

# CableFAX Daily™

Tuesday — July 3, 2012

What the Industry Reads First

Volume 23 / No. 127

## Net Neutrality Drama: Free Press Drops Appeal, Other Challengers File Jointly

In a surprising move, **Free Press** dropped its petition for review of the **FCC's** net neutrality rules Mon, the deadline for the 1st briefs of net neutrality appeals at the DC Circuit. It appears the Commission's authority to regulate the Internet has become the focus of the court proceeding and as a result, Free Press believes its appeal, which centered on wireless provisions of the rules, is unlikely to be heard, policy director *Matt Wood* told **CableFAX**. However, expect the longtime "open Internet" advocate to continue to voice its concerns in other venues. The group joined over 100 advocacy groups Mon to launch the "Declaration of Internet Freedom," a set of principles to preserve and open Internet. Meanwhile, the rules' other challengers, **Verizon** and **MetroPCS**, filed their joint brief. Here's a quick summary: The Telecom Act forbids the FCC from applying common-carrier regulation to broadband; the FCC lacks authority for the rules; the rules are "unconstitutional" and "arbitrary and capricious." The brief said the FCC order cited "a hodgepodge of provisions to support its claim of 'broad authority,' but does not and could not suggest that any of these provisions expressly authorizes these rules." It argued that the rules discriminate between broadband providers subject to the rules and other Internet players not so restrained. The Commission attempted to amass a supposed industry-wide "record of abuse" based on 4 isolated incidents of alleged blocking over a period of 6 years, during which time users still had access to Internet services and apps, it said. An FCC spokesman said the agency looks forward to defending its rules in court. The framework is helping "ensure that the Internet continues to thrive as an engine for innovation, investment, job creation, and free expression," he said. The FCC brief isn't due till Sept.

**Carriage Spats:** As if the storms that hit Mid-Atlantic regions Fri weren't bad enough, **DISH** dropped **AMC Networks** and **WV Media** stations over the weekend. In the WVM spat, both sides claimed they made offers to reach an agreement. While a DISH spokesman said it offered to extend the agreement but that WVM declined, WVM's **WOWK** also said it made several offers to reach an agreement. The station is asking DISH subs to either contact an alternative provider or attach a VHF/UHF antenna to digital sets or to a converter box for analog sets in order to continue receiving programming. While DISH accused WVM of being "unreasonable in

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**Publication Date: July 23 | Artwork: July 10**

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their demands,” WOWK claimed DISH “refuses to pay just 2 or 3 cents in order to provide you with the valuable programming...” Meanwhile, as expected, DISH subs took their frustration to social media. However, DISH appears to be bearing the brunt of “Breaking Bad” fans’ ire on **Twitter**. In other carriage news, **Time Warner Cable** and **Hearst** have until July 9 to renew their carriage agreement.

**Rebranding:** **AXSTV**, formerly **HDNet**, went live Mon. First announced in Jan, the deal with **Ryan Seacrest Media**, **Creative Artists Agency** and **AEG** will help the net add more live concerts and behind-the-scenes access to live events.

**Storm Report:** Telecom engineers were still working to recover service outages Mon after severe storms struck the Mid-Atlantic Fri. Many video, Internet and phone subs lost service as storms knocked out electricity for more than 1mln people in and around DC, MD and VA. “We are seeing some extensive damage caused by falling trees, poles and more that will take longer to repair,” **Comcast** manager of customer service strategy and operations *Bill Gerth* tweeted to area subs Sun.

**Fox Doings:** **Fox Sports** just got one of **ESPN’s** homegrown stars—*Erin Andrews*—as it takes on the net’s marquee Saturday night football. Andrews will host the new Fox 30-min prime time college football pre-game show and contribute to NFL and MLB coverage, along with other marquee sports properties. The pre-game show leads into Fox’s regular-season, over-the-air football package, which kicks off Sat, Sept 1 (7:30pm) as Hawaii visits USC.

**At the Portals:** The video description rules, part of the 21st Century Communications Video Accessibility Act signed into law ’10, went into effect July 1. That means broadcast affiliates of the top 4 national nets in the 25 largest markets and MVPDs with over 50k subs must offer audio-narrated descriptions of key visual elements inserted into natural pauses in a program’s audio soundtrack. The rules also require all affiliated broadcast stations and MVPDs to pass through any video description provided with programming that they carry. Once a program airs with descriptions, re-runs of that program must also include video description. The rules enable over 21mln visually-impaired Americans to access TV programming with video description, said **FCC** comr *Jessica Rosenworcel*. She credited cable providers and distributors as well as advocates for the disabilities. The rules actually went into effect on Oct 8, but the industry had 9 months to come into full compliance.

**NFL:** Score, NFL fans! Buried in a *WSJ* story over the weekend on NFL’s plans to combat dwindling attendance was this nugget: Team owners have passed a resolution that starting this season will allow for local broadcasts of NFL games even when as few as 85% of tickets are sold. Under the new rule, each team has more flexibility to establish its own seat-sales benchmark as long as it’s 85% or higher. An NFL spokesman confirmed that the resolution was approved in May. “It’s more of an internal matter of how revenue is shared,” he said. More revenue than usual would be shared with the visiting clubs for tickets sold above that base number, he said. Meanwhile, the measure is optional if clubs want to do this and would only affect a few teams, he said, noting last year just 6% of games were blacked out. The figure is down from 15-20 years ago when 25-30% of games were “routinely blacked out,” he said. The blackout rule had been that 100% of tickets had to be sold for a home game to air in its local market. Groups like the **Sports Fans Coalition**, **Public Knowledge**, **Media Access Project** and **National Consumers League** have been asking the **FCC** to eliminate the sports blackout rule, saying there’s no compelling economic rationale that support sports blackouts.

**More Tech, More Business:** Sister publication *CT Reports* has changed its name and supercharged its content. Reflecting fast-moving changes in the broadband industry, *Communications Technology+Business*, *The Broadband Daily* will offer subscribers beefed-up product news; technical updates; federal, state and local industry/legislative/regulatory happenings; key personnel updates; insider buzz; and forward-looking business intelligence aimed at helping technicians, executives and marketers working in the broadband arena better serve their companies and their customers. Written by the editors of *Communications Technology* magazine and presented in an easy-to-navigate, breezy-conversational-style format, *Communications Technology+Business* also offers a jobs board and a classified-ad section aimed at providing readers with a way of buying or selling equipment. Find out more at [www.cable360.net/ct/](http://www.cable360.net/ct/)

**Online:** **The Weather Channel Companies** agreed to acquire Web-based weather data firm **Weather Under-**

# BUSINESS & FINANCE

ground. The deal is expected to close in several weeks. The Web data provider's site wunderground.com and its mobile apps will continue to operate, and its employees will become part of TWCC. Additionally, the firm's San Francisco hq will become a regional office for TWCC.

**People:** Starz promoted 20-year vet *Sheryl Anderson* to evp, hr & admin. -- **Discovery** named *Kristen Hilbert* vp, national accounts, domestic distribution. -- **Nick** named *Teri Weiss* evp, production and dev, Nickelodeon Preschool. -- The **Texas Cable Assn** board elected new executive committee members: chmn *Jon Gary Gerrera*, vp, comm, **Time Warner Cable Texas**; vice chmn *Craig D'Agostini*, senior dir, gov affairs, **Comcast**; secretary *Lana Glover*, dir, gov relations, TWC; treasurer, *Dave Gilles*, svp, operations, **Suddenlink West Region**.

**Business/Finance:** **Schurz Communications** completed a cash-for-stock transaction to purchase the assets of Arizona op **Orbitel Communications** from **MCG Capital**.

**Editor's Note:** As the Latino market continues to explode, **CableFAX** will explore how programmers and distributors can tap into this important demo in a Webinar on July 17. Don't miss it! More info: [http://www.cablefax.com/cfp/webinars/2012\\_July17/](http://www.cablefax.com/cfp/webinars/2012_July17/)

## CableFAX Daily Stockwatch

Company	07/02 Close	1-Day Ch	Company	07/02 Close	1-Day Ch
<b>BROADCASTERS/DBS/MMDS</b>					
DIRECTV:	49.69	0.87	CLEARWIRE:	1.12	UNCH
DISH:	28.72	0.17	CONCURRENT:	3.92	(0.29)
DISNEY:	48.72	0.22	CONVERGYS:	14.86	0.09
GE:	20.49	(0.35)	CSG SYSTEMS:	17.70	0.42
NEWS CORP:	22.95	0.43	ECHOSTAR:	26.18	(0.24)
<b>MSOS</b>					
CABLEVISION:	13.56	0.27	GOOGLE:	580.47	0.40
CHARTER:	72.05	1.18	HARMONIC:	4.37	0.11
COMCAST:	32.26	0.28	INTEL:	26.66	0.01
COMCAST SPCL:	31.65	0.25	JDSU:	10.91	(0.09)
GCI:	8.73	0.43	LEVEL 3:	21.62	(0.53)
KNOLOGY:	19.72	0.05	MICROSOFT:	30.56	(0.03)
LIBERTY GLOBAL:	50.49	0.86	RENTRAK:	21.35	0.70
LIBERTY INT:	17.84	0.07	SEACHANGE:	8.15	(0.08)
SHAW COMM:	19.33	0.42	SONY:	14.20	(0.04)
TIME WARNER CABLE:	83.32	1.22	SPRINT NEXTEL:	3.40	0.14
VIRGIN MEDIA:	24.83	0.44	TIVO:	8.25	(0.01)
WASH POST:	381.11	7.29	UNIVERSAL ELEC:	13.13	(0.04)
<b>PROGRAMMING</b>					
AMC NETWORKS:	39.20	3.65	VONAGE:	2.00	(0.01)
CBS:	33.00	0.22	YAHOO:	15.84	0.01
CROWN:	1.80	0.05	<b>TELCOS</b>		
DISCOVERY:	54.86	0.86	AT&T:	36.20	0.54
GRUPO TELEVISA:	21.53	0.05	VERIZON:	44.93	0.49
HSN:	40.66	0.31	<b>MARKET INDICES</b>		
INTERACTIVE CORP:	45.45	(0.15)	DOW:	12871.39	(8.7)
LIONSGATE:	14.99	0.25	NASDAQ:	2951.23	16.18
LODGENET:	1.33	0.02	S&P 500:	1365.51	3.35
NEW FRONTIER:	1.61	(0.03)			
OUTDOOR:	7.35	0.04			
SCRIPPS INT:	57.53	0.67			
TIME WARNER:	38.75	0.25			
VALUEVISION:	2.12	0.04			
VIACOM:	51.62	0.64			
WWE:	7.78	(0.04)			
<b>TECHNOLOGY</b>					
ADVANTAGE:	2.05	(0.1)			
ALCATEL LUCENT:	1.65	0.02			
AMDOCS:	29.91	0.19			
AMPHENOL:	54.69	(0.23)			
AOL:	28.41	0.33			
APPLE:	592.52	8.52			
ARRIS GROUP:	14.00	0.09			
AVID TECH:	7.84	0.41			
BLNDER TONGUE:	1.20	UNCH			
BROADCOM:	33.53	(0.23)			
CISCO:	17.08	(0.01)			



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