

CableFAX Daily™

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What the Industry Reads First

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Mo' Better Pixels: Cablevision Ups HD Ante with Voom Deal

With **DirectTV** promising 150 HD channels (perhaps using fuzzy math) and telcos beefing up their HD offerings, you gotta wonder if the HD arms race has entered a new phase. After all, **Cablevision's** Thurs announcement that by June 28 its iO: Interactive Optimum digital tier will include 15 HD nets from its own **Rainbow** unit **Voom** suggests things are really starting to heat up. The MSO noted that the new HD additions will bring to 40 its total number of HD nets, which it touted as "the most HD available anywhere in the nation, from any provider." It's unclear how long that title will last as other MSOs—not to mention DBS and telco competitors—strive to shout similar messages from their own rooftops. But Cablevision apparently isn't taking any chances, announcing that it will be able to offer more than 500 HD channels over its advanced fiber network by year's end (even though nothing close to 500 HD nets exists yet). No specifics on how Cablevision would achieve its 500-HD capacity goal, but the company said it would rely on switched digital video and bandwidth management. There's certainly no shortage of demand: Cablevision reported 734K HD customers as of Mar 31—an 85 percent increase in HD customers over the previous year. "I think you'll see more cable ops add Voom late this year because DirectTV seems uninterested in adding it," said *Phillip Swan*, pres of **TVPredictions.com**. "It will give the cable operators something to crow about when DirectTV is adding dozens of HD channels while cable adds perhaps 30 to 50 percent of that amount." Of course, only time will tell whether MSOs step up to the HD plate for fear of losing HD market share to competitors. But **Rainbow** pres/CEO *Josh Sapan* on Thurs sent out his not-so-subtle pitch to cable, noting "our long held view that consumer demand for more and better HD programming offers MSOs a compelling business opportunity."

SCTE Expo: Operators Continue to Face HD Quality-Quantity Conundrum

As cable operators use compression schemes like MPEG-4 to feed consumers' thirst for more HD channels and better picture quality, the battle between quantity and quality rages on. "MPEG-4 isn't quite here yet," said *Ren Finley*, **Comcast Media Center's** director, advanced engineering. "A 42-inch TV is great at showing the defects in video quality. We need to optimize what we have to preserve the quality." Finley and other techies who pondered HD at the SCTE Cable-Tec Expo in Orlando this week said vendors must continue to come to them with new innovations. "I would say we all owe Comcast a round of applause for the work the CMC has done," said **Cox** vp, video engineering *James Kelso*. "They've been driving the vendors hard to the benefit of all of us. Secondly, I think we're all fools if we don't put [HD] quality at the head of the stack. There should be no trade off between quality and quantity." Kelso also said cable operators should prepare for 1080p streams showing up from networks. While MPEG-2 set-top boxes can't handle the 1080p streams, **Bresnan** vp, strategic engineering *Pragash Pillai* said operators could soften the transition to MPEG-4 boxes by offering a separate HD VOD tier to premium customers. "We don't

A WORD OF THANKS.

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want to buy boxes in 2008 that don't do MPEG-4," Kelso said. "I bet Verizon will roll out 1080p as soon as it hits their doorstep." **SCTE Notebook:** The switched digital technical sessions in Orlando offered at least one encouraging message for worried MSOs: The SDV transition need not be torturous. **Ronald Wolfe, BigBand Networks'** senior product marketing manager, said properly configured set-top control systems can ease the migration of interactive program guides and other wares to the switched environment. **Time Warner Cable** director, digital systems **Todd Bowen**, meanwhile, cautioned ops to consider the number of simultaneous viewers when determining which channels to transition to the switched environment; he noted that heavily viewed sports events and children's nets can create traffic burdens on switched networks.

Bitter Boss: Big Ten Conference cmsr **Jim Delany** was both a cuddly gopher and a vicious wolverine while discussing the **Big Ten Network** during a Thurs conference call. While touting some admirable channel initiatives—including an equal focus within 3 years on female sports and the barring of alcohol-related ads—Delany snarled at comments attributed to **Comcast** evp **David Cohen** in Mon's *NY Times*. "I think they [Cohen's comments] might need to be rethought, and if they were intended to denigrate, there needs to be an apology," snapped Delany, citing Cohen's reference to the net's supposedly inferior games. Although Delany also "very much" hopes that the net and Comcast can reach a distribution accord, the public war of words may not help. Sports carriage fees continue to escalate, and cable MSOs—especially Comcast—are increasingly pushing for tier placement to avoid paying big bucks for content. Still, Delany defended the net's \$1.10/sub fee for in-conference markets, instead focusing on the 31-cent average that would apply if carried in all Comcast systems. "I don't think this a niche net by any stretch of the imagination," said Delany.

Competition: **Verizon Wireless** is adding local news content from **Local Solutions Network** to V CAST-enabled handsets in nearly 50 markets. LSN partners with local TV affils for "Local Wireless TV."

Online: **Gemstar-TV Guide** licensed **CastTV's** video search technology for use within its online video guide at **Video.tvguide.com**. -- **Yahoo!** will acquire for an undisclosed amount **Rivals.com**, a site providing information on college and high school sports and recruiting information. -- **Discovery Channel** is baiting its Internet line with **NewsGator's** widget framework to offer special content and interactive features surrounding the 20th anniversary of the net's Shark Week (Jul 29-Aug 4). -- **Comedy Central** bowed its 1st standalone political humor site, **Indecision2008.com**, offering daily campaign news from the '08 presidential election and content from net shows such as "The Daily Show with *Jon Stewart*."

In the States: **Comcast** launched **ImaginAsian TV** on its digital tier in Houston.

Programming: **BET** added a slew of celebrities to the appearance/performance list for its '07 "BET Awards" show (Tues, 8pm ET), including *Beyonce*, *Diddy* and *Alicia Keys*. -- **HBO** and **Comcast** are partnering with the Miami Intl Film Festival and the Florida Marlins to host a FL screening next week of "Brooklyn Dodgers: The Ghosts of Flatbush," a doc examining the social impact of the '47 Dodgers team on which *Jackie Robinson* debuted. It airs Jul 11 (8pm) on HBO. -- **TBS** picked up the rights to **NBCU's** "The Office," which will hit the net this fall. The deal includes non-exclusive broadband streaming, and on demand and wireless rights to run concurrent with the off-network telecast rights, which will begin in late '09. -- **AMC** greenlit drama series "Breaking Bad," which is set to debut next year. The series follows the story of a desperate man who turns to a life of crime to secure his family's financial security. Next



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BUSINESS & FINANCE

month, AMC bows original drama series "Mad Men" (July 19, 10pm ET).

Beta: 53% of DBS subs rated **Nat Geo** as important to their enjoyment of satellite TV, tops for mid-sized and emerging networks, according to a **Beta** survey of **DISH** and **DirecTV** customers. **Fox Movie Channel** (40%) and **Lifetime Movie Network** (38%) were 2nd and 3rd, respectively. **Discovery Channel** (70%) handily bested all major nets in the same rating, and was followed by **The History Channel** (56%) and **TNT** (52%). In comparison to '06, average perceived value among viewers greatly increased for **MTV**, **MTV2**, **SOAPnet**, **VH1 Classic**, **Cartoon Net**, **Nickelodeon** and **Spike**.

Public Affairs: **Comcast** has committed \$55mIn over 3 years to the **Partnership for a Drug-Free America** to create resources for parents to help children live healthy, drug-free lives. The initiative leverages Comcast assets including VOD, cross-channel advertising and Comcast.net to build tools and support services for parents.

Honor: Telecom and database marketing firm **GeoResults** named **Vyyo's** "UltraBand" spectrum overlay platform as the "Business Services Platform of the Year for Cable."

People: **MTVN** promoted **Erik Flannigan** to evp, digital media, entertainment group. -- **MTVN's** entertainment group promoted **John Slusser** to svp, **Spike** digital and video games.

CableFAX Daily Stockwatch

Company	06/21 Close	1-Day Ch	Company	06/21 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
BRITISH SKY:	50.82	(0.28)	AMPHENOL:	35.89	0.48
DIRECTV:	24.16	0.49	APPLE:	123.90	2.35
DISNEY:	34.20	0.01	ARRIS GROUP:	17.30	0.61
ECHOSTAR:	43.57	(0.16)	AVID TECH:	34.24	0.22
GE:	38.80	0.01	BLNDER TONGUE:	1.55	0.00
HEARST-ARGYLE:	24.49	0.02	BROADCOM:	30.65	0.70
ION MEDIA:	1.38	(0.03)	C-COR:	14.54	0.09
NEWS CORP:	23.70	0.10	CISCO:	27.32	0.12
TRIBUNE:	29.57	(0.39)	COMMSCOPE:	54.95	0.38
MSOS					
CABLEVISION:	36.02	0.04	CONCURRENT:	1.75	(0.05)
CHARTER:	4.08	0.07	CONVERGYS:	24.71	0.35
COMCAST:	28.39	0.21	CSG SYSTEMS:	26.89	0.43
COMCAST SPCL:	28.00	0.15	GEMSTAR TVG:	5.04	0.12
GCI:	12.91	0.09	GOOGLE:	514.11	4.14
KNOLOGY:	17.34	0.82	HARMONIC:	8.66	0.08
LIBERTY CAPITAL:	116.37	(1.48)	JDSU:	13.80	0.21
LIBERTY GLOBAL:	40.55	1.32	LEVEL 3:	5.70	0.16
LIBERTY INTERACTIVE:	23.53	0.03	MICROSOFT:	30.22	0.21
MEDIACOM:	9.53	(0.05)	MOTOROLA:	18.15	0.24
NTL:	28.22	0.00	NDS:	49.46	(0.32)
ROGERS COMM:	42.97	0.00	NORTEL:	24.55	0.39
SHAW COMM:	42.95	0.89	OPENTV:	2.20	0.00
TIME WARNER CABLE:	39.62	0.32	PHILIPS:	42.53	0.57
WASH POST:	772.00	(0.69)	RENTRAK:	14.43	(0.19)
PROGRAMMING					
CBS:	32.76	(0.44)	SEACHANGE:	7.79	(0.02)
CROWN:	7.13	(0.03)	SONY:	53.10	(0.08)
DISCOVERY:	23.39	(0.24)	SPRINT NEXTEL:	22.09	0.10
EW SCRIPPS:	44.96	0.31	THOMAS & BETTS:	58.95	0.95
GRUPO TELEVISIA:	27.76	0.16	TIVO:	5.82	(0.04)
INTERACTIVE CORP:	35.00	(0.14)	TOLLGRADE:	10.73	(0.52)
LODGENET:	33.86	(0.23)	UNIVERSAL ELEC:	36.65	0.92
NEW FRONTIER:	8.79	0.10	VONAGE:	3.07	0.06
OUTDOOR:	10.36	0.02	VYYO:	6.75	(0.28)
PLAYBOY:	11.17	(0.01)	WEBB SYS:	0.11	0.04
TIME WARNER:	21.51	(0.35)	WORLDGATE:	0.50	(0.1)
UNIVISION:	36.23	0.00	YAHOO:	27.67	0.01
VALUEVISION:	11.42	0.08	TELCOS		
VIACOM:	41.71	(0.86)	AT&T:	39.59	0.06
WWE:	16.71	(0.18)	QWEST:	9.67	0.11
TECHNOLOGY					
3COM:	4.41	0.06	VERIZON:	42.44	(0.1)
ADC:	19.14	0.38	MARKET INDICES		
ADVANTAGE:	4.90	(0.08)	DOW:	13545.84	56.42
ALCATEL LUCENT:	13.99	0.11	NASDAQ:	2616.96	17.00
AMDOCS:	39.00	(0.51)			

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WHAT THE INDUSTRY READS FIRST.

PROGRAMMER'S PAGE with Chad Heiges and Seth Arenstein

Lighting A Fuse

As the title aptly implies, ESPN's "The Bronx is Burning" (Jul 9, 10pm ET) crackles with flammability. Based on the eponymous book, the net's 1st miniseries is anchored by the '77 NY Yankees, a team led by fiery manager *Billy Martin*, whose incendiary relationships with owner *George Steinbrenner* and outspoken star *Reggie Jackson* produce a bounty of fireworks. Further acceleration to the flame is added by a historical backdrop that cloaked NYC in crime, a brutal heat wave, terror surrounding the Son of Sam serial killings and contentious political races. All these strata combined to form a compelling foundation for ESPN's 8-hr series. "You really need the backdrop of the city to express what the team meant to the city's resurgence," said net svp, original events *Ron Semiao*, who noted the series' multi-generational appeal. "People can relive that time, but children can also learn about it as a history lesson." After securing an impressive cast that includes film vets *John Turturro* (Martin) and *Oliver Platt* (Steinbrenner), maintaining the authenticity of both the social and team climate became critical. "Because of the subject matter there's sort of a nostalgic glow surrounding it," said exec prod *Mike Tollin*. "We decided early on to create an aura by setting up the drama and setting the scenes." To do this, Tollin intersperses actual footage from games, press conferences, and news outlets with shot scenes, and the melding works quite well. NY native Turturro donned prosthetic ears to more accurately portray Martin, and Platt worked to get Steinbrenner's "Rust Belt bark" just right. No question, the pair possesses immense talent, and *Daniel Sunjata* admirably portrays the egoist Jackson. The 1st ep steps to the plate following ESPN's coverage of the MLB's homerun contest, a particularly appropriate lead-in given Jackson's prodigious prowess with round-trippers. For its part, ESPN hopes to provide an enjoyable trip back in time. *CH*

Highlights: "Semper Fi: One Marine's Journey," Mon, 8:30pm, **Showtime**. True, this special highlights the experiences of a gay Marine, whose important story should not be underplayed. But just as important, it's an eyewitness account of service in Iraq and the difficulties of returning home to what should be a more civil existence. *SA*

Worth a Look: "Girl, Posi+ive," Mon, 9pm, **Lifetime**. Critics may complain about "Girl, Posi+ive" as a film, but they can't challenge it as an information vehicle. Between chapters of a predictable story about high school students and AIDS is faux user-generated content, vlogs of teens talking about AIDS. Taken alone they form a PSA that illustrates how ill-informed kids are about AIDS. The film's thrust about AIDS testing coincides with National HIV Testing Day June 27. (Cable Positive's PSA campaign on testing is free to cable operators). - "Heart Land," Mon, 10pm, **TNT**. Ep 2 of this series about a transplant surgeon wasn't appreciably better than its so-so pilot, but it's not bad—plus it gets strong medicine from its lead-in, "The Closer" at 9pm. - "Hey Paula," Thurs, 10pm, **Bravo**. Good call by Bravo trying to grab the residue of popularity (and ratings) from "Idol." Pretty, perky and scrappy, Paula's glam life isn't rich with meaning, but Bravo knows reality and makes this mildly entertaining. *SA*

Basic Cable Rankings			
(6/11/07-6/17/07)			
Mon-Sun Prime			
1	USA	2.1	2003
2	DSNY	2	1845
3	TNT	1.7	1642
4	TBSC	1.6	1524
5	LIFE	1.4	1304
6	FOXN	1.2	1150
7	NAN	1.1	1042
7	ESPN	1.1	1035
7	DISC	1.1	1016
7	A&E	1.1	987
7	HALL	1.1	881
12	TOON	1	973
12	HIST	1	943
12	SPK	1	939
12	SCIF	1	907
12	CORT	1	874
17	HGTV	0.9	875
17	FX	0.9	810
17	CMDY	0.9	792
20	FAM	0.8	774
20	AMC	0.8	717
22	TLC	0.7	669
22	FOOD	0.7	625
24	TVLD	0.6	574
24	CNN	0.6	573
24	VH1	0.6	563
24	MTV	0.6	534
24	LMN	0.6	335
29	ESP2	0.5	499
29	BRAV	0.5	469
29	APL	0.5	467
29	EN	0.5	467
29	BET	0.5	410
29	TDSN	0.5	284
35	MSNB	0.4	348
35	HLN	0.4	337
35	TTC	0.4	317
35	WGNC	0.4	271
35	OXYG	0.4	266
35	SOAP	0.4	266
35	NGC	0.4	243
42	CMT	0.3	236
42	WE	0.3	193
42	DHLT	0.3	185
42	SPD	0.3	183
42	GSN	0.3	172

*Nielsen data supplied by ABC/Disney

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