

CableFAX Daily™

Monday — June 29, 2009

What the Industry Reads First

Volume 20 / No. 122

Nixed Numbers: ALJ Doesn't Care About MASN's DC Ratings

The FCC administrative law judge hearing MASN's programming complaint against Comcast rejected the MSO's request to supplement the record in the case with recent news articles showing low Nielsen ratings for MASN during the first 2 months of the MLB season. Comcast had argued that they were "highly relevant" because the RSN had relied on Nielsen ratings to show demand for the net in Harrisburg, PA, and Southwest, VA. But Judge *Richard Sippel*, in an order posted online Fri, agreed with MASN's argument that the ratings articles aren't relevant because the numbers are for the core Baltimore-Washington, DC, area—not Harrisburg-VA. The articles from the *Washington Post* and *Sports Business Journal* noted that even though ratings for games on MASN and MASN2 had increased 56% for Apr and May, the Nationals still had the lowest local TV ratings and lowest average number of homes watching each game. MASN's complaint is over Comcast not carrying it in Harrisburg, PA, and Roanoke/Lynchburg, VA—markets where it carries its own Comcast SportsNets. Sippel heard arguments in the case in May and has not yet made a determination. In Apr, the same judge heard WealthTV's program access complaint against Bright House, Comcast, Cox and Time Warner Cable. Wealth claims the In Demand owners favored In Demand's now-defunct MOJO channel over WealthTV. That program access complaint is probably closer to a decision than MASN's. Parties filed final replies Wed after the hearing, clearing the way for Sippel's ruling. But his decision is only a recommendation—the FCC's commissioners have final say. Sippel also presided over NFL Net's complaint against Comcast, but the net withdrew it after the 2 finally brokered a deal that moves the net from a sports tier to digital classic.

Jules to Rule: Thurs' FCC hearing is more interesting now that *Julius Genachowski* is expected to be at it. The former IAC exec received Senate confirmation Thurs night, and is expected to start work at the Commission Mon. The hearing agenda includes a presentation on the status of the FCC's process for developing a national broadband plan. But the real draw is the new chmn, whose Sen Commerce confirmation hearing earlier this month was so packed that the crowd spilled out into the hall and down a staircase. Genachowski said after the Sen vote he's "deeply grateful" to President Obama and the Senate, and he saluted acting FCC chmn *Michael Copps*, Republican comr *Robert McDowell* (who also was approved by the Sen Thurs) and *Jonathan Adelstein*, who was tapped for the RUS and will leave the FCC once Genachowski is officially



IT'S MAKING YOUR MARK.

entourage®

SUN JULY 12 10:30PM

IT'S HBO®

©2009 HOME BOX OFFICE, INC. ALL RIGHTS RESERVED. HBO® AND RELATED SERVICE MARKS ARE THE PROPERTY OF HOME BOX OFFICE, INC.

CABLEFAX DAILY (ISSN 1069-6644) is published daily by Access Intelligence, LLC ● www.cablefaxdaily.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 ● Publisher: Debbie Vodenos, 301/354-1695, dvodenos@accessintel.com ● Advertising Mgr: Erica Gottlieb, 212/621-4612 ● Marketer: Patrick Benko, 301/354-1789, pbenko@accessintel.com ● Marketing Director: Carol Bray, 301/354-1763, cbray@accessintel.com ● Prod: Joann Fato, 301/354-1681, cdaily@accessintel.com ● Diane Schwartz/VP and Group Publisher ● Paul Maxwell/Columnist ● Subs/Client Services: 301/354-2101, fax 301/309-3847 ● Group Subs: Carol Bray, 301/354-1763, cbray@accessintel.com

sworn in. The incoming chmn also congratulated *Mignon Cyburn* and *Meredith Attwell Baker* on their nominations to the FCC by *Obama*. Thurs' FCC agenda doesn't include a DTV recap, but expect a discussion of the June 12 events.

MJ News Now: With no disrespect intended to either family members or *Farrah Fawcett*, *Michael Jackson's* passing should produce a trove of viewers and Web surfers for cable news nets. From 8-11pm ET Thurs night, according to *Newser*, **CNN** averaged 3.89mIn total viewers for its MJ coverage and 1.79mIn 25-54s, **Fox News** 2.86mIn and 1.20mIn, and **MSNBC** 1.47mIn and 684K. And from 8pm-2am, the corresponding total viewers averages tallied 3.04mIn, 2.09mIn and 1.06mIn. Meanwhile, **Turner's** extrapolation of **Nielsen** data shows cable news nets during 2Q to date controlled 62% of total news viewers versus 38% for broadcast, a positive 4 percentage point increase for cable since 2Q08 and an 8 percentage point jump since 2Q07. So far this Q, Fox News' total viewership has jumped 32% YOY, CNN's 2%, MSNBC's 1% and **HLN's** 18% (**CNBC's** has dipped 5%). Expanding news-related Web traffic looks to be a big help in driving ratings. According to Nielsen's new Fusion Data, **CNN/CNN.com** delivered in Apr 125mIn in total reach, **MSNBC/MSNBC.com** 106mIn and **Fox News/FoxNews.com** 104mIn. The corresponding Apr totals for viewers who interacted with the channels and Websites simultaneously tallied 20mIn, 18mIn and 9mIn. Meanwhile, **Keynote Systems** said the Websites of **ABC**, **CBS**, the *L.A. Times* and **AOL** were nearly unusable from 6-8pm ET due to overloads of Jackson searches, and Nielsen reported a spike in blog postings that was more than 2X the spike during *Pres Obama's* inauguration and more than 4X the spike during the swine flu scare. -- Cable and broadcast nets alike were awash in MJ coverage Thurs night, and many cable nets will continue the trend into the weekend. Among them: **E!** is featuring "True Hollywood Story: Michael Jackson" throughout the weekend, **BIO** is rolling out Sat (10pm) "BIO Remembers: Michael Jackson," **VH1 Classic's** weekend-long remembrance will include a special music video tribute, and **Fuse's** own programming tribute runs Fri-Sat.

Competition: **AT&T** launched an **iPhone** app allowing video customers to schedule and manage DVR recordings.

In the States: **Comcast** has temporarily stopped airing an ad criticizing **GM's** bankruptcy plans while it reviews claims made in the ad. The ad is by **The Ad Hoc Committee of Consumer Victims of GM and Chrysler**, a group of people injured in **GM** and **Chrysler** autos. A **Comcast Spotlight** rep said it requires substantiation for issue ads but doesn't approve or reject ads based on views expressed. -- The Sen Thurs also confirmed *Larry Strickling* as the next **NTIA** head. -- **Comcast** updated its 1-800-COMCAST greeting Fri to have spokesmen *Shaq* and *Ben Stein* thank folks for calling.

Programming: *Noah Wyle* leads a **TNT** series pilot from **DreamWorks** and exec prod *Steven Spielberg* about a resistance group fighting alien invaders. -- **Sportsman Channel** launches modern-weapons series "Tactical Arms" on Jun 30. It's one of more than 65 original series eps the net will get in Q3 from parent co **InterMedia Outdoors**.



IT'S FEEDING YOUR HUNGER.

TRUEBLOOD

SUNDAYS 9PM

IT'S **HBO**

CableFAX Week in Review

Company	Ticker	6/26 Close	1-Week % Chg	YTD %Chg
BROADCASTERS/DBS/MMDS				
BRITISH SKY:	BSY	29.68	1.80%	7.50%
DIRECTV:	DTV	24.57	3.80%	7.20%
DISH:	DISH	15.81	4.20%	42.60%
DISNEY:	DIS	23.43	(0.5%)	4.80%
GE:	GE	11.75	(2.9%)	(21.7%)
HEARST-ARGYLE:	HTV	4.50		(24.6%)
NEWS CORP:	NWS	10.53	(1.2%)	11.20%

Company	Ticker	6/26 Close	1-Week % Chg	YTD %Chg
MSOS				
CABLEVISION:	CVC	18.86	1.10%	13.80%
COMCAST:	CMCSA	14.22	2.50%	(14.6%)
COMCAST SPCL:	CMCSK	13.91	5.90%	(12.7%)
GCI:	GNCMA	6.65	(4.3%)	(17.8%)
KNOLGY:	KNOL	8.63	1.10%	67.20%
LIBERTY CAPITAL:	LCAPA	13.74	(1.6%)	191.70%
LIBERTY ENT:	LMDIA	26.34	1.90%	50.70%
LIBERTY GLOBAL:	LBTYA	15.72	4.40%	(1.3%)
LIBERTY INT:	LINTA	4.99	(6%)	59.90%
MEDIACOM:	MCCC	5.42	(5.7%)	26.00%
SHAW COMM:	SJR	17.11	0.20%	0.20%
TIME WARNER CABLE:	TWC	31.12		
VIRGIN MEDIA:	VMED	8.92	(0.2%)	81.20%
WASH POST:	WPO	349.39	2.10%	(8.3%)

Company	Ticker	6/26 Close	1-Week % Chg	YTD %Chg
PROGRAMMING				
CBS:	CBS	7.07	(3.7%)	(12.5%)
CROWN:	CRWN	1.92	4.90%	(32.6%)
DISCOVERY:	DISCA	21.74	4.00%	53.50%
EW SCRIPPS:	SSP	2.50	29.50%	13.60%
GRUPO TELEVISIA:	TV	17.13	5.40%	18.90%
HSN:	HSNI	10.09	(4.5%)	38.80%
INTERACTIVE CORP:	IACI	15.93	(3.2%)	1.20%
LIBERTY:	L	27.17	(0.7%)	(3.4%)
LODGENET:	LNET	3.61	(20.5%)	415.70%
NEW FRONTIER:	NOOF	2.46	1.20%	44.70%
OUTDOOR:	OUTD	5.75	(3.5%)	(23.2%)
PLAYBOY:	PLA	2.61	(4.4%)	20.80%
RHI:	RHIE	3.26	(8.4%)	(59.9%)
SCRIPPS INT:	SNI	27.84	(0.1%)	27.30%
TIME WARNER:	TWX	24.95	(0.8%)	13.30%
VALUEVISION:	VVTV	2.04	20.70%	518.20%
VIACOM:	VIA	23.67	(3.5%)	17.60%
WWE:	WWE	12.88	3.70%	26.00%

Company	Ticker	6/26 Close	1-Week % Chg	YTD %Chg
TECHNOLOGY				
3COM:	COMS	4.80	6.90%	110.50%
ADC:	ADCT	8.12	5.50%	48.70%
ADDVANTAGE:	AEY	1.69	(12.4%)	(5.1%)
ALCATEL LUCENT:	ALU	2.53	(7.7%)	17.70%
AMDOCS:	DOX	20.97	1.60%	14.70%
AMPHENOL:	APH	31.90	0.80%	33.20%
APPLE:	AAPL	142.44	2.10%	66.90%
ARRIS GROUP:	ARRS	12.04	1.90%	51.40%
AVID TECH:	AVID	13.51	4.40%	23.80%
BIGBAND:	BBND	5.00	(3.8%)	(9.4%)
BLNDER TONGUE:	BDR	1.39	(6.7%)	37.60%
BROADCOM:	BRCM	24.62	(3.4%)	45.10%

Company	Ticker	6/26 Close	1-Week % Chg	YTD %Chg
CISCO:	CSCO	18.91	(0.1%)	16.00%
CLEARWIRE:	CLWR	4.87	5.20%	22.70%
COMMSCOPE:	CTV	26.46	6.70%	70.30%
CONCURRENT:	CCUR	5.85	(1.7%)	73.50%
CONVERGYS:	CVG	9.18	3.60%	43.20%
CSG SYSTEMS:	CSGS	13.53	0.10%	(22.6%)
ECHOSTAR:	SATS	15.71	0.90%	5.60%
GOOGLE:	GOOG	425.32	1.20%	38.20%
HARMONIC:	HLIT	6.05	(4.9%)	7.80%
INTEL:	INTC	16.29	1.70%	21.80%
JDSU:	JDSU	5.70	(2.7%)	54.30%
LEVEL 3:	LVLTL	1.40	16.70%	100.00%
MICROSOFT:	MSFT	23.35	(3%)	22.10%
MOTOROLA:	MOT	6.62	8.30%	50.60%
OPENTV:	OPTV	1.38	6.20%	12.20%
PHILIPS:	PHG	18.32	0.30%	1.40%
RENTRAK:	RENT	17.43	19.80%	47.80%
SEACHANGE:	SEAC	8.28	10.10%	14.80%
SONY:	SNE	26.30	0.30%	20.30%
SPRINT NEXTEL:	S	4.99	0.60%	172.70%
THOMAS & BETTS:	TNB	29.88	2.40%	24.40%
TIVO:	TIVO	11.03	(0.2%)	54.10%
TOLLGRADE:	TLGD	5.77	12.90%	20.70%
UNIVERSAL ELEC:	UEIC	18.83	(4.7%)	16.10%
VONAGE:	VG	0.34	(24.4%)	(48.5%)
YAHOO:	YHOO	15.74	(0.4%)	29.00%

Company	Ticker	6/26 Close	1-Week % Chg	YTD %Chg
TELCOS				
AT&T:	T	24.82	3.20%	(8.6%)
QWEST:	Q	4.21	5.80%	22.30%
VERIZON:	VZ	30.99	4.50%	(4.5%)

Index	6/26 Close	1-Week % Chg	YTD %Chg	
MARKET INDICES				
DOW:	INDU	8438.39	(1.2%)	(3.9%)
NASDAQ:	COMPX	1838.22	0.60%	16.60%

WINNERS & LOSERS

THIS WEEK'S STOCK PRICE WINNERS

COMPANY	CLOSE	1-WK CH
1. EW SCRIPPS:	2.50	29.50%
2. VALUEVISION:	2.04	20.70%
3. RENTRAK:	17.43	19.80%
4. LEVEL 3:	1.40	16.70%
5. TOLLGRADE:	5.77	12.90%

THIS WEEK'S STOCK PRICE LOSERS

COMPANY	CLOSE	1-WK CH
1. VONAGE:	0.34	(24.4%)
2. LODGENET:	3.61	(20.5%)
3. ADDVANTAGE:	1.69	(12.4%)
4. RHI:	3.26	(8.4%)
5. ALCATEL LUCENT:	2.53	(7.7%)



IT'S EXPOSING YOUR TALENT.

HUNG

SUNDAYS 10PM

IT'S HBO

MaxFAX...

(Cable) TV Everywhere?

Been talked about a lot... nice to see the trials starting next month.

Cable's (and satellite's and telco video's) business model is hard to beat: subscription fees plus advertising. (Same model



Paul S. Maxwell

is in place here, of course—when I started this, I was paying attention!) Despite the complexities, this initiative—most vocally supported by Jeff Bewkes—is

essential if the multichannel multi-platform industries (the “multi-“ industries? finally catching up to what I named that once-futuristically titled trade?) are to survive in anything like their current form.

Within reason.

There is one underlying principle here: producers and distributors of content must be compensated.

How that happens is, of course, the rub.

Jeff's (and now apparently Brian's) “TV Everywhere” doesn't envision charging for a program more than once using cable's true hole card: a subscription to content access.

This is NOT, as some might claim, “an additional toll lane” (at least not now or as envisioned—it doesn't match the economic model of ESPN360).

It also does not, as some blogging pundits have posited, mark the beginning of the end of the cable model.

And it doesn't negate alternative distribution models such as **Hulu** and/or **iTunes**. That is, ad supported and/or PPD (Pay Per Download).

It is up to the rights owner, period.

As it should be.

So what's next?

The trials won't be as simple as hoped; the business negotiations won't be slam dunk; and the programmers and the distributors (cable, satellite, telco and tin cans strung together by string) will have myriad issues.

But I'll bet it works out... and winds up adding to bandwidth usage. And it won't include breaking news and/or live sporting and/or political events in real time.

And the definition of “online” is going to mean however, whenever and whatever is connected... mobile (smartphone, netbook, laptop), residential (TV, computer, mobile local or regional), commercial (TV, computer, mobile local or regional)... and in the meantime, another argument to take all that wasted over-the-air spectrum back.

Random Notes:

• **Silent Auctions:** So, not everybody gets to overbid *Mike Friess*... but I did and I get a real bargain on some skis... just what I need, another pair of skis. (Well, good cause—Colorado Conservation Trust. Would really rather have the painting—best “award” I've ever seen, beats plaques any day—they gave to *Ted Turner*... but, oh well).

• **Authentication:** Just so that doesn't involve the ink on the thumbs bit.

• **Milwaukee:** It must be working for **HBO**.

• **Why Wait?** So this TV sort of everywhere involves making programs available on a download basis after the initial distribution via cable. OK for now. But for TV to be truly everywhere, the next steps should be to any subscription service stream to any device ALL OF THE TIME for

the same subscription fee. One more reason to get the spectrum back.

• **Licensing Arrangements:** Are about to change again. For instance, watch one satellite platform agree to a TV-everywhere-like bit for a group of “cable” channels allowing the re-distribution of the satellite subscription to broadband download for viewing on any kind of a device... and in less than a couple of years, the programmers demanding ubiquity.

• **Woodstock! VH-1 and History** are collaborating on a documentary about Woodstock (which I missed, I was somewhere in Southeast Asia during the time so many were golden)... sadly, it doesn't star *Alan Gerry*! Dug out my CD anyway. Best version ever of The Star Spangled Banner.

• **Twitter:** Important... but how do you monetize organizing street demonstrations?

• **The 4th!** OK, a big conundrum... do you take off on the 3rd in order to celebrate on the 4th without also taking off the 6th to recuperate? Not me. Age is catching up; so we'll take both at our shop.

• **Green?** A few folks will be coming to Denver in October... **CTAM**, the **SCTE**, the **Cable Center Hall of Fame** and more... at SCTE though, there's going to be something a little bit different... they're going to have a “green” pavilion on their show floor... really green... greenbacks and energy saving combined. Stay tuned for details.

Paul Maxwell
T: 303/271-9960

F: 303/271-9965

maxfax@mediabiz.com