

CableFAX Daily™

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What the Industry Reads First

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Web Wednesday: TV Everywhere, CVC-YES Plans Unveiled

Cable showed Wed that it's moving forward with new Web video models, releasing two high profile announcements—**TV Everywhere** and **YES-Cablevision MLB** streaming. And hopes are high. "This will eventually surpass user-generated video viewing at **YouTube** and broadcast network viewing at **Hulu** and elsewhere," said **Time Warner's Jeff Bewkes** during a NYC press conference for TV Everywhere. He and **Comcast's Brian Roberts** touted a July trial involving 5K Comcast subs nationwide. Time Warner will make popular **TNT** and **TBS** shows, such as "The Closer," available online and via VOD to Comcast video subs (their choice of broadband provider doesn't matter) for free just hours after their linear premiere (with commercials, of course). Roberts said plans are to launch the service—dubbed On Demand Online—nationally some time in 4Q on Comcast.net and Fancast.net, as well as TNT and TBS' Websites. The trial period will focus on testing new authentication technology. In coming weeks, Comcast expects to announce other nets participating in the trial, and Time Warner expects to announce other distributors. "It's hard for me to think of reasons why other multichannel networks wouldn't want to take advantage of broadband offerings and VOD offerings off their networks," Bewkes said. **Disney's Bob Iger** expressed reservations about the idea at the **Cable Show** in May, and consumer group **Public Knowledge** voiced outrage over it Wed (see "TV Nowhere" below). One question that arose during the press event is how the TV Everywhere model fits with bandwidth metering and caps. Roberts said consumer's consumption "would remain the same as today," adding that more than 99% of subs get nowhere close to exceeding the 250 GB cap Comcast instituted for HSD users last year. Turner vice chmn **Andy Heller** said some free, promotional product would continue to be available on the Web for non-subs, specifically mentioning short-form. "Over time, we'll figure this model out," Heller said. "I think a lot of programmers... have held programming for security reasons. They didn't like the model. We're going to give them a new model." In an interview with **Cfax**, Comcast svp, new media **Matt Strauss** said the idea isn't to restrict content, "it's about how to unleash content and make more content available online... Certain premium networks have no content available online. This is all about offering more choices." Strauss said the technical test would run through the end of the year.

Web from the Bullpen: Web Wed's other authentication news involved the **YES/MLB/Cablevision** initiative calling for live in-market streaming of **Yankees** games beginning Jul 8. Internet access to the games—initially a simulcast of YES's



IT'S EXPOSING YOUR TALENT.

HUNG™

SUNDAYS 10PM

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linear telecasts with the same ads—will be limited to CVC subs who subscribe to both YES and the MSO's broadband service, for \$50 for the remainder of the season or \$20 for any 30-day period. Availability extends throughout the RSN's 4-state footprint—including through CVC's WiFi network—via **Yankees.com**, **YESNetwork.com**, and **OptimumOnline.com**. Qualified customers will get a password that can be validated through any broadband provider within the product's service area. Cablevision and **MLBAM** will manage the process. "We take authentication seriously," said YES pres/CEO *Tracy Dolgin*, noting that the partnership was "careful to respect" content owners, distributors and advertisers. The related tech scaffold is translatable to other distribution partners, said MLBAM CEO *Bob Bowman*, and execs said discussions are underway with **Time Warner Cable** and others. The league expects to announce a 2nd in-market live game streaming product next week, and foresees all clubs offering a similar product before next season.

TV Nowhere? Not everyone's enamored with the **TV Everywhere** model. **Public Knowledge** called on the **FCC**, **FTC** and **Justice Dept** to examine the arrangement for not only potential violations of the FCC's Internet openness principles, but as a "generally anti-competitive and anti-consumer practice." "By adding this additional toll lane, **Comcast** and **Time Warner** want to create their own 'managed channel' within the Internet and turn the Internet into their own private cable channel," said PK pres *Gigi Sohn*. **ACA** didn't criticize the model, but a statement from pres/CEO *Matt Polka* hinted at some hesitation. "TV Everywhere may enhance the consumer experience, but these business models should not be forced upon broadband providers and their customers by media conglomerates and Web giants," said Polka. **ACA** has opposed **Disney's ESPN360** broadband service, asking the govt to prevent Internet video content providers from charging distributors wholesale access fees to their site "at discriminatory rates, terms and conditions." **Collins Stewart** called it a positive for distributors and programmers because it lessens the threat of online disintermediation but added "we see it as a bigger positive for satellite operators as it would reduce the competitive advantage cable operators have with cable's VOD... satellite subs will have access to a huge reservoir of VOD programming previously not available to them."

Advertising: Comcast Spotlight agreed to sell local advertising on **FiOS TV** in 10 markets where the MSO and **Verizon** both provide TV service, including Boston, Philadelphia and Pittsburgh. Local ad sales on more than 50 cable nets are part of the deal, and **NCC** will manage multi-market buys on both the Comcast and FiOS TV services for national advertisers. In Jan, Spotlight, which currently represents approx 30mln nationwide subs, inked a deal to sell ads on 10 of **DISH's** RSN feeds in 7 markets. -- **Bid4Spots** said total ad rev generated through its online bidding process for local cable advertising (*Cfax*, 5/19) increased 40% from the 1st to the 4th auction. Participating cable ops reach an aggregate of 8.37mln HHs in most nationwide DMAs.

On the Circuit: You might think this next item is out of character, but you'd be wrong. On Wed, some 500 libraries



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TRUEBLOOD

SUNDAYS 9PM

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BUSINESS & FINANCE

across 47 states and DC kicked off WWE's SummerSlam Reading Jam. Using colorful marketing pieces in libraries and online, WWE and the Young Adult Library Services Association urged kids 10-18 to check out 2 books. The first 25 kids at each library doing so won WWE posters and were entered into a drawing for a trip to WWE's SummerSlam PPV event in LA. The Reading Jam actually is an extension of WWE's literacy push, which includes the WrestleMania Reading Challenge.

Editor's Note: To send us your nominees for the **CableFAX 100** by the July 7 deadline, go to <http://www.cable360.net/cablefaxmag/2009cablefax100.html>. You have until July 23 to nominate the **Most Powerful Women in Cable** at <http://www.cable360.net/cablefaxmag/2009topwomen.html>. Noms are free for these 2 awards.

People: HBO Domestic Distribution pres *Scott Carlin* resigned his post "to pursue new business challenges," according to an internal HBO memo. No word on a successor.

Business/Finance: For undisclosed amounts, **Time Warner Cable** commenced an underwritten public offering of 1 series of debt securities with a '39 maturity date. **Fitch** assigned the offering a 'BBB' rating. -- According to *Daily Variety*, **ESPN** is looking to launch a standalone UK channel after picking up myriad rights to the **English Premier League** there.

CableFAX Daily Stockwatch

Company	06/24 Close	1-Day Ch	Company	06/24 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
BRITISH SKY:	29.00	(0.25)	AMPHENOL:	31.09	0.21
DIRECTV:	24.19	0.44	APPLE:	136.22	2.21
DISH:	15.17	0.61	ARRIS GROUP:	11.58	0.33
DISNEY:	22.90	0.02	AVID TECH:	12.13	(0.24)
GE:	11.70	0.10	BIGBAND:	5.21	0.42
HEARST-ARGYLE:	4.50	0.00	BLNDER TONGUE:	1.40	(0.02)
NEWS CORP:	10.29	0.12	BROADCOM:	24.44	0.24
MSOS					
CABLEVISION:	18.04	0.25	CISCO:	18.61	0.04
COMCAST:	13.83	0.04	CLEARWIRE:	4.64	(0.2)
COMCAST SPCL:	13.43	0.18	COMMSCOPE:	24.72	0.82
GCI:	6.65	0.10	CONCURRENT:	5.38	(0.17)
KNOLOGY:	8.42	0.31	CONVERGYS:	8.68	0.19
LIBERTY CAPITAL:	12.68	0.34	CSG SYSTEMS:	13.09	0.17
LIBERTY ENT:	26.36	0.45	ECHOSTAR:	14.68	0.14
LIBERTY GLOBAL:	15.31	0.35	GOOGLE:	409.29	3.61
LIBERTY INT:	4.87	0.07	HARMONIC:	5.61	(0.38)
MEDIACOM:	5.18	0.19	INTEL:	16.10	0.29
SHAW COMM:	16.66	0.25	JDSU:	5.44	0.02
TIME WARNER CABLE:	30.75	(0.14)	LEVEL 3:	1.35	(0.04)
VIRGIN MEDIA:	8.74	0.23	MICROSOFT:	23.47	0.13
WASH POST:	344.61	7.43	MOTOROLA:	6.33	0.06
PROGRAMMING					
CBS:	7.02	0.23	OPENTV:	1.29	0.06
CROWN:	1.66	0.06	PHILIPS:	17.78	0.08
DISCOVERY:	20.60	0.51	RENTRAK:	15.81	0.66
EW SCRIPPS:	1.78	0.05	SEACHANGE:	7.69	0.01
GRUPO TELEVISA:	16.27	0.16	SONY:	25.90	0.09
HSN:	9.48	(0.92)	SPRINT NEXTEL:	4.56	(0.16)
INTERACTIVE CORP:	15.96	0.12	THOMAS & BETTS:	28.59	0.63
LIBERTY:	26.66	(0.13)	TIVO:	10.34	0.22
LODGENET:	3.28	(0.14)	TOLLGRADE:	5.07	(0.01)
NEW FRONTIER:	2.32	(0.02)	UNIVERSAL ELEC:	18.83	0.11
OUTDOOR:	5.51	(0.14)	VONAGE:	0.42	(0.01)
PLAYBOY:	2.53	0.11	YAHOO:	15.45	0.77
RHI:	3.35	0.02	TELCOS		
SCRIPPS INT:	27.53	0.04	AT&T:	24.65	(0.01)
TIME WARNER:	24.79	0.24	QWEST:	3.96	(0.04)
VALUEVISION:	1.83	0.23	VERIZON:	30.80	0.28
VIACOM:	23.12	(0.19)	MARKET INDICES		
WWE:	12.21	0.06	DOW:	8299.86	(23.05)
TECHNOLOGY					
3COM:	4.73	0.28	NASDAQ:	1792.34	27.42
ADC:	7.46	0.17			
ADVANTAGE:	1.73	0.00			
ALCATEL LUCENT:	2.52	0.05			
AMDOCS:	20.55	0.43			



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entourage

SUN JULY 12 10:30PM

IT'S HBO

Think about that for a minute...

Screaming

There was a significant jump in the number of reported cases of the H1N1 flu last week. More than 231 have died. 51 of those last week, most in the US. Of the 52,000 confirmed cases, worldwide, close to 8000 happened in the last week. Did you know?

Just a few months ago, schools were closing, folks were wearing masks in public and the news was filled with pictures, graphs, screaming headlines and breathless reports about the swine flu “epidemic” which



Steve Effros

has now quietly been confirmed as a world-wide “pandemic.” Then, abruptly, a “group-think” conclusion was reached that there was simply too much hyperventilation going on about the outbreak. There was serious concern about overreaction, quarantines and the like. So something happened; another overreac-

tion, the news cycle shifted and H1N1 was relegated to the “inside pages.” The all-news networks dropped the foreboding music and graphic alerts, and the whole issue seemed to simply disappear.

But it’s not gone. The virus is still spreading, and there is still concern, particularly come the “regular” flu season this fall, that things could worsen. Why do I raise all this? Because it’s an excellent example of the power we are responsible for in the communications business.

It used to be simple: you had a few major newspapers and a few network anchors, and the “story line” of the day could be easily discerned. But then cable came along, and with it diverse news sources that had to be “fed” 24 hours a day. This is a good thing in my view, but it has to be carefully nurtured. We also fostered the broadband era. Now we have bloggers, Twitter, Facebook and the like all becoming part of the story in places like Iran. It really doesn’t matter how much or how little those sources became a conduit for “news” during the street demonstrations; there is no doubt that they were some part of it.

Notice that when folks complain about the “screaming” news, they almost invariably refer to it as “cable news channels.” Neither fair nor accurate, since the original “screamers” were local broadcast newscasts that focused on car accidents and local mayhem. Nevertheless, we’re now all associated with a new era of news dissemination—one that includes the “cable news

channels,” the blogs, the twits, and the easy location of any “tilt” on the news you care to read by using Google or the like.

It used to be that we could confidently say that television wouldn’t replace radio, or cable wouldn’t replace television, etc... but now there’s a real question whether totally open “screaming” diversity of news content will, in fact, replace journalism. That would not be good.

I’m focusing on this because we’re now in a big debate about how to promote “broadband” use nationwide. I’m for it. We, after all, pretty much started it, and it’s far more ubiquitous already than most want to acknowledge. What’s not as widespread is computer literacy, and viewing literacy for that matter, to know how to intelligently use all these new tools. To me, that’s as important—if not more important—than spending money to make sure a second or a third broadband provider is in front of every home in the nation.

Before that’s significant, we have to make sure folks know how to read, how to use (and have) a computer, how to intelligently filter the flood of information that’s now available. That’s what we need to do to make sure that this whole broadband stimulus effort is not just one to encourage and abet more screaming.

Odds and Ends

This one really is odd, and I hope it ends! The Senate is hung up on the confirmation of Julius Genachowski as the new Chairman of the FCC and the renomination of Robert McDowell. That’s a shame. Both, to borrow an old encomium, are the “best and the brightest” when it comes to quality nominations for the Commission. Genachowski knows telecom from both the theoretical, regulatory and the business side, since he has been on both, and McDowell proved in his first term to be one of the most level-headed, non-ideological and straight-shooting Commissioners (especially when he had to deal with his Republican “colleague” Kevin Martin) seen in a long time. Why are these nominations being hung up? Pure politics and pique on the part of one or two Senators. It’s time to end this legislative-delay-for-ego binge and let the Commission get back to work.

Steve

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