

CableFAX Daily™

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What the Industry Reads First

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Done Deal: Comcast Signs with Big Ten, Spotlight Turns to Remaining Big 3

Now that **Comcast** has been marked off **Big Ten's** list, the question is will other operators follow suit. For several months, Big Ten execs have been working on tying up loose ends with the top US cable operator. And other players appear to be happy that the deal's finally wrapped so that more attention can return to their negotiations. "The deal shows the fans in the area that we are able to be flexible and go get deals done," Big Ten pres *Mark Silverman* told **Cfax** Thurs. "I hope we can get deals done with the other 3 (**Time Warner Cable**, **Charter** and **Mediacom**)... We're comfortable re-entering negotiations." What helped the pact get signed Thurs afternoon was Big Ten's carriage arrangement. Starting Aug 15, Comcast will carry the net on expanded basic in the Big 10's 8-state region (with the exception of Philly, which will launch it on a broadly distributed digital level of service). But the MSO has the option of moving the net to a "broadly distributed digital level of service" in most of those systems come spring, once basketball and football has ended. "We're still comfortable since the significant majority of homes in the Big 10 area will still be able to get the network," Silverman said. He wouldn't reveal the digital penetration threshold that would allow Comcast to move the net from expanded basic to digital, but he did define it as a "significant majority." The question is do the remaining cable operators have enough digital penetration in the area to receive a similar multi-year deal, which includes a license fee of a little over 70 cents/sub. They've all steadfastly refused to carry it on expanded basic. One factor that prolonged negotiations (1st reported in March) were the layers involved, including new media. The deal includes VOD, with Comcast having the ability to deliver much of that same content to Comcast.net and Fancast.com. While Big Ten offered some new media content last year, this year will be much more extensive. Silverman said he thinks this will represent "the initial starting point for the off-linear portion of what we're going to be doing." Other deal terms: Comcast will offer the net in HD. Outside the Big Ten region, it has the option to provide the net on any level of service, including its \$5/month sports tier, or not at all.

Business Services: Cable's making inroads in the SMB market. **Cox** ranked number 1 in satisfying small/midsize business customers with telecom data services (cable modems, DSL, T1, Ethernet, etc) in **J.D. Power's** latest survey. Cox scored 651 on a 1000-point scale, besting runner-up **Verizon** (640) and 3rd-place finisher **Time Warner Cable** (605). **Comcast** (594), **AT&T** (581) and **Qwest** (560) all ranked below the SMB average score of 600. Small and midsize businesses are spending less on telecom this year than last, with about 81% spending less than \$1K/month vs 76% a year ago, the study found. Qwest ranked highest in customer satisfaction for large enterprise businesses with a score of 692. It was followed by Verizon (679) and AT&T (665). Comcast's score of 615 was below the large enterprise average of 665. Cox and Time Warner weren't ranked due to small sample size.

Charter Changes: **Charter** tapped *Ted Schremp* as chief marketing officer, effective July 1. He replaces *Bob Quigley*, who is retiring and will remain with the MSO through the end of the year in an advisory role. Schremp most



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recently served as svp, product mgmt and strategy. Charter also announced that *Eloise Schmitz* will become evp, CFO on July 1. She has served as svp and interim CFO since Apr 4 when *JT Fisher* resigned from the post.

Over the Rainbow: Rainbow's finishing up its **Sundance** shuffle, promoting **IFC** gm *Evan Shapiro* to pres, IFC and Sundance Channel. He'll oversee both nets, which will continue to operate separately. *Laura Michalchyshyn*, formerly Sundance's evp and gm, programming and creative affairs, has been named evp, gm of Sundance. *Jennifer Caserta* becomes evp, gm of IFC after having served as evp, marketing, scheduling and alternative platforms.

Advertising: A coalition of advocacy and consumer groups has asked the **FCC** to adopt a Notice of Propose Rule-making regarding product placement and product integration. "This lack of transparency invites abuse," they wrote. "We must not allow television programs to become Trojan horses, carrying messages that would otherwise be criticized by the public or even deemed illegal. Manufacturers of alcohol, tobacco, and junk food, as well as other industries, have all exploited the lack of regulation concerning product integration." The groups want cable and satellite TV included in an NPRM, saying omitting them would "create a sanctuary for unfair and deceptive practices."

Campaign for a Commercial-Free Childhood organized the letter to FCC chmn *Kevin Martin*, with **Parents TV Council**, **Children Now** and the **Benton Foundation** among those signing it.

DTV Doings: Another day, another study saying consumer awareness of the transition is high, but... The latest, from retailer **Best Buy**, concludes that 88% of consumers are aware of the transition, but 45% are going to wait until after Feb 17 to take action. Other findings: 43% of consumers who will prepare plan to subscribe to cable or satellite; and 31% of TV owners don't know if they have an analog or digital set.

In the Courts: The NY Supreme Court has scheduled a hearing for Sept 9 to determine whether to approve a proposed settlement agreement involving an investor lawsuit over **Cablevision's** past stock option practices. Under the proposal, a group of individuals, including CVC execs, would pay \$24.4mln, and the MSO would agree to adopt certain corporate reforms related to pay practices. Directors and officers' insurance would cover another \$10mln. None of the parties acknowledge liability or wrongdoing. -- A federal judge in NY dismissed \$4bln in claims by some creditors of defunct **Adelphia**, ruling that Adelphia's bankruptcy plan already paid creditors what they were owed.

Technology: Four new companies have signed on to use **Comcast Media Center's** "HITS Advanced Interactive Services" platform: **NDS**, **Softel-USA**, **Strategy & Technology** and **Unisoft**.

Ratings: The season premiere of "Tori & Dean: Home Sweet Hollywood" was the highest-rated and most-watched season debut ever for an **Oxygen** original series, posting a 0.7 HH rating. It was the most successful season premiere among key demos, including P18-49 (450K), W18-49 (356K) and total viewers (667K).

Honors: Kudos to **Time Warner Cable** and **Cablevision's** Optimum Lightpath who, as a result of a tie, were co-recipients of the **Metro Ethernet Forum's** "Services Innovation" award. **Verizon** picked up the "Best in Business" award.

Stork Watch: **CAB's** *Christopher Jones* became a daddy for the second time with the June 15th birth of *Andrew Joseph (AJ)* (7lbs, 4oz). Problem: how will Chris' wife *Lisa* top that Father's Day gift next year?

On the Circuit: Emcee *Nick Clooney* of **AmericanLife TV** was right to go off script and salute cable's dedication

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BUSINESS & FINANCE

to education during **Cable in the Classroom's** Leaders in Learning Awards Wed in DC. The yearly tribute to 12 educators and the MSOs and programmers who support their innovative projects is always a worthy event. Besides Clooney's kind words and wit, highlights included an award to a HS algebra teacher in a **Comcast** system; he created videos to help students learn. Following his students' success, teacher *Dan Meyer* put the videos online and within weeks 6K math teachers all over the world had downloaded the teaching tools. Appropriately, the son of a math teacher by the name of *Decker Anstrom* presented Meyer's award. -- "My Big Fat Greek Digital Dreading" will be the musical satire for Positively Cable, the Denver chapter of **Cable Positive's** annual fundraising event, Oct 15 at the **Cable Center** in Denver. This year's honorary chair is *David Grey*, regional vp of marketing for **Time Warner Cable** Natl Div.

Business/Finance: Here's a surprise. The YTD rally in cable stocks has outpaced the cable rally of '06, at least so far, notes **Sanford Bernstein**. The firm sounds bullish on the sector, telling clients that "longer term catalysts suggest that the cable rally of '08 may have 'legs,' thanks in particular to the digital TV transition in early 2009." The investment firm believes the transition could represent "a once-in-a-generation catalyst for cable stocks."

CableFAX Daily Stockwatch

Company	06/19 Close	1-Day Ch	Company	06/19 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
BRITISH SKY:	39.93	(0.01)	ALCATEL LUCENT:	6.60	(0.17)
DIRECTV:	27.81	0.58	AMDOCS:	31.10	(0.25)
DISNEY:	32.89	(0.06)	AMPHENOL:	49.58	1.06
ECHOSTAR:	30.85	(0.02)	APPLE:	180.90	2.15
GE:	27.91	0.01	ARRIS GROUP:	9.68	0.28
HEARST-ARGYLE:	20.11	(0.14)	AVID TECH:	18.57	0.06
ION MEDIA:	1.45	0.00	BIGBAND:	5.66	(0.04)
NEWS CORP:	17.37	(0.23)	BLNDER TONGUE:	1.30	0.05
MSOS					
CABLEVISION:	24.72	0.03	BROADCOM:	27.22	1.92
CHARTER:	1.34	(0.06)	C-COR:	11.00	0.00
COMCAST:	20.55	0.09	CISCO:	25.52	0.24
COMCAST SPCL:	20.34	(0.02)	COMMSCOPE:	55.53	1.28
GCI:	8.09	(0.12)	CONCURRENT:	0.65	0.01
KNOLOGY:	14.00	0.23	CONVERGYS:	15.66	0.27
LIBERTY CAPITAL:	15.22	0.19	CSG SYSTEMS:	12.07	0.05
LIBERTY ENTERTAINMENT:	26.95	0.57	ECHOSTAR HOLDING:	34.73	(0.11)
LIBERTY GLOBAL:	32.33	(0.51)	GOOGLE:	560.20	(2.18)
LIBERTY INTERACTIVE:	16.76	0.22	HARMONIC:	10.56	0.12
MEDIACOM:	5.87	0.16	JDSU:	12.26	0.17
ROGERS COMM:	42.97	0.00	LEVEL 3:	3.71	(0.06)
SHAW COMM:	19.65	(0.26)	MICROSOFT:	28.93	0.47
TELEWEST:	24.20	0.00	MOTOROLA:	8.09	(0.51)
TIME WARNER CABLE:	27.59	0.29	NDS:	51.91	0.25
VIRGIN MEDIA:	14.95	0.18	NORTEL:	9.59	(0.17)
WASH POST:	573.18	(3.41)	OPENTV:	1.32	0.01
PROGRAMMING					
CBS:	20.43	0.26	PHILIPS:	36.17	(0.53)
CROWN:	4.55	0.21	RENTRAK:	14.10	0.05
DISCOVERY:	25.34	(0.12)	SEACHANGE:	7.83	0.03
EW SCRIPPS:	44.73	(0.42)	SONY:	48.45	(0.27)
GRUPO TELEVISA:	23.62	0.04	SPRINT NEXTEL:	8.28	0.06
INTERACTIVE CORP:	21.41	0.22	THOMAS & BETTS:	39.15	0.64
LIBERTY:	8.32	0.06	TIVO:	7.01	0.14
LODGENET:	6.01	(0.07)	TOLLGRADE:	5.31	0.05
NEW FRONTIER:	3.88	(0.04)	UNIVERSAL ELEC:	26.45	0.91
OUTDOOR:	7.81	0.21	VONAGE:	1.76	(0.01)
PLAYBOY:	5.53	(0.06)	WEBB SYS:	0.03	0.00
TIME WARNER:	14.94	0.21	WORLDGATE:	0.30	0.00
UNIVISION:	36.23	0.00	YAHOO:	22.73	(0.18)
VALUEVISION:	4.25	0.04	TELCOS		
VIACOM:	32.19	(0.36)	AT&T:	35.15	(0.1)
WWE:	15.98	0.59	QWEST:	4.09	0.09
TECHNOLOGY					
3COM:	2.43	0.02	VERIZON:	36.50	0.52
ADC:	16.85	0.11	MARKET INDICES		
ADDVANTAGE:	3.10	0.00	DOW:	12063.09	34.03
			NASDAQ:	2462.06	32.35

CORPORATE LICENSES

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PROGRAMMER'S PAGE with Chad Heiges and Seth Arenstein

Game Time

Following a name change from CSTV, a former boss's transfer to another sport, the landing of an important recruit and several promotions within its executive ranks, **CBS College Sports Net** may finally be ready to show the multichannel universe its complete game. Key will be the provided by evp/gm *Steve Herbst*, who jumped from **NBA TV** to take over for *Tony Petitti*, who now bats for the **MLB Channel**. **CBS News and Sports** pres *Sean McManus* believes Herbst is the ideal point guard to run the show, and Herbst is eager establish a standout multiplatform program. "I feel very good about what I'm walking into," said Herbst. "I've been struck by the level of talent here, and this transition to CBS branding has been great." Add 4 recent promotions within operations, programming and production, and the table is set. The net's game plan is a little tricky and atypical, however, as its primary strength continues to be Web initiatives. The net powers more than 215 college and university sites, and produces and manages **NCAA.com**, leaving increased linear distribution 1 of Herbst's priorities. "Transitioning will be a challenge," he said. "We have the opportunity to use the programming already in-house; it just needs to be tapped." The CBS Sports brand and family will surely help, and Herbst sees ample fodder for content in 400K student athletes competing in more than 30 college sports. "I'm really interested in examining those stories," said Herbst. "This challenge is really about getting into grassroots local coverage." Twice-nightly news show "College Sports Now" returns in Aug, and an emphasis on additional original programming will comprise much of the net's summer course load. Approx 300 live events/year certainly provide a solid foundation. "I'm very bullish on this network," said Herbst. Alas, there's no collegiate bull riding, but basketball and baseball may do just fine. *CH*

Highlights: "When I Knew," Wed, 7:30pm, **Cinemax**. A short and sensitive doc based on the book of the same title about the moment when people realized that they were gay or lesbian. While the stories have much in common, each has its idiosyncrasies. – "Girl with Eight Limbs," Sun, 9pm, **Nat Geo**. Sensitivity is the key here too in this story about a girl in a remote Indian village born with four arms and four legs. Had she not been believed to be a Hindu goddess, she'd have been left to die. Instead, her parents must decide to abandon their religious beliefs in favor of surgery. *SA*

Worth a Look: "Finding Amanda," Wed, 8:15pm, **HDNet Movies**. *Mark Cuban's* modest streak of premiering good to very good movies on HDNet Movies a few days before they go to the cinema is over. It's easy to see why Cuban took a chance on this project. The premise sounds ripe for a romp—a 43-year-old Hollywood writer (*Matthew Broderick*) with a wicked gambling and drinking problem must prove himself to his wife (*Maura Tierney*). To do so, he heads to—ouch—Vegas to rescue his wife's 20-year-old niece (*Brittany Snow*), who has become a hooker. While there are plenty of funny one-liners, overall its elements fall apart and are flat. *SA*

Basic Cable Rankings			
(6/09/08-6/15/08)			
Mon-Sun Prime			
1	USA	2	1948
2	DSNY	1.7	1628
3	TNT	1.5	1444
3	TBSC	1.5	1416
5	NAN	1.3	1293
5	FOXN	1.3	1214
7	LIFE	1.2	1161
7	HALL	1.2	978
9	HIST	1.1	1002
10	ESPN	1	994
10	FX	1	969
10	TOON	1	964
10	HGTV	1	946
10	SPK	1	913
15	A&E	0.9	907
15	SCIF	0.9	827
15	TRU	0.9	780
18	DISC	0.8	815
18	AMC	0.8	783
18	FAM	0.8	726
21	CMDY	0.7	706
21	CNN	0.7	702
21	FOOD	0.7	692
21	TLC	0.7	653
21	TVLD	0.7	639
21	MSNB	0.7	598
21	LMN	0.7	406
28	MTV	0.6	607
28	BRAV	0.6	541
28	ESP2	0.6	529
31	APL	0.5	502
31	VH1	0.5	442
33	EN	0.4	411
33	BET	0.4	372
33	CMT	0.4	315
33	SOAP	0.4	302
33	OXYG	0.4	291
33	WGNC	0.4	289
33	NOGG	0.4	276
33	NGC	0.4	254
33	TDSN	0.4	253
33	WE	0.4	246
43	HLN	0.3	325
43	TTC	0.3	313
43	TWC	0.3	288
43	GSN	0.3	229

*Nielsen data supplied by ABC/Disney

Call for Nominations



2008 Most Influential Minorities in Cable

Who are cable's most influential minority executives? Help us decide by nominating the executives you think should be included in our annual list of the Most Influential Minorities in Cable. We will rank the top 50 minorities, and run a list of the second 50, in the September issue of CableFAX: The Magazine. Nominations are open to all cable operators, programmers, vendors and trade associations.



Deadline for nominations: July 3, 2008 • Nominate online at www.CableFaxMag.com