC Website and new media operations to be a model for the rest of government," Genachowski said. "I won't be able to snap my fingers on Day 1 if I'm confirmed and make it happen. It will take some time. But the opportunities are great... I'd like to see the FCC be able to use new media to communicate clearly and in plain English with the public about what it's doing." Genachowski stated quite strongly that he does not support the Fairness Doctrine. Republicans and Dems complimented the former adviser to FCC chmn *Reed Hundt*, who served on *President Obama's* transition team. All indications were that he should have very little trouble getting approved. Senators were instructed to submit any written questions to him by 6pm, indicating a quick turnaround of his nomination. Ranking member *Kay Bailey Hutchison* (R-TX) quizzed Genachowski on indecency. "I am a parent that shares the concerns of many parents about what their kids see on TV," he said, referring to his involvement with nonprofit **Common Sense Media**. "The FCC's job in this area is to enforce the law, and it will enforce the law around indecency." Hutchison also asked about prioritizing unserved and underserved areas for broadband. "The 1st priority I think should be to do what can be done to extend broadband to unserved areas," Genachowski said, but he added that "underserved" could mean many things, including an unserved pocket in a market that is served by broadband or a market with slow broadband speeds. There were no fireworks at the hearing. In fact, the only time any disagreement arose was when Rockefeller said that after much research, his staff had determined that the Obama appointee's surname is pronounced Gena-CHOW-ski. Not quite. The former **IAC** exec explained that it's pronounced Gena-COW-ski. "That's your 1st victory over the chmn," Rockefeller quipped. Tues' hearing also included *Robert McDowell*, a Republican who has been re-nominated for a 2nd term at the FCC. Members of both parties praised his work. McDowell pledged to "continue to work to clear away unnecessary regulatory underbrush and barriers to entry that inhibit the creation of a dynamic and free communications marketplace."

SHVERA: Tues' discussion of draft **SHVERA** legislation by the **House Communications** subcmte didn't give much hope that the bill would be ready for a vote soon, as there were many unresolved issues. The draft does not include a provision requiring satellite to offer local-into-local in all 212 DMAs, but chmn *Rick Boucher* (D-VA) said he hoped the issue could be addressed when the bill is marked up. **DISH** and **DirecTV** said they hoped there would be financial help, with Boucher estimating it would cost about \$30mln to extend satellite service. "If Congress is going to pursue a universal carriage man-

FRENCH OPEN 2009

TENNIS CHANNEL BREAKS INTO TOP 10

- Two weeks of top ratings reaching a high of .82
- Top 10 performance during full weekend coverage
- Ratings achieved in 55 MM home national free preview

NEXT UP: Wimbledon 2009 / US Open 2009



For more info call:
Patrick Willson / 310.314.9415
pwilson@tennischannel.com
Nancy Pingitore / 770.844.1366
npingitore@tennischannel.com



Source: Nielsen Metered Market Average Wednesday June 3, 2009 8a-1230p (e). Rank based on average HH Cov AA% within markets reporting Tennis Channel. Live data.

CABLEFAX DAILY (ISSN 1069-6644) is published daily by Access Intelligence, LLC ● www.cablefaxdaily.com ● fax:301/738-8453 ● Editor-in-Chief: Amy Maclean, 301/354-1760, amaclean@accessintel.com ● Exec Editor, Michael Grebb, 301/354-1790, mgrebb@accessintel.com ● Assoc Editor, Chad Heiges, 301/354-1828, cheiges@accessintel.com ● Asst VP, Ed Director, Seth Arenstein, 301/354-1782, sarenstein@accessintel.com ● Publisher: Debbie Vodenos, 301/354-1695, dvodenos@accessintel.com ● Advertising Mgr: Erica Gottlieb, 212/621-4612 ● Marketer: Patrick Benko, 301/354-1789, pbenko@accessintel.com ● Marketing Director: Carol Bray, 301/354-1763, cbray@accessintel.com ● Prod: Joann Fato, 301/354-1681, cdaily@accessintel.com ● Diane Schwartz/VP and Group Publisher ● Paul Maxwell/Columnist ● Subs/Client Services: 301/354-2101, fax 301/309-3847 ● Group Subs: Carol Bray, 301/354-1763, cbray@accessintel.com

date, it must do so in a way that shares the burdens with all parties," said *Derek Chang*, DirecTV's evp, content strategy and dev. DISH offers local broadcast to about 182 markets; DirecTV has the service in about 150 markets. A **NAB** representative said the trade group is considering a satellite proposal for sharing the cost. The discussion draft did not address the issue of supplying local news/broadcast stations to consumers who live on state borders and receive telecasts from outside their home state. Disney's *Preston Padden* reiterated broadcasters' stance that such regulation was unnecessary because adjacent signal-importation could be negotiated under current law. DBS and **ACA** have supported a bill by Rep *Mike Ross* (D-AR) to allow importation of adjacent, distant signals by cable and satellite. Broadcasters don't want an entire station's signal imported because it would eliminate program exclusivity, but Padden said broadcasters want to negotiate for carriage of their news and local programming. DBS execs said blocking programming is difficult, and viewers wouldn't want to see a blacked out channel for about 90% of the day if they could only show local news.

DTV Doings: After a slowdown over the weekend, calls to the **FCC's** DTV call center picked back up Mon. The FCC fielded 95,945 calls Mon, up from 62.9K Sun but down from Sat's 145K. The Commission has had more than 1mln calls since June 8. Meanwhile, members of Congress at Tues' House Communications subcmte hearing gave last week's nationwide digital transition a thumbs up. Rep *John Shimkus* (R-IL) began his statements by saying he wanted to "highlight the successful transition," noting that his district covers 5 DMAs.

On the Hill: **Discovery Education** vp *Scott Kinney* testified before the **House Education and Labor Committee** Tues morning, providing the company's perspective on technology in the classroom. Kinney, the only rep from a content company, called for creative and effective application of educational technologies and digital content in America's schools. He pointed to the extreme disconnect between students' personal use of tech (6-8 hours/day) vs the extremely limited use of media at school. -- The House Communications subcmte will hold a hearing on behavioral advertising Thurs. No cable execs on the panel, but still an issue of great interest to the industry. Witnesses include **Center for Digital Democracy's** *Jeffrey Chester*, **Facebook** chief privacy officer *Christopher Kelly* and **Google** deputy gen counsel *Nicole Wong*.

Competition: **U-verse TV** will add over the coming months the following services at no additional cost to subs: total home DVR capabilities such as scheduling and managing recordings from any receiver, a 20% increase in downstream speeds for certain broadband customers, Web-connected DVR management and a top picks app for VOD. -- Continuing its assault on NYC, **Verizon's** expected to soon launch its **FIOS1** local news channel in the market after pegging summer as the launch date back in Mar. The telco operates a FIOS1 channel in DC and plans to roll a version out in all FIOS markets. Also, Verizon inked a naming rights deal for a corner of the as-yet-unnamed NY Jets/NY Giants stadium, according to *SBJ*.

Mobile Broadband: The **Clear** 4G wireless broadband network officially launched in Atlanta, now home to the largest metropolitan mobile WiMAX network in the US with services available to nearly 3mln area people across approx 1200 square miles. Mobile Internet plans start at \$40/month, and day passes run \$10. It's the 2nd market after Portland to offer the cable-backed service (Baltimore has yet to rebrand as Clear), which is slated to officially hit Las Vegas this summer and 80 markets by the end of '10. **Clear.com** shows services are already available in Las Vegas. **Comcast** plans to offer Clear options in Portland over the next couple of months. The initial push aims to establish a healthy 1st-to-market advantage over rival tech **LTE**, which both **AT&T** and **Verizon** plan to use. According to **ABI Research**, at least 12 wireless ops have committed to offering next year LTE-based services, to which 34mln global users will subscribe by '11.



Source: Nielsen Media Research, Live+5D, Broadcast, 8p-11p, 6/7/09, 10p-11p, all Broadcast, season premiere, HF, Co. 18 & 19, 72+ HD, reach 16 mm, qual & 75% up, Sub. requires opt-in req.

WE tv owns
Weddings

BRIDEZILLAS
HAD ITS MOST-WATCHED AND
HIGHEST-RATED PREMIERE EVER!
ALL NEW EPISODES SUN 9PM/8C

We TV
Simply Fascinating
RAINBOWAFFILIATE.COM

BUSINESS & FINANCE

Permanent Tweets: Hurry, time is running out to receive a free tattoo featuring your **Twitter** handle! **A&E's** mixing tech and promotion by offering the ink, to be slung by artist *Thomas Pendelton* of the net's "Tattoo Highway" series. Pendelton will select 1 person from qualifiers who follow him on Twitter, then tweet @ThomasPendelton with hash tag #A&EWed10 and tell him why and where they want the handle permanently embossed. The selection will be made before Wed night's ep, though, so start tweeting.

Editor's Note: The big day is here... The **CableFAX** Webinar on the authentication/TV Everywhere debate takes place on Wed at 1:30pm ET. Join panelists *Mark Fratrik*, vp at **BIA Financial**, and *Synacor* vp *Jim Turner*, along with CableFAX Exec Editor *Michael Grebb*, as they discuss potential scenarios, pitfalls and benefits. Bring your questions! We will also reveal the intriguing results of our comprehensive industry survey on authentication. More info at www.cablefax.com/cfp/webinars/TVeverywhere_June17-2009.html. In case you're unable to attend live, the webinar will also be available on demand.

People: *Brian Graden*, pres of **Logo** and **MTVN's** music channels, plans to leave the posts when his contract expires in Dec, and is reportedly negotiating with **Viacom** for a prod deal. Graden's credited with launching shows including "The Hills" and "Jackass."

CableFAX Daily Stockwatch

Company	06/16 Close	1-Day Ch	Company	06/16 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
BRITISH SKY:	27.91	(0.45)	AMPHENOL:	32.05	(0.95)
DIRECTV:	22.34	(0.01)	APPLE:	136.35	0.26
DISH:	14.86	0.06	ARRIS GROUP:	11.41	(0.88)
DISNEY:	23.49	(0.76)	AVID TECH:	12.79	(0.62)
GE:	12.78	(0.37)	BIGBAND:	5.00	(0.2)
HEARST-ARGYLE:	4.50	0.00	BLNDER TONGUE:	1.45	0.00
NEWS CORP:	10.73	(0.33)	BROADCOM:	25.42	(0.65)
MSOS					
CABLEVISION:	18.53	(0.51)	CISCO:	19.08	(0.28)
COMCAST:	13.53	(0.29)	CLEARWIRE:	4.41	0.17
COMCAST SPCL:	13.00	(0.19)	COMMSCOPE:	24.03	(0.18)
GCI:	7.04	0.08	CONCURRENT:	5.25	(0.16)
KNOLOGY:	8.15	(0.03)	CONVERGYS:	9.06	(0.07)
LIBERTY CAPITAL:	13.95	(0.57)	CSG SYSTEMS:	13.78	(0.33)
LIBERTY ENT:	24.02	(0.17)	ECHOSTAR:	15.30	(0.53)
LIBERTY GLOBAL:	14.73	(0.08)	GOOGLE:	416.00	(0.77)
LIBERTY INT:	5.52	(0.24)	HARMONIC:	6.25	(0.4)
MEDIACOM:	5.16	(0.3)	INTEL:	15.86	(0.12)
SHAW COMM:	16.51	(0.12)	JDSU:	5.90	(0.18)
TIME WARNER CABLE:	30.43	(0.4)	LEVEL 3:	1.41	(0.08)
VIRGIN MEDIA:	8.55	0.01	MICROSOFT:	23.45	0.03
WASH POST:	332.84	(1.68)	MOTOROLA:	6.27	(0.21)
PROGRAMMING					
CBS:	7.39	(0.42)	OPENTV:	1.26	(0.04)
CROWN:	1.87	(0.03)	PHILIPS:	18.09	(0.32)
DISCOVERY:	20.99	(0.73)	RENTRAK:	14.51	0.01
EW SCRIPPS:	1.89	(0.21)	SEACHANGE:	7.03	(0.21)
GRUPO TELEVISA:	17.06	(0.27)	SONY:	25.96	(0.28)
HSN:	10.63	(0.75)	SPRINT NEXTEL:	5.44	0.10
INTERACTIVE CORP:	16.26	(0.03)	THOMAS & BETTS:	29.83	(0.98)
LIBERTY:	27.22	(0.26)	TIVO:	11.07	(0.24)
LODGENET:	4.33	(0.35)	TOLLGRADE:	5.43	(0.17)
NEW FRONTIER:	2.48	(0.08)	UNIVERSAL ELEC:	19.45	(0.19)
OUTDOOR:	5.94	(0.11)	VONAGE:	0.41	0.00
PLAYBOY:	2.52	(0.07)	YAHOO:	15.96	(0.44)
RHI:	3.24	(0.09)	TELCOS		
SCRIPPS INT:	28.00	(0.97)	AT&T:	24.22	(0.41)
TIME WARNER:	24.94	(0.46)	QWEST:	4.13	0.15
VALUEVISION:	1.49	0.01	VERIZON:	29.54	(0.19)
VIACOM:	23.50	(0.54)	MARKET INDICES		
WWE:	12.60	(0.46)	DOW:	8504.67	(107.46)
TECHNOLOGY					
3COM:	4.72	0.02	NASDAQ:	1796.18	(20.2)
ADC:	8.04	(0.19)			
ADVANTAGE:	1.94	0.09			
ALCATEL LUCENT:	2.64	(0.05)			
AMDOCS:	20.87	(0.44)			

Operators and Programmers- Don't Miss This!

CableFAX Webinar • Wednesday, June 17, 2009 • 1:30-3:15 p.m. (EST)

Topic: The 'TV Everywhere' Debate: Will Authentication Save the Online Video Model?

The topic of Authentication drew much discussion at the 2009 Cable Show. Now our expert panel will inform you about where this debate is heading and how it may change your current revenue models.

www.cablefax.com/webinars