

# CableFAX Daily™

Thursday — June 30, 2011

What the Industry Reads First

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## New Chief: Falco Soars to Top at Univision

It didn't take former NBCU exec *Randy Falco* long to land the top gig at **Univision**. He joined Univision as evp/COO in Jan. In Mar, the Spanish-language programmer announced that pres/CEO *Joe Uva* wouldn't renew his employment agreement and on Wed came the somewhat expected news that Falco landed the post following a "comprehensive search process." He will become a member of the Univision board of which *Haim Saban* is exec chmn. "The Board unanimously agreed that Randy's track record and expertise make him the ideal executive to lead Univision's future growth," Saban said. "Randy has over 30 years of relevant industry experience and has demonstrated his highly-skilled leadership and strategic vision at Univision over the past six months." Falco spent 30 years at NBCU, most recently as pres/COO of NBCU TV Group. From there he briefly served as chmn/CEO of **AOL** and was an informal consultant to **Comcast** during the whole NBCU shebang, leading some to believe he might end up at Comcast-NBCU. **Telemundo**, NBCU's own Spanish-language programmer, lost pres *Don Browne* earlier this month to retirement. A successor has not yet been named. "I am thrilled to take on the role of Chief Executive Officer," Falco said in a statement Wed. "Univision has been at the forefront of innovation and has grown its competitive position while continuing to serve and advocate for the important US Hispanic community."

**In the States:** The next stops for **Cox Wireless** after Roanoke and Northern VA, slated to launch soon, include San Diego, Santa Barbara and many of the communities served by Cox in Northwest AR and Topeka and Wichita, KS. The rollouts will allow the MSO to reach its wireless coverage goal of more than 50% of its footprint by the end of the year. -- **Yahoo** and **Frontier** expanded their partnership to deliver advanced online experiences to the telco's broadband subs in 27 states beginning later this year. The subs will be upgraded to a co-branded email experience through which Yahoo's digital content can be accessed.

**Net Neutrality:** Several Democratic **Sen Commerce** members urged the **Sen Appropriations** cmte to oppose any appropriations rider or other actions that would prevent the **FCC** from instituting the net neutrality rules it approved in Dec. The **House Appropriations Financial Services and General Government** subcmte has included language in

## CableFAX THE MAGAZINE Most Influential Minorities in Cable 2011

Nomination Deadline: July 1, 2011

### Who are cable's most influential minority executives?

Help us decide by nominating the executives you think should be included in our annual list of the Most Influential Minorities in Cable. We will rank the top 50 minorities, and run a list of the second 50, in the October issue of *CableFAX: The Magazine*.

*CableFAX: The Magazine* distribution includes: NAMIC/CableFAX Breakfast, Diversity Week.

Free and Easy  
to Nominate

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its funding bill for 2012 barring the FCC from using any funds to put into effect the open Internet order. "Some members of Congress have decided that they know better what is good for the Internet than the people who use, fund, and work on it. We side with the agency of expertise and supporters of the rule and urge you to reject any proposals that will prevent the FCC from implementing or enforcing its net neutrality rules," said the letter, which was signed by Sens *John Kerry* (D-MA), *Jay Rockefeller* (D-WV), *Al Franken* (D-MN), *Maria Cantwell* (D-WA) and others.

**Private Matters: Sen Commerce** tried to hold a hearing Wed on privacy protections, but had to wrap up early due to a series of votes on the floor. An apologetic *Jay Rockefeller* (D-WV) called the scheduling a travesty, and told a 2nd panel of witnesses who had to rush through testimony that written questions would be submitted that might offer them a fuller opportunity to respond. Before the floor votes interrupted, the committee made it through some questions for the 1st panel, which included **FTC** commish *Julie Brill* and **FCC** gen counsel *Austin Schlick*. Members on both sides of the aisle appeared to support data breach laws, but there was less consensus over online privacy regulations. While Rockefeller has introduced a bill that includes a Do-Not-Track mechanism, Sen *Pat Toomey* (R-PA) worried about unintended consequences. So did witness **Technology Policy Institute** pres *Thomas Lenard*, who said that basing Do-Not-Track on the popular Do-Not-Call telemarketing rule might not have the same result. "Do-Not-Track can have the opposite effect with consumers receiving a great number of ads that are less well targeted to their interest," Lenard said. Meanwhile, Rockefeller attempted to establish Sen Commerce as the cmte of jurisdiction for privacy legislation. Hear that **Judiciary?** -- Over in the House, **Communications** subcmte chmn *Greg Walden* (R-OR) and **Commerce, Manufacturing and Trade** subcmte chmn *Mary Bono Mack* (R-CA) announced the 1st in a series of hearings to examine privacy issues in an online global economy. A joint hearing, "Internet Privacy: The Views of the **FTC**, **FCC** and **NTIA**" is slated for July 14.

**At the Portals:** The **FCC** Media Bureau granted **Comcast's** motion for an extension of time to file answers to **Bloomberg's** complaint, which alleges that the MSO violated terms of the **NBCU** order by not neighborhooding **Bloomberg TV**. The 14-day extension puts the new deadline at July 27. Saying Bloomberg's complaint is extensive, the Bureau said the new deadline should give Comcast sufficient time to review and answer the complaint.

**Research:** 3% of pay-TV homes have cut the cord, according to **J.D. Power and Assoc**, with the incidence highest among 17-34s (6%). As more than half of TV customers said they still watch programming in its regularly-scheduled slot, the firm believes "the current [pay-TV] model will remain viable for the next two to three years, at a minimum." In measuring customer satisfaction across 6 factors including cost, service and offerings, overall satisfaction with video service providers averaged 743 on a 1,000-point scale while **Netflix** and **redbox** performed particularly well in satisfying pay-TV subs. 27% of video customers watch content on a handheld device.

**Space Out:** It's no longer **News Corp's** space, with the media company selling **Myspace** for \$35mln to online advertising network **Specific Media**. While the *NY Times* reported that *Tom Freston* was in Iceland Wed, we're pretty sure we could hear his laughter all the way from D.C. Losing out on Myspace to News was one of the reasons Freston was reportedly shown the door at **Viacom** in '06. Funny how fickle the World Wide Web is. News paid \$580mln for Myspace in '05. Specific didn't immediately offer any specifics on its plans for the Web property. Speaking of toppled social networking sites, **Friendster** relaunched Wed as an online gaming platform.

**Technology:** **Cablevision** implemented **Affinegy** software to help subs connect their advanced wireless router as part of its new Ultimate Triple Play that also features the Optimum Link service and HSD service delivering 50Mbps downstream. -- **MediaMall** unveiled in limited Beta **PlayLater**, a DVR of sorts allowing users to record online content for on demand viewing later on mobile devices and, if used in conjunction with the company's **PlayOn** service, TVs as well. PlayOn features content from **ESPN**, **MTV** and **TBS**.

**Advertising/Marketing:** **ESPN** tapped **Helios Partners** to help expand the **X Games** franchise and manage its host city bid process and commercial program. Beginning in '13, the X Games will stage 6 annual events, 4 outside the US, and ESPN plans to deliver a total of 130 live TV hours across the group.

**Ratings:** **Fox Soccer's** coverage of the US-Mexico Gold Cup final earned a 1.43 HH coverage rating to become the 1st net telecast to break the 1.0 mark. 954K viewers watched the match. -- **MTV** delivered its 6th consecutive quarter of rat-

# BUSINESS & FINANCE

ings growth through a 6% rise in 2Q, during which the net aired 4 of the top 15 original cable series of the period including “America’s Best Dance Crew” and “Real World: Las Vegas.”

**Programming:** Starring *Ricky Schroder* and *Laura Bell Bundy*, **CMT’s** romantic comedy “To The Mat” (Aug 17) marks the 1st made-for-TV movie to be released as part of the CMT Original Movies franchise. -- **Comedy Central** greenlit sketch shows “The Nick Kroll Show” and one starring “MADtv” alum *Keegan-Micheal Key* that’s untitled. -- **ESPN3.com** will feature the 1st-ever Women’s Hot Dog Eating Championship, Mon at 11:30am ET. The annual Nathan’s Famous Fourth of July Intl Hot Dog Eating Contest will be available live on **ESPN** Mon at noon (ESPN3 and ESPN Mobile also will televise the gluttony).

**Business/Finance:** **Moody’s** said **DISH’s** credit ratings will remain under review for a possible upgrade after its \$1.38bn bid for **TerreStar** was accepted, although **Moody’s** svp *Neil Begley* expressed some concern about **DISH’s** unknown strategic goals in light of its spate of recent cash and debt financed deals (**DBSD** and **Blockbuster**). “However, since the company is investing its cash in assets like wireless spectrum that clearly will retain or have the potential to grow in value, it softens our concerns about its acquisitive nature in recent months as compared to shareholder friendly activities,” he said.

## CableFAX Daily Stockwatch

Company	06/29 Close	1-Day Ch	Company	06/29 Close	1-Day Ch			
<b>BROADCASTERS/DBS/MMDS</b>								
DIRECTV:	50.13	0.26	CONCURRENT:	5.86	(0.03)			
DISH:	29.60	0.21	CSG SYSTEMS:	18.34	0.09			
DISNEY:	38.35	0.43	ECHOSTAR:	36.31	0.39			
GE:	18.56	0.12	GOOGLE:	497.57	3.92			
NEWS CORP:	17.84	0.23	HARMONIC:	7.16	0.01			
<b>MSOS</b>								
CABLEVISION:	35.76	0.43	INTEL:	21.39	(0.1)			
CHARTER:	54.36	(0.21)	JDSU:	16.17	(0.61)			
COMCAST:	24.95	0.19	LEVEL 3:	2.40	0.04			
COMCAST SPCL:	23.79	0.24	MICROSOFT:	25.62	(0.18)			
GCI:	11.98	(0.09)	RENTRAK:	17.95	0.42			
KNOLGY:	14.56	(0.06)	SEACHANGE:	10.82	(0.28)			
LIBERTY CAPITAL:	82.09	0.60	SONY:	25.60	0.18			
LIBERTY GLOBAL:	44.27	0.30	SPRINT NEXTEL:	5.21	(0.01)			
LIBERTY INT:	16.47	0.18	THOMAS & BETTS:	52.96	0.81			
SHAW COMM:	22.28	0.70	TIVO:	10.32	0.41			
VIRGIN MEDIA:	31.19	(0.23)	UNIVERSAL ELEC:	24.36	(0.18)			
WASH POST:	417.45	0.32	<b>TELCOS</b>					
<b>PROGRAMMING</b>								
CBS:	28.36	0.26	AT&T:	31.26	0.24			
DISCOVERY:	40.69	(0.18)	VERIZON:	36.72	0.15			
GRUPO TELEVISIA:	24.77	0.10	<b>MARKET INDICES</b>					
HSN:	31.61	0.35	DOW:	12261.42	72.73			
INTERACTIVE CORP:	37.79	0.79	NASDAQ:	2740.49	11.18			
LIBERTY:	42.14	0.41	S&P 500:	1307.41	10.74			
LIBERTY STARZ:	70.99	1.78	<b>TECHNOLOGY</b>					
LIONSGATE:	6.58	0.06	ADDVANTAGE:	2.54	(0.06)			
LODGENET:	3.12	(0.01)	ALCATEL LUCENT:	5.76	0.12			
NEW FRONTIER:	1.36	0.02	AMDOCS:	30.21	0.24			
OUTDOOR:	6.57	0.15	AMPHENOL:	52.19	0.51			
SCRIPPS INT:	49.07	0.53	AOL:	19.87	(0.04)			
TIME WARNER:	36.10	0.38	APPLE:	334.04	(1.22)			
VIACOM:	57.65	0.10	ARRIS GROUP:	11.27	0.13			
<b>TECHNOLOGY</b>								
ADDVANTAGE:	2.54	(0.06)	AVID TECH:	18.48	0.38			
ALCATEL LUCENT:	5.76	0.12	BIGBAND:	2.19	(0.06)			
AMDOCS:	30.21	0.24	BLNDER TONGUE:	1.63	UNCH			
AMPHENOL:	52.19	0.51	BROADCOM:	32.34	0.33			
AOL:	19.87	(0.04)	CISCO:	15.34	0.20			
APPLE:	334.04	(1.22)	CLEARWIRE:	3.94	0.04			
ARRIS GROUP:	11.27	0.13						
AVID TECH:	18.48	0.38						
BIGBAND:	2.19	(0.06)						
BLNDER TONGUE:	1.63	UNCH						
BROADCOM:	32.34	0.33						
CISCO:	15.34	0.20						
CLEARWIRE:	3.94	0.04						



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## Think about that for a minute...

### Cable Computers

Commentary by  
Steve Effros

We've never been very good at naming things. We tend to call them what they are, rather than consider the marketing and perception angles of what they do. "Pay Per View" was a good example. Accurate, but "Video on Demand" was much better.

Same thing is true with the "set-top box." It's an accurate description of what the industry originally came up with; a device that sat on top of the television set and gave that set a whole lot of new capabilities. But it doesn't "ring."



And now it's not even accurate. Since more than 50 percent of the television sets in the market today are thin, flat screen models, that

thing we provide folks in the home to make that screen do all sorts of neat things can't even sit on the top of the set any more. So why not call it what it is: a computer.

That, after all, is what we are putting into folks' homes. We just don't get credit for it. I remember, years ago, sitting with John Malone when he ran TCI, and listening as he lamented over the decision whether to order new boxes with a "386" or a "486" chip in them. That's a computer processing chip, and he wanted to wait for the faster, more efficient "486" chip, but TCI was getting lots of bad press due to bad service in part because they hadn't upgraded their boxes. John wanted to be able to offer services, like high resolution graphics for games, that the "386" chip couldn't deliver, and he knew the newer devices could.

Technology advances at an amazing pace, and cable has been putting the equivalent of a computer in

folks' homes for some time now, but our customers don't know it, and the policy folks don't give us any credit for it. The latest bruhaha is an article in the New York Times about how inefficient and power-hungry cable and satellite boxes are. Of course one of the problems is the comparisons in the article were absurd. The cable box, contrary to the impression left by the article, does not use more energy than your air conditioner. And comparisons with light bulbs are only valid if you count the total number of light bulbs in use in the house, not just one!

But let's leave all that aside. The real problem with the comparisons was that the cable "set-top box" was not recognized as a computer. The writer did quote some cable folks noting that consumers simply don't find it acceptable to turn on their television and then wait a couple of minutes for it to "boot up." Thus cable boxes are in essence on all the time. That takes energy.

And to be sure, we should work on ways to reduce the energy load it takes as much as possible. But we are also responsible, according to government rules, for delivering things like emergency warnings, in a timely manner. Want to wait two minutes for the television to boot up to get the latest information on the tornado bearing down on your community? Unlikely.

So let's get clear what we are providing; a constantly updated, instantly available source of information and entertainment. We should figure out how to make it as efficient as possible, but we should also let folks know that the device we are providing as part of "cable service" is a whole lot more than just a "set-top box."

*Steve*

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### NOTICE OF PUBLIC SALE

On July 21, 2011, at 9:00 a.m. Central Time, Gladstone Capital Corporation, successor-in interest to Westburg Media Capital, L.P. or its assignee ("Lender") will offer at public sale certain assets of SCI Cable, Inc. ("Debtor") consisting generally of all fixtures and all tangible and intangible personal property of Debtor. The Debtor operates cable television systems serving Topeka, Perry and Manhattan, Kansas. The sale will take place at the law offices of Bryan Cave, LLP, One Kansas City Place, 1200 Main Street, Suite 3500, Kansas City, MO 64105-2100. Sale will be to the highest qualified bidder. Lender reserves the right to credit bid at the sale. There shall be no warranty relating to title, possession, quiet enjoyment, or the like in the disposition of the property. All terms and conditions of the sale and a complete description of the assets to be sold may be obtained by calling Mark Stingley at 1-816-391-7649 or emailing him at mgstingley@bryancave.com.