

CableFAX Daily™

Thursday — June 21, 2007

What the Industry Reads First

Volume 18 / No. 120

Bring It On: Cable Techies at SCTE Confident About CableCARD Deadline

With the Jul 1 deadline for cable operators to offer set-tops with separable security fast approaching, cable execs gathered at the SCTE Cable-Tec Expo in Orlando seemed relaxed and good-humored about the prospect. "We filed for a waiver, so we're fairly confident we're ready," joked *Terry Cordova*, **Suddenlink's** senior vice president and CTO. Added **Time Warner Cable** CTO *Mike LaJoie*: "And now you're waiting by the fax machine." (All kidding aside, Cordova said SuddenLink is "well prepared" whether or not it gets a waiver). LaJoie, meanwhile, said TW's "doing just fine" rolling out new **Scientific-Atlanta** and **Motorola** boxes, as well as OCAP-enabled **Samsung** boxes based on S-A's platform. "VOD is working great," LaJoie said. "Actually, the VOD sessions start faster on the OpenCable platform than they do on the legacy platform. It's smoking, and the customers love it. The install is working. It took about a year and half of prep. It takes a long time to be an overnight success." **Comcast** evp, national engineering and technical operations *John Schanz*, meanwhile, said his company was also "in very good shape" but noted that "as a newcomer to the industry, I found it amazing how complicated this was and how many touch points there were." -- **SCTE Notebook:** Cable's efforts to increase HD content, roll out "wideband" broadband speeds and make customer equipment available at retail will drive much of its success in coming years, said **NCTA** pres/CEO *Kyle McSparrow*. In a keynote address, McSparrow called the Cable-Tec Expo essential in "examining and evaluating the latest developments in our technological evolution" and said bandwidth-saving tools such as switched digital video will "dramatically improve customers' satisfaction of our services." -- **Charter** vp, operations engineering *Thomas Gorman* was inducted into the **SCTE Hall of Fame**. -- The following were elected as **SCTE** officers for '07-'08: *Tom Gorman*, **Charter**, chmn; *Frank Eichenlaub*, **S-A**, western vice chmn; *Steven Johnson*, **Time Warner Cable**, eastern vice chmn; *Vicki Marts*, **Cox**, secretary; *Greg Allshouse*, **Comcast**, treasurer; and *Bob Macioch*, **Time Warner Cable**, exec cmte member.

Short Fuse: *Jennifer Caserta* has quietly returned to **IFC** after a few months as gm/evp at fuse, **CableFAX** has learned. A formal announcement was not made. The veteran cable marketer known for her out-of-the-box stunts at **Court TV** and **IFC** was named to fuse's top job Jan 12, just in time for her to meet TV critics in Pasadena at winter **TCA**. But Caserta is not returning to **IFC** bowed; she has been upped to evp of marketing, communications, scheduling and alternative programming, a **Rainbow** official confirmed. In April, fuse was placed under the **MSG** banner, and **MTVN** exec *Eric Sherman* was named fuse president. Caserta reported to him (**Cfax**, 4/12).

Disney Shakeup: **Disney** is forming a new unit to distribute movies, TV shows, children's programming and other entertainment around the world. *Ben Pyne*, formerly pres, **Disney & ESPN Nets** affil sales & marketing, will oversee the new unit as pres, global distribution, **Disney-ABC Worldwide TV & Disney Media Networks**. *David Preschlack* was promoted to evp and will step into the role that Pyne is vacating. Pyne will report to *Anne Sweeney*, **Disney Stu-**

DISCOVERY HOME IS ABOUT TO GET GREENER

Introducing the world's first 24 hour network devoted to a greener lifestyle.



planet green™

Coming soon with almost 50 million subscribers.

Discovery Networksproviding quality programming to drive your business.



CABLEFAX DAILY (ISSN 1069-6644) is published daily by Access Intelligence, LLC ● www.cablefax.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 ● Associate Publisher: Amy Abbey, 301/354-1783, aabbey@accessintel.com ● Marketer: Doreen Price, 301/354-1793, dprice@accessintel.com ● Marketing Director: Carol Bray, 301/354-1763, cbray@accessintel.com ● Prod: Joann Fato, cdaily@accessintel.com ● Scott Gentry/VP and Group Publisher ● Online Publisher, Alison Johns, 212/621.4642 ● Paul Maxwell/Columnist. Subs/Client Services: 301/354-2101, fax 301/309-3847 ● Group Subs : Angela Gardner, 757/531-1369, cfaxgroupsub@accessintel.com

dios pres *Alan Bergman* and **ESPN & ABC Sports** evp sales & marketing *Sean Bratches*. As part of the restructuring, Disney-ABC Worldwide TV pres *Laurie Younger* will retire when her contract expires in Jan. -- Meanwhile, **ESPN** reorganized its content division to maximize its multi-platform initiatives, placing 7 direct reports under evp, content *John Skipper*. As part of the changes, the company created a development unit, a centralized talent/administration area, a content-wide newsgathering operation and a new structure within its digital media efforts.

Competition: As **Verizon's** FiOS TV now counts nearly 500K subs, the telco's FiOS Internet service broke the 1mln sub mark, said chmn/CEO *Ivan Seidenberg* Wed at the **NXTcomm** conference. Not surprisingly, he also made sure to note that the 1 millionth customer, the *Bayer* family from Massapequa, NY, switched to FiOS from Cablevision. Seidenberg highlighted new fixed-mobile convergence services for businesses, including a unified mailbox that consolidates voice mail from multiple devices and instant conference calls that can be organized via clicks on any PDA. -- **AT&T Home-zone** customers now have access to more than 30 national and local HD channels, a capacity that the telco continues to market as greater than cable's. Through the end of Jun, new **AT&T/DISH** subs will receive free HD channels for a year when they order qualifying standard-def and HD programming and packages. -- **Qwest.com** launched 2 new features for residential customers, offering coupons and special discounts from retailers such as **Blockbuster** and **Kodak**.

In the States: The **IL Senate** unanimously passed Tues a statewide video franchising bill, which now heads to Gov *Rod Blagojevich's* office for review. -- **Cox** expanded its VOD service in KS and AR with **Harmonic's** "NSG" edgeQAM.

In the Courts: Local govts and nonprofit groups asked a federal appeals court Wed to block implementation of the **FCC's** recently adopted video franchising order. If the court doesn't block the order, it may go fully into effect in the next several weeks. Local govts argue that it will take away their power to protect their citizens and rights-of-way. The order creates a 90-day shot clock for govts to negotiate and enact new franchise pacts. Cable isn't fond of the order because it lessens franchise regulation for telcos but not for incumbent operators. The industry, however, has not filed a lawsuit. Wed's motion for stay was filed by the **Natl League of Cities**, **NATOA** and a handful of other organizations.

Bye Mr Brown: **Tennis Channel** svp, distribution *Randy Brown's* last day with the net is Fri. With an impressive number of affiliate deals behind him, Brown has decided to move on and start his on consulting business. "I'm more of a builder than a maintainer," he said, calling his Tennis tenure one of the proudest times of his career. *Nancy Pingitore* and *Eric Turpin*, distribution vps who currently report to Brown, will jointly assume all affiliate sales management responsibilities for the network. Chmn/CEO *Ken Solomon* called Brown's departure "bittersweet" because of his contributions to the net and wished him well. Brown's consulting firm, **Widespread Content**, will focus on content advising.

On the Hill: **NCTA's** *Kyle McSarrow* and **MPAA's** *Dan Glickman* are on the witness list for Fri's House Telecom hearing on media and children. A pediatrician and **Grocery Manufacturers/Food Products Assoc** rep are also on the roll.

Mobile: A new **Apple** app will wirelessly stream **YouTube** content over Wi-Fi or EDGE networks to the **iPhone**, which ships Jun 29. Video from the U-G site is also available live on **Apple TV**. -- The new version of "Yahoo! Go 2.0" launches Fri, allowing faster mobile Internet surfing and improved email functions. The service will be available on 200 different US handsets by the end of July, and through localized beta versions in 13 countries, including France, Germany and Spain.

Nearly 50 million viewers watched TV Guide Network's™ **Idol** programming this season.



With an exclusive pre-show, interviews, footage and a LIVE red carpet special, America's TV Headquarters delivered comprehensive coverage all season long.

**TV
GUIDE
NETWORK**

Source: Nielsen Media Research, Galaxy Explorer, Idol Chat & Idol Tonight (1/12/07 - 5/26/07) sum of all telecasts. P2+ Gross (000), Live Stream.

© 2007 Gemstar-TV Guide International, Inc. All Rights Reserved.

BUSINESS & FINANCE

Technology: CVC's Optimum Lightpath and Time Warner Cable Business Class received the Metro Ethernet Forum's MEF 14 Service Provider Certification, which verifies conformation by the pair to criteria specified as part of SLAs for Ethernet services. -- **RGB Networks** said its broadcast network processor allows cable ops to deliver emergency alert system messages simultaneously to all analog and digital subs.

Programming: ESPN will again kick off its MNF season with a double-header, featuring Ravens-Bengals and Cardinals-49ers tilts on Sept 10. -- **VH1** greenlit 7 new series to help launch a 3rd weekly night of original prime content. Shows slated for a 4Q or 1Q08 debuts include "The Salt 'N' Pepa Show," about a classic female rap group, and "Free Radio," providing a comedic look at a struggling L.A. station. -- Of the 31 college football games to be televised by **FSN** this year, 20 will be delivered in HD.

People: Gospel Music Channel promoted *Barbara Bekkedahl* to vp, ad sales and sales operations. -- **Lionsgate** pres *Steve Beeks* assumed the additional role of COO.

Business/Finance: Bear Stearns upgraded **Time Warner Cable** to "Outperform" from "Peer Perform" with a \$45 year-end price target. The firm said integration of the L.A. systems is now progressing more smoothly.

CableFAX Daily Stockwatch

Company	06/20 Close	1-Day Ch	Company	06/20 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
BROADCASTERS/DBS/			AMPHENOL:	35.41	(0.41)
BRITISH SKY:	51.10	(0.21)	APPLE:	121.55	(2.11)
DIRECTV:	23.67	(0.87)	ARRIS GROUP:	16.69	0.35
DISNEY:	34.19	(0.57)	AVID TECH:	34.02	(0.44)
ECHOSTAR:	43.73	(0.49)	BLNDER TONGUE:	1.55	0.00
GE:	39.07	(0.22)	BROADCOM:	29.95	(0.31)
HEARST-ARGYLE:	24.47	(0.45)	C-COR:	14.45	0.13
ION MEDIA:	1.41	(0.03)	CISCO:	27.20	(0.1)
NEWS CORP:	23.60	(0.08)	COMMSCOPE:	54.57	(0.79)
TRIBUNE:	29.96	(0.35)	CONCURRENT:	1.80	0.06
MSOS					
CABLEVISION:	35.98	0.30	CONVERGYS:	24.36	(0.39)
CHARTER:	4.01	(0.14)	CSG SYSTEMS:	26.46	(0.7)
COMCAST:	28.18	0.08	GEMSTAR TVG:	4.92	(0.01)
COMCAST SPCL:	27.85	0.17	GOOGLE:	509.97	(4.34)
GCI:	12.82	(0.07)	HARMONIC:	8.58	0.18
KNOLOGY:	16.52	(0.71)	JDSU:	13.59	(0.21)
LIBERTY CAPITAL:	117.85	(1.6)	LEVEL 3:	5.54	(0.01)
LIBERTY GLOBAL:	39.23	(0.48)	MICROSOFT:	30.01	(0.45)
LIBERTY INTERACTIVE:	23.50	(0.39)	MOTOROLA:	17.91	(0.17)
MEDIACOM:	9.58	(0.14)	NDS:	49.78	(0.28)
NTL:	28.22	0.00	NORTEL:	24.16	(0.71)
ROGERS COMM:	42.97	0.00	OPENTV:	2.20	(0.01)
SHAW COMM:	42.06	(0.39)	PHILIPS:	41.96	(0.29)
TIME WARNER CABLE:	39.30	0.18	RENTRAK:	14.62	0.04
WASH POST:	772.69	(0.96)	SEACHANGE:	7.81	(0.08)
PROGRAMMING					
CBS:	33.20	(0.27)	SONY:	53.18	(1)
CROWN:	7.16	(0.1)	SPRINT NEXTEL:	21.99	(0.3)
DISCOVERY:	23.63	(0.23)	THOMAS & BETTS:	58.00	(0.28)
EW SCRIPPS:	44.65	(0.48)	TIVO:	5.86	(0.07)
GRUPO TELEVISIA:	27.60	(0.68)	TOLLGRADE:	11.25	0.34
INTERACTIVE CORP:	35.14	(0.09)	UNIVERSAL ELEC:	35.73	(0.89)
LODGENET:	34.09	(0.47)	VONAGE:	3.01	(0.07)
NEW FRONTIER:	8.69	(0.16)	VYYO:	7.03	0.14
OUTDOOR:	10.34	(0.15)	WEBB SYS:	0.08	0.01
PLAYBOY:	11.18	0.00	WORLDGATE:	0.60	0.11
TIME WARNER:	21.86	0.62	YAHOO:	27.66	0.03
UNIVISION:	36.23	0.00	TELCOS		
VALUEVISION:	11.34	(0.3)	AT&T:	39.53	(0.71)
VIACOM:	42.57	(0.37)	QWEST:	9.56	(0.13)
WWE:	16.89	(0.38)	VERIZON:	42.54	(0.53)
TECHNOLOGY					
3COM:	4.35	(0.12)	MARKET INDICES		
ADC:	18.76	0.01	DOW:	13489.42	(146)
ADVANTAGE:	4.98	(0.02)	NASDAQ:	2599.96	(26.8)
ALCATEL LUCENT:	13.88	0.13			
AMDOCS:	39.51	0.26			

"Watching LMN can be a bit like looking at a glorious, overpacked menu of TV comfort food—it's a bit overwhelming, but everything's good here."

— ENTERTAINMENT WEEKLY

Here's just a sampling:

- A new, exclusive LMN original movie airs the first Saturday of every month
- *Can You Handle The Truth* Thursdays feature movies based on true-life events
- Themed stunts like *Jolly July* and *LMN's All-Stars Weekend* show every third weekend



lifetimeconnection.com

Think about that for a minute...

Repetition

A colleague of mine was lamenting lately that we in the cable industry don't seem to be very good at selecting slogans to explain our offerings or our point of view. As an example, he cited "net neutrality." By now, anyone who has been involved in the debate about "net neutrality" knows that there are as many meanings for that slogan as there are "public interest groups" (another slogan we could talk about) using it.

No one really knows what it means, but we keep getting bashed for "threatening" it, and the government is considering laws to assure it—even though there does not appear to be any evidence that "it" is being harmed, abused, challenged or whatever. That's what makes the term so potent. One approach, which I endorse, is to use the term as much as anyone else! We favor "net neutrality."



Steve Effros

We provide "net neutrality," and no one should be allowed to suggest that laws should be written that might change that! In recent filings with the FCC, some "public interest" groups generated thousands of email filings from folks convinced that the cable and telco ISPs were intending to "block" various sites on the Internet, and that's why "net neutrality" rules were needed. What do you think those filers would say if they were informed that the ISPs now guaranteed access to any legal site on the web?

The real question is why they don't already know that. It's not a question of the slogan, it's a question of delivering the response. We don't repeat ourselves enough, and the groups challenging us seem to be in the business of repeating themselves over and over to the point that a "truth" is created whether there is any basis for it or not. Some examples:

Cable rates are constantly going up. The fact: price per channel has been going down for years.

A la carte will reduce prices for consumers. The fact: no serious economic study concludes that. Rather, they all conclude that prices would go up.

A la carte will result in more control for consumers. The fact: consumers have total control of the channels they allow into their homes right now. A la carte sale of channels would not in any way change that.

And it goes on: The United States is "losing" the "race" for broadband distribution. The fact: there are more broadband Internet users in the United States than anywhere else in the world.

The 1996 Telecommunications Act has failed to introduce competition. The fact: we now have facilities-based competition in the United States for the first time. Telephone, cable and satellite companies are competing to deliver video, cable has already garnered a percentage of the voice market, and Internet service is being offered in most communities by multiple suppliers.

So why is it that all these misimpressions continue to dog us? Because we are not shooting back. No, that is not entirely accurate. In the last few years, we have become far more adept and willing to "shoot back." But we are not, on every level, repeating the answers over and over.

That's what it takes. For every repetition of the "public interest group" mantras, we have to respond. We need to say it in advertising, PSAs, in our mailings, to the press, on radio talk shows, and to our friends, acquaintances and customers. Over and over.

The "other side" has made repetition the key ingredient of their assault. The only way we are going to be effective in our response is to shoot back just as often.

Steve

T:703-631-2099
steve@effros.com

CableFAX databriefs



CableFAX databriefs is a weekly html newsletter delivered every Monday via email to qualified subscribers. Published by the well-respected **CableFAX Daily** editorial team, **CableFAX databriefs** is an extension of its sister publication and spotlights vital industry metrics for broadband operators.

Register for your **FREE** subscription today at www.ameda.com/cfx