

CableFAX Daily™

Friday — June 27, 2008

What the Industry Reads First

Volume 19 / No. 124

On a Roll: Verizon Ready to Launch Big Ten

Fresh off last week's **Comcast** deal, **Big Ten Network** is about to pick up some more subs. **Verizon** has reached a deal that will have it carry the college sports channel on expanded basic across its entire FiOS TV footprint, according to sources. Rumors have been circulating since last year that a deal was imminent, but it finally is locked up (though neither side is commenting). National rollout is expected to begin by the end of the month, before the kickoff of football season, said sources. The Comcast deal, which includes carriage in the Big Ten region (first as expanded basic, later as digital in some markets), puts Big Ten's subscriber count at 35mln come Aug 15. Verizon will help boost that sub total by more than 1mln (the telco had 1.2mln FiOS TV customers at the end of Mar). Verizon's pact includes HD. The multi-year deal shores up Big Ten's carriage with both the major telcos, with **AT&T** having launched the service last year. The net still has no agreements with No. 2 MSO **Time Warner Cable** or **Charter** and **Mediacom**.

Online: A standout linear winner, **Disney Channel's** "Camp Rock" has excelled online too. Disney.com featured the original movie for approx 30 hours this week (Jun 23-24), attracting 863K video plays and increasing site traffic 37%. Also, the movie's Websites garnered 1.9mln visitors and 10mln page views during the period. -- **Viacom** launched **Atom.com**, a digital comedy network that becomes **Comedy Central's** exclusive partner and anchor brand for original content, developing new properties for multiplatform distribution, building an online community of creators and viewers, and producing, "Atom TV," a TV series that debuted on the net this week.

Comcast's Calling: Comcast evp *David Cohen* on Thurs stopped by **SCTE's Cable-Tec Expo** in Philadelphia to urge women- and minority-owned businesses to take advantage of the MSO's efforts to hire diverse suppliers. "We want everyone to realize that we're open for business," said Cohen, noting that Comcast recently created an internal "diverse supplier database" so the MSO's thousands of purchasing agents can locate diverse suppliers more easily (Suppliers can fill out an online form to be included). Cohen said Comcast spent \$120mln last quarter on diverse suppliers, but said it's not easy for buyers to target new suppliers when they have been dealing with the same ones for years. "That requires some help from you," said Cohen. "You need to get yourself known." He noted a "real payoff"

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for those with good networking skills but acknowledged that the industry still has work to do. "We know we're not where we need to be," he said. "Our hearts are in the right place. Please don't get frustrated."

SCTE Notebook: Comcast and Cisco successfully completed a 100 Gigabit Ethernet test over existing backbone infrastructure between Philly and McLean, VA, using a 100GE router interface developed for the Cisco CRS-1 routing system. This type of tech allows companies to increase bandwidth per wavelength by a factor of 10 over the initial deployed capability. -- **Rogers Cable** has selected Cisco's Switched Digital Video system for its Ontario customers. Japan's **J:Com** has begun receiving shipments of Cisco's DOCSIS 3.0 channel bonded cable modem for its 160Mbps broadband service. -- **Time Warner Cable** Carolina Region accepted sister pub *Communications Technology's* System of the Year award at Wed's Expo Awards lunch. The system caught *CT's* eye for its commitment to embrace and test new technologies as well as its approach to customer care and business services.

DTV Doings: DISH Network's digital-to-analog converters are now available for purchase at www.dtvpal.com. The boxes have an MSRP of \$59.99, making them \$19.99 after the gov't's \$40 coupon is applied.

Moto 3.0 Mojo: As cable operators test DOCSIS 3.0-enabled technology this year with an eye toward '09 deployments, **Motorola** is advocating an "evolutionary approach," said *Kevin Keefe*, Motorola vp, access networks solutions. Vendor competition to provide DOCSIS 3.0-enabled modems and CMTS equipment is already heating up. So Motorola held a roundtable at **SCTE's Cable-Tec Expo** where execs made their best case for the vendor's approach of easing cable ops into the 3.0 world without forcing them to fully switch out their DOCSIS 2.0 equipment right away. "We've got to be the first to market," said *Tom Dunleavy*, Motorola senior dir, broadband solutions group, adding that Moto has already shipped 20K DOCSIS-3.0 modems and wants eventually to power entire home networks based on the spec. Meanwhile, Motorola showcased customer **J:COM**, whose Japanese cable systems were the first to commercially deploy DOCSIS 3.0-based services. J:COM's Mitsuo Yoshida said 25% of new broadband subs are choosing its fastest 160Mbps service over slower packages. It's unclear whether US ops would approach those take rates, considering that J:COM has priced its top tier at \$60 per month vs only slightly less (\$55 per month) for its lower tier. That's quite a contrast to the US where ops plan to charge a significant premium for "wideband" speeds. Keefe said US pricing "will drive a lot of behavior" when it comes to DOCSIS 3.0/wideband services.

Box Office to Bravia: Sony will soon offer yet another mode for customers to rent movies, announcing that consumers with **Bravia** TVs and the **Bravia Internet Video Link** will be able to rent an HD version of its feature film "Hancock" directly over their TV sets in Nov, before it's released on DVD and VOD. The initiative is a double-edged sword for cable, contends **Pali** analyst *Richard Greenfield*. It requires broadband service, a positive for the industry, he said, but "cable operators' VOD offering is less compelling in a world of TVs that can access content directly via the Internet."

Competition: AT&T continues to expand U-verse TV availability, with the latest roll outs in Fresno, Visalia and Clovis, CA, and in northeastern WI towns including Green Bay and Oshkosh.

In the States: Suddenlink has tapped **Sigma Systems** to power its roll out of advanced VoIP services to SMBs. -- A **Synchronoss** platform will enable the activation and lifecycle management of **Time Warner Cable's** triple-play



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Carriage: Africa Channel will launch July 29 on **Time Warner Cable** in L.A., the 1st market covered by a national affil agreement between the pair.

People: After leading **ESPN's** communications efforts for nearly 30 years, *Rosa Gatti* is taking on a new role. As svp, communications counsel and corporate outreach, her primary focus will be on growing **ESPN's V Foundation** and multi-faceted outreach initiatives as well as advising on overarching communications matters. She'll now report to ESPN pres *George Bodenheimer*. Fellow communications vet *Chris LaPlaca* was named svp, corp comm, in charge of ESPN's external and internal communications efforts. -- **MTV** hired *Brent Haynes* for the new post of svp, series dev, East Coast. He most recently served as vp for Canada's **Comedy Network** and sci fi channel **Space**. -- **Cox N VA** appointed *Bert Rosenthal* as vp, biz ops. *Stephanie Kotch* of **Covad** was named vp, HR. -- **WWE** promoted *Lisa Richards* to vp, affil marketing.

On the Circuit: **Turner's Phil Kent** and **Insight's Michael Willner** will co-chair this year's **Kaitz Foundation** fundraising dinner, Sept 17 at the Hilton New York. **Comcast, NBCU, Time Warner Cable** and **Turner** have signed on as Platinum sponsors of the event.

CableFAX Daily Stockwatch

Company	06/26 Close	1-Day Ch	Company	06/26 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
BRITISH SKY:	37.30	(1.6)	APPLE:	168.26	(9.13)
DIRECTV:	25.76	(0.57)	ARRIS GROUP:	8.48	(0.37)
DISNEY:	31.53	(0.96)	AVID TECH:	18.34	(0.36)
ECHOSTAR:	29.09	(1.25)	BIGBAND:	5.01	(0.29)
GE:	26.53	(1.46)	BLNDER TONGUE:	1.25	0.00
HEARST-ARGYLE:	19.18	(0.39)	BROADCOM:	26.86	(0.95)
ION MEDIA:	1.45	0.00	C-COR:	11.00	0.00
NEWS CORP:	16.18	(0.56)	CISCO:	23.82	(0.88)
MSOS					
CABLEVISION:	22.83	(0.83)	COMMSCOPE:	52.07	(1.74)
CHARTER:	1.07	(0.05)	CONCURRENT:	0.68	0.03
COMCAST:	18.61	(0.65)	CONVERGYS:	15.03	(0.29)
COMCAST SPCL:	18.40	(0.64)	CSG SYSTEMS:	11.28	(0.09)
GCI:	7.17	(0.32)	ECHOSTAR HOLDING:	31.95	(0.22)
KNOLGY:	11.44	(1.05)	GOOGLE:	528.82	(22.18)
LIBERTY CAPITAL:	14.82	(0.23)	HARMONIC:	9.86	(0.28)
LIBERTY ENTERTAINMENT:	24.35	(0.5)	JDSU:	11.43	(0.37)
LIBERTY GLOBAL:	31.55	(0.53)	LEVEL 3:	3.21	(0.34)
LIBERTY INTERACTIVE:	15.35	(0.54)	MICROSOFT:	27.75	(0.6)
MEDIACOM:	5.44	(0.01)	MOTOROLA:	7.30	(0.22)
SHAW COMM:	18.99	(0.85)	NDS:	50.48	(0.22)
TIME WARNER CABLE:	26.35	(0.48)	NORTEL:	8.73	(0.27)
VIRGIN MEDIA:	13.75	(0.75)	OPENTV:	1.36	(0.07)
WASH POST:	594.50	2.90	PHILIPS:	34.11	(1.22)
PROGRAMMING					
CBS:	20.00	(0.19)	RENTRAK:	14.06	(0.07)
CROWN:	4.24	(0.01)	SEACHANGE:	7.31	(0.34)
DISCOVERY:	22.71	(1.19)	SONY:	45.55	(0.67)
EW SCRIPPS:	42.79	(1.04)	SPRINT NEXTEL:	8.84	0.29
GRUPO TELEVISA:	23.78	(0.55)	THOMAS & BETTS:	37.69	(1.99)
INTERACTIVE CORP:	19.55	(0.76)	TIVO:	6.34	(0.19)
LIBERTY:	47.49	(1.16)	TOLLGRADE:	4.75	(0.48)
LODGENET:	5.15	(0.32)	UNIVERSAL ELEC:	22.26	(1.1)
NEW FRONTIER:	3.90	(0.04)	VONAGE:	1.82	0.03
OUTDOOR:	7.47	(0.04)	WEBB SYS:	0.03	(0.02)
PLAYBOY:	5.12	0.07	WORLDGATE:	0.30	0.00
TIME WARNER:	14.60	(0.39)	YAHOO:	21.37	(0.64)
VALUEVISION:	4.10	0.01	TELCOS		
VIACOM:	31.00	(0.71)	AT&T:	33.47	(1)
WWE:	15.25	(0.22)	QWEST:	3.90	(0.13)
TECHNOLOGY					
3COM:	2.16	(0.22)	VERIZON:	34.31	(1.28)
ADC:	15.28	(0.92)	MARKET INDICES		
ADDVANTAGE:	3.06	(0.08)	DOW:	11453.42	(358.41)
ALCATEL LUCENT:	6.07	(0.18)	NASDAQ:	2321.37	(79.89)
AMDOCS:	29.41	(0.88)			
AMPHENOL:	45.54	(2.83)			

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PROGRAMMER'S PAGE with Chad Heiges and Seth Arenstein

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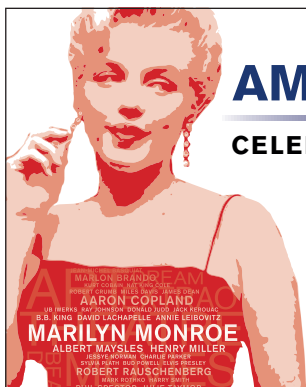
With **Scripps Nets Interactive** set to officially begin trading next week and the year's initial half nearly over, it's an opportune time to look at programming stocks from various perspectives. Interestingly, as TV viewers continue to increase their eyeball investments in cable programming, the **Street** this year hasn't been as kind to programmers (has it been friendly to anyone lately?). **Outdoor Channel Holdings** (+20%) and **WWE** (+9%) are up this year, but the list of notable YTD decliners is lengthy: **Crown Media** (-30%), **CBS** (-23%), **Discovery Holdings** (-8%), **Viacom** (-29%), **Playboy** (-42%), and **Time Warner** (-10%). Most perplexing to me is Viacom, which is fluttering near its 52-week floor despite growth in cable ad sales and arguably trailblazing digital initiatives for brands such as **MTV** and **Nickelodeon**. Analysts' mean recommendation for Viacom at Yahoo! is 'buy.' More strongly recommended is Discovery, which benefits from a light debt load and **Discovery Comm** pres/CEO *David Zaslav's* renewed focus on core businesses and network branding. Mean recommendations are also leaning toward 'buy' for **WWE** and **Time Warner**. The former likely won't offer wild price upswings, but the wrestling empire has no debt, solid ROE (15%), estimable consistency and, perhaps most pleasing, a stout quarterly dividend (36 cents/share). **Time Warner Cable** later this year, and enjoys a cable stalwart in **Turner**. And greater transparency and flexibility of its portfolio going forward can only help. As for **Playboy**, it may be attractive to some based on its enduring brand and depressed price, now at its lowest level since the early 90's, but the company is having major trouble transitioning to online profitability. **CBS** offers a nice dividend (27 cents), but can **Showtime** and **CBS College Sports Net** carry the floundering broadcast net? CH

Highlights: "Transamerica's Playing Lessons from the Pros," Mon 11pm ET, **Golf**. A highlight for golfer's only, but **Golf** has beautifully mixed education and entertainment as actor *Don Cheadle* and pro *Rich Beem* play **Trump National** on a gorgeous day. Between banter, *Beem* gives *Cheadle* golf tips. To his credit, *Cheadle* absorbs them easily, improving his already good-looking game. The show's simplicity underscores *Beem's* urging that amateurs keep things simple. -- "Origins," Sat, 9pm, **GAC**. Singer-songwriter *Jewel* was impressively articulate Sun on **A&E's** "Private Sessions." She's no less so here, singing and discussing her peripatetic life and her man, *Ty Murray*. SA

Worth a Look: "The 10th Circle," Sat, 9pm, **Lifetime**. Lifetime's promos promise light, fun viewing this summer. So what in the name of Dante's inferno is it presenting this original based on *Jodi Picoult's* novel about an alleged teen rape? Yet it's a good story, featuring a dad (*Ron Eldard*) who's gone from being a tempestuous youth to a house frau and his professor wife (*Kelly Preston*), who satisfies her urges on a student's body. Lifetime maintains the suspense, never showing us enough to do more than speculate about what happened. -- "Factory" Sun, 10pm, **Spike**. No belly laughs from **Spike's** first original sitcom, but a steady stream of grins, beer and girls. SA

Basic Cable Rankings (6/16/08-6/22/08) Mon-Sun Prime			
1	USA	2.3	2209
2	DSNY	2.1	1996
3	TNT	1.7	1661
4	NAN	1.3	1281
4	LIFE	1.3	1273
4	FOXN	1.3	1244
7	TBSC	1.2	1188
8	TOON	1.1	1047
8	ESPN	1.1	1036
8	HALL	1.1	912
11	SPK	1	998
11	HGTV	1	994
11	A&E	1	992
11	SCIF	1	963
11	FAM	1	910
16	DISC	0.9	894
16	HIST	0.9	891
16	FX	0.9	868
16	TRU	0.9	836
16	CMDY	0.9	835
16	AMC	0.9	802
22	ESP2	0.8	751
23	CNN	0.7	707
23	FOOD	0.7	700
23	TLC	0.7	670
23	MTV	0.7	649
23	LMN	0.7	421
28	MSNB	0.6	575
28	TVLD	0.6	529
30	APL	0.5	477
30	BRAV	0.5	469
30	BET	0.5	439
30	NGC	0.5	326
30	NOGG	0.5	316
35	VH1	0.4	416
35	EN	0.4	406
35	CMT	0.4	314
35	OXYG	0.4	296
35	SOAP	0.4	296
35	WGNC	0.4	270
41	HLN	0.3	330
41	TTC	0.3	318
41	WE	0.3	237
41	SPD	0.3	212
41	DHLT	0.3	207
41	GSN	0.3	204

*Nielsen data supplied by ABC/Disney



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