

# CableFAX Daily™

Monday — June 17, 2013

What the Industry Reads First

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## Spectrum Call: White House Initiative Eyes Sharing, Unlicensed Use

Federal spectrum sharing advocates finally got what they wished for: President *Obama* is directing federal agencies to maximize spectrum efficiency through greater sharing of federal spectrum with commercial users in a memo released Fri. While the wireless industry may be skeptical about how the idea will technically work, cable—hungry for more spectrum for WiFi—gave it a thumbs up. **Comcast**, which backs sharing of the 5 GHz band, is “optimistic that together we can identify additional spectrum that is necessary to support next generation gigabit WiFi technologies,” *Sena Fitzmaurice*, vp, govt communications, said. The president’s memo dedicated a whole section to unlicensed spectrum use, which it said “plays an important role in fostering new wireless uses by enabling ‘innovation without permission.’” Pointing to products and services such as personal electronics that run on unlicensed spectrum, the memo said unlicensed use is “poised to make substantial contributions to the retail, manufacturing, and other sectors.” Citing studies that suggest the majority of traffic over mobile devices is now carried over WiFi, the memo called the technology “essential to easing the strain on the cellular networks” of major carriers. The US has “substantially” more spectrum available for unlicensed services vs the EU, the memo noted. **NCTA** appreciates the president’s direction to make more licensed and unlicensed spectrum to market, said *Brian Dietz*, vp, communications & digital strategy. In association with the memo, the White House issued a report on broadband growth in the last 4 years. While cable, DSL, and mobile wireless are all widely available at basic broadband speeds of 25 Mbps, only cable (76.42%) is widely available, followed by fiber (18.72%), according to the report. Cable has invested more than \$200bln in broadband networks since '96, NCTA said. The initiative could help major wireless carriers and new mobile entrant DISH, which is looking to acquire more spectrum, **Stifel Nicolaus** said in a research note. How effective the initiative is will depend on the “rigor” of the administration’s implementation, the analysts said. The initiative came as the FCC is working to launch its broadcast spectrum auction, expected sometime next year. Other proposals from the memo include calling on federal agencies to increase public-private R&D (funded by a \$23mln NSF award), emphasize spectrum efficiency in government procurements and spectrum assignments, and improve the accuracy on their reporting of use. A White House spectrum policy team will oversee the implementation of the memo with additional recommendations. (More on the initiative below in “On the Hill”).

**Game Paused:** **GSN** and **Cablevision** filed a joint motion for continuance of an **FCC** administrative law judge hearing slated to begin next month. The hearing on GSN’s carriage complaint against the MSO already had been rescheduled from Apr 2 to July 16 because the companies and judge thought it might be worthwhile to see how the DC Circuit Court of Appeals ruled in **Comcast’s** appeal of the FCC’s order in **Tennis Channel’s** carriage complaint. Now that the court has ruled in Comcast’s favor, GSN and Cablevision believe a further continuance would allow them to consider the potential impact of the opinion. In addition, it would allow time for any proceedings that may fol-



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low Tennis' plan to obtain further review, they said. In asking for the continuance, the companies promised to submit a report concerning the status of the case on Sept 3. GSN filed the complaint at the FCC in Oct 2011 after Cablevision moved the channel to its Sports & Entertainment tier. GSN argues it should be offered in a similar fashion to how CVC carried nets it previously owned, like **WE tv** and the now defunct **Wedding Central**. Last May, the FCC's Media Bureau designated an ALJ hearing, saying the net had put forth sufficient circumstantial evidence of discrimination, but it did not actually consider the merits of GSN's case.

**Advertising:** **Magna Global** projects US TV advertising to decline 2.8% YOY this year, but cable is expected to show some growth. While the firm forecasts that broadcast will decline 6.8% in '13 because of the absence of the Olympics, it sees cable advertising rising 2.4%. Digital media is the only category expected to show significant growth this year (11.5%), with mobile advertising a big driver. Things look better for '14 with the World Cup in Brazil, Winter Olympics and mid-term elections in the US. Magna Global forecasts global ad rev to grow by 6.1% to \$515bln next year, the highest annual growth since '10 when the ad market rebounded from the recession. For the US, it forecasts +5.9% growth in '14.

**On the Hill:** House and Senate members overseeing spectrum issues were quick to applaud the White House spectrum initiative. The nearly \$80bln a year investment from cable, wireline and wireless companies since '96 drove broadband growth, but more growth is required to get more spectrum to carriers, **House Commerce** chmn **Fred Upton** (R-MI) and communications subcmte head **Greg Walden** (R-OR) said in a joint statement. The pair noted the committee is planning a hearing later this month to look at "mutually beneficial methods" to help sharing of federal spectrum. "Relinquishing or sharing underutilized spectrum" can yield more efficient use, said **Anna Eshoo** (D-CA), ranking member of the communications subcmte. Rep **Doris Matsui** (D-CA), co-chair of the federal spectrum working group, was specific: "In the short term, there is a need to act swiftly to reallocate the 1755-1780 MHz band. Pairing the 1755-1780 MHz band with the 2155-2180 MHz band makes sense..."

**Research:** As cable continues to try to take more market share in business services, **J.D. Power's** US Business Wireline Satisfaction Study delivered some pretty encouraging news. **Cox** ranked highest in customer satisfaction in both very small businesses (1-19 employees) and small/medium business segments (20-499 employees), performing especially well in performance and billing. **Cablevision's** Optimum Business was in 2nd place in the small business segment. **Charter, Comcast** and **Verizon** round out the top among small businesses. **Verizon** took 2nd in the small/medium business segment, followed by Frontier. Among large enterprise customers (500+ employees), **Time Warner Cable** ranked highest, scoring well in 5 of the 6 factors: performance and reliability, billing, sales representatives, cost of service and customer service. Verizon took 2nd in large enterprise.

**Retrans:** Bet you saw this coming... A day after **Gannett** announced its \$2.2bln deal to purchase **Belo**, **ACA** is complaining that it will rely on so-called virtual duopolies. Those arrangements allowing a broadcaster to operate two Big 4 broadcast affils in a market have been irking the association for years, with it petitioning the FCC to prohibit the practice. Fri's missive from ACA **Matt Polka** ended with this punny zinger: "ACA believes it is time for the FCC to prohibit the coordination of retransmission consent in the pending media ownership review—or else it will truly be 'Look out, Belo' for those consumers soon to be victimized by Gannett's virtual duopoly."

## Who's The Top Woman Techie In Your Group? She should be honored!

Nominate her for the 2013 *Women in Technology Award*, the prestigious honor jointly presented by **WICT**, **SCTE** and **CableFAX TECH**. **DEADLINE IS FRIDAY, JUNE 28, 2013**

The 2013 award will be presented at SCTE Cable-Tec Expo 2013, set for Oct. 21-24 in Atlanta.

CableFAX TECH



Society of Cable Telecommunications Engineers

For an online nomination application, click here or go to **www.wict.org**. Contact **Parthavi Das** at 703-234-9803 or **Cathy Oakes** at 610-594-7328 with questions.

**CableFAX Week in Review**

Company	Ticker	6/14 Close	1-Week % Chg	YTD %Chg
<b>BROADCASTERS/DBS/MMDS</b>				
DIRECTV:	DTV	62.00	(0.32%)	23.60%
DISH:	DISH	39.60	1.18%	8.79%
DISNEY:	DIS	63.80	(1.62%)	28.14%
GE:	GE	23.52	(1.42%)	12.05%
NEWS CORP:	NWS	31.41	(2.73%)	19.70%
<b>MSOS</b>				
CABLEVISION:	CVC	14.68	(2.91%)	(1.74%)
CHARTER:	CHTR	116.61	2.37%	52.95%
COMCAST:	CMCSA	39.74	(3.5%)	6.37%
COMCAST SPCL:	CMCSK	38.34	(3.18%)	6.74%
GCI:	GNCMA	8.46	(3.53%)	(11.78%)
LIBERTY GLOBAL:	LBTYA	73.64	(3.41%)	16.96%
LIBERTY INT:	LINTA	22.43	(1.84%)	13.97%
SHAW COMM:	SJR	22.31	0.04%	(2.92%)
TIME WARNER CABLE:	TWC	103.93	9.48%	6.93%
WASH POST:	WPO	484.38	4.73%	32.63%

<b>PROGRAMMING</b>				
AMC NETWORKS:	AMCX	63.86	(2.32%)	29.01%
CBS:	CBS	47.72	(0.65%)	25.41%
CROWN:	CRWN	1.95	(2.99%)	5.41%
DISCOVERY:	DISCA	76.38	(0.01%)	20.32%
GRUPO TELEVISIA:	TV	23.68	(1.58%)	(10.91%)
HSN:	HSNI	56.08	(0.92%)	1.82%
INTERACTIVE CORP:	IACI	49.21	(1.46%)	4.17%
LIONSGATE:	LGF	27.64	(5.57%)	68.54%
SCRIPPS INT:	SNI	66.55	(0.37%)	14.90%
STARZ:	STRZA	22.31	(2.45%)	0.00%
TIME WARNER:	TWX	57.47	(2.21%)	20.15%
VALUEVISION:	VVTV	5.14	5.11%	185.56%
VIACOM:	VIA	67.33	(1.65%)	24.06%
WWE:	WWE	9.91	0.81%	25.60%

<b>TECHNOLOGY</b>				
ADVANTAGE:	AEY	2.22	(2.2%)	11.56%
ALCATEL LUCENT:	ALU	1.88	2.17%	35.25%
AMDOCS:	DOX	35.62	(1.41%)	4.80%
AMPHENOL:	APH	76.20	(1.96%)	17.77%
AOL:	AOL	36.04	1.29%	21.72%
APPLE:	AAPL	430.05	(2.66%)	(19.19%)
ARRIS GROUP:	ARRS	14.32	(5.35%)	(4.15%)
AVID TECH:	AVID	6.21	(6.19%)	(18.07%)
BROADCOM:	BRCM	33.79	(4.52%)	1.75%
CISCO:	CSCO	24.09	(1.63%)	22.60%
CLEARWIRE:	CLWR	4.63	5.23%	60.21%
CONCURRENT:	CCUR	7.96	5.57%	38.68%
CONVERGYS:	CVG	18.11	1.23%	10.36%
CSG SYSTEMS:	CSGS	21.39	1.95%	17.66%
EHOSTAR:	SATS	39.54	(2.01%)	15.55%
GOOGLE:	GOOG	875.04	(0.53%)	23.70%
HARMONIC:	HLIT	6.13	(3.46%)	20.91%
INTEL:	INTC	24.92	1.34%	20.85%
JDSU:	JDSU	14.17	(3.28%)	4.96%
LEVEL 3:	LVT	21.39	(0.19%)	(7.44%)
MICROSOFT:	MSFT	34.40	(3.56%)	28.79%
RENTRAK:	RENT	20.56	(11.84%)	5.49%

Company	Ticker	6/14 Close	1-Week % Chg	YTD %Chg
SEACHANGE:	SEAC	11.31	5.11%	16.96%
SONY:	SNE	19.88	1.64%	77.50%
SPRINT NEXTEL:	S	7.32	1.10%	29.10%
TIVO:	TIVO	11.39	2.61%	(7.47%)
UNIVERSAL ELEC:	UEIC	26.96	1.97%	39.33%
VONAGE:	VG	2.84	3.65%	19.83%
YAHOO:	YHOO	26.28	(2.81%)	32.06%
<b>TELCOS</b>				
AT&T:	T	35.91	1.30%	6.53%
VERIZON:	VZ	51.07	1.65%	18.03%
<b>MARKET INDICES</b>				
DOW:	DJI	15070.18	(1.17%)	15.00%
NASDAQ:	IXIC	3423.56	0.52%	15.04%
S&P 500:	GSPC	1626.73	(1.01%)	14.06%

**WINNERS & LOSERS**

<b>THIS WEEK'S STOCK PRICE WINNERS</b>		
COMPANY	CLOSE	1-WK CH
1. BLNDER TONGUE:	1.05	10.53%
2. TIME WARNER CABLE	103.93	9.48%
3. CONCURRENT:	7.96	5.57%
4. CLEARWIRE:	4.63	5.23%
5. SEACHANGE:	11.31	5.11%

<b>THIS WEEK'S STOCK PRICE LOSERS</b>		
COMPANY	CLOSE	1-WK CH
1. RENTRAK:	20.56	(11.84%)
2. AVID TECH:	6.21	(6.19%)
3. LIONSGATE:	27.64	(5.57%)
4. ARRIS GROUP:	14.32	(5.35%)
5. BROADCOM:	33.79	(4.52%)

June 24, 2013 | Awards Breakfast | 8:30 – 10:30 am | Grand Hyatt in NYC

The **CableFAXIES** awards



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