

CableFAX Daily™

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What the Industry Reads First

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CableCARD Aftermath: Oh, Who to Blame for Looming Set-Top Fee Hikes?

The cable industry may soon face another PR battle—this time over imminent set-top rental hikes following the FCC's refusal to grant most of the industry's requests for waivers of the Jul 1 CableCARD deadline (*Cfax*, 7/3). Following an *AP* story that hit the wires Wed night and alerted the general public that box rental fees could go up \$2-3 per month, a few MSOs told *Cfax* that they got some calls from local media outlets Thurs seeking more details. The industry is working hard to deflect blame for any future hikes to the FCC, which largely rejected the industry's arguments against mandating separable security in set-tops. "Unfortunately, these are just the facts," said **ACA** pres/CEO *Matt Polka*. "The FCC's regulations mean that box costs will go up for the same services customers are receiving today... this is in direct response to FCC action or, more appropriately, inaction on the unique concerns of smaller market and rural consumers." The **NCTA**, which lost its bid for a blanket industry waiver and said it also got a few local press calls on Thurs, already declares on its Web site that the separable security mandate "will likely cost cable consumers more than \$600 million dollars per year in higher prices while offering no tangible benefits." MSOs are being cautious. A **Cox** rep said no immediate hikes are planned but "increasing costs may be passed on in the future." A **Comcast** rep reported also receiving several calls from local media on Thurs seeking more info, noting that many are unfamiliar with the scope of the FCC's role. Comcast, which failed to win a waiver for its low-end boxes and now predicts the cost of those units to roughly double, continues to tell reporters that the CableCARD mandate "amounts to an FCC tax of hundreds of millions of dollars on consumers with no additional benefits." Ditto at the NCTA: "Our intention is absolutely to point the finger at the FCC for this unnecessary mandate that will raise prices for no consumer benefit," said a rep. FCC chmn *Kevin Martin*, meanwhile, has trumpeted his expectation that separable security will finally lead to widespread retail availability of set-top boxes. Only time will tell whether that happens—or whether stories about looming cable price hikes in local papers bring about the kind of ire that vexed the industry in the '90s. It appears that this time cable is ready to fight.

5Qs with Discovery's Jane Root: How has Discovery been able to keep the "Shark Week" franchise going for 20 years now? With enormous amounts of brainstorming. It has become a summer fixture. If spring is "American Idol," then summer is probably "Shark Week." It's our job to come up with new, exciting and different takes on it every year. **What's new this year?** The big focus this year (July 29-Aug 4) is going to be survival. We've had big successes with "Man vs Wild" and "Survivorman." We wanted to bring a bit of that 'could you do it, are you tough enough' to Shark Week. **How are you marketing it?** Taxi sharks in NY will be patrolling the streets looking for unsuspecting taxi hailers (175 cabs will have fins and tune in signs attached; other cabs will be wrapped in promotional material). We're partnering with the **Nature Conservancy** and will be taking over the **Nasdaq** board in

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WITHOUT PREJUDICE?

TUESDAY NIGHTS 9/8C PREMIERES JULY 17

GSN

Get in the Game

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NY. How's life with David Zaslav? At the risk of sounding like a complete creep, we all think he's wonderful. He's brought a sense of energy and excitement. He wants everything done right now—not next month or next week.

Discovery took a lot of heat over its "Lost Tomb with Jesus" special. Is there anything you would have done differently? I think it was a great moment to show that we're prepared to do things that are challenging. We did research after it aired, and most people felt it made us more contemporary, more surprising. There's always hindsight. Did the story become so big that the actual archaeological finds may have gotten a bit obscured? Maybe. But are we glad we did it and brought attention [to this area]? Absolutely. You have to be prepared to stick your neck out occasionally. It's not a bad thing.

Battle Over, If Not War: Comcast and Qwest have ceased bickering over a comparative ad campaign the telco launched in May, which claimed a blind side-by-side survey showed 72% of Internet users deemed Qwest's Internet service as fast or faster than Comcast's service. Without admitting fault or liability, the telco agreed to stop running the ads and will refrain from using the study on which the campaign was based for future Internet speed claims. "As the nation's leading residential broadband provider, Comcast delivers a better broadband experience, and we believe it's critical that consumers receive accurate and valid information when choosing their high-speed Internet provider," the MSO said in a statement.

In the States: IL became Thurs the 21st state to approve statewide cable franchising when Gov Rod Blagojevich signed into law legislation that grants franchising authority to the state's Commerce Commission. -- The **Big Ten Network** inked a carriage pact with **Horizon Telecom**, a small OH MSO.

Flagging Broadband: Although 47% of all American adults had a home broadband connection as of early this year—a Y-over-Y increase of 5 percentage points—the represented 12% growth rate is the lowest of the last 5 years and far below the 40% rate achieved from '05-'06, according to the **Pew Internet & American Life Project**. On the positive side, survey data shows that home broadband usage among African-Americans has surged since '05 from 14% to 40%, and grew 9 percentage points over last year. Other notes: 70% of those who surf the Web at home have a broadband connection, while 23% use dialup; the 30-49 age group (59%, +9%) garnered the largest percentage increase in broadband adoption, narrowly defeating the 18-29 set; 27% of US adults don't ever use a computer. -- Meanwhile, the satellite broadband services industry has "enormous growth potential, especially considering the large number of consumers that still lack access to wireline broadband services," said **Frost & Sullivan**. The adoption of open standards for the satellite broadband industry is needed to help drive growth, argues the firm. In the US, rural broadband provider **WildBlue** uses S-DOCSIS technology, a modified version of DOCSIS, for the physical layer attributes of satellite transmission.

Intl: A multi-year patent license from **Gemstar-TV Guide** allows **Rupert Murdoch's** digital TV service **SKY Italia** to use Gemstar's intellectual property in its electronic program guides.

Ferocious Ratings: Assisted greatly by coverage of the Detroit Tigers, who own a 48-34 record, **FSN Detroit** was the 3rd-most watched net during Jun in the Detroit DMA. Citing **Nielsen** data, the net said it averaged a 4.1 rating last month in the 7-10pm timeslot, behind the city's **NBC** and **ABC** affils but ahead of **Fox's** and **CBS'**. 18 Tigers telecasts averaged a 8.1 HH rating, with 12 games claiming the top evening viewing spot.

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BUSINESS & FINANCE

Programming: Peter Fonda and Jamie-Lynn Sigler star in Lifetime's original miniseries "The Gathering" (Oct), featuring a doctor's search for his wife after she vanishes. -- **Nat Geo** is biting back with its 2nd annual week-long (Jul 9-13) "Dog Whisperer" stunt, featuring 3 nightly hours of the show's canine content. -- **ESPN** highlights soccer megastar David Beckham's MLS debut when the L.A. Galaxy host Chelsea F.C. of the English Premier League (Jul 21, 9pm ET).

On the Circuit: Microsoft chmn Bill Gates and Intel CEO Paul Otellini head the list of keynote speakers slated for CES' '08 trade show, to be held Jan 7-10 in Las Vegas.

People: Nat Geo appointed Steve Burns evp, content. -- TLC tapped Regina DiMartino as evp, marketing.

Business/Finance: Craig McCaw's wireless broadband play Clearwire obtained \$1bn in a term loan financing round led by Morgan Stanley, Merrill Lynch, JP Morgan and Citigroup. Clearwire recently inked distribution agreements with DirectTV and EchoStar for the DBS providers to resell its wireless broadband service. -- UBS downgraded shares of Arris Group to "neutral" from "buy," citing a desire for tangible evidence that Arris' expansion into commercial cable equipment will be successful. The shares, which have climbed 40% so far this year, fell 1.71% Thurs to close at \$17.20. The company will report 2Q results Jul 25.

CableFAX Daily Stockwatch

Company	07/05 Close	1-Day Ch	Company	07/05 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
BRITISH SKY:	52.60	0.65	AMPHENOL:	35.86	0.01
DIRECTV:	23.69	0.39	APPLE:	132.75	5.58
DISNEY:	34.63	0.09	ARRIS GROUP:	17.20	(0.3)
ECHOSTAR:	43.87	0.34	AVID TECH:	35.52	0.16
GE:	38.54	(0.16)	BLNDER TONGUE:	1.79	0.00
HEARST-ARGYLE:	23.83	0.06	BROADCOM:	30.09	0.51
ION MEDIA:	1.43	(0.02)	C-COR:	14.57	0.00
NEWS CORP:	23.24	0.50	CISCO:	28.37	0.27
TRIBUNE:	30.55	0.41	COMMSCOPE:	58.70	(1.4)
MSOS					
CABLEVISION:	37.73	1.30	CONCURRENT:	1.85	0.05
CHARTER:	4.49	0.28	CONVERGYS:	23.77	(0.57)
COMCAST:	28.47	(0.12)	CSG SYSTEMS:	26.50	(0.02)
COMCAST SPCL:	28.27	(0.07)	GEMSTAR TVG:	5.04	0.11
GCI:	13.04	0.11	GOOGLE:	541.63	7.29
KNOLOGY:	17.39	(0.01)	HARMONIC:	8.84	(0.04)
LIBERTY CAPITAL:	119.99	0.39	JDSU:	13.90	0.02
LIBERTY GLOBAL:	41.97	0.29	LEVEL 3:	6.05	0.04
LIBERTY INTERACTIVE:	22.50	(0.15)	MICROSOFT:	29.99	(0.03)
MEDIACOM:	9.88	0.07	MOTOROLA:	17.80	(0.08)
NTL:	28.22	0.00	NDS:	46.90	(0.05)
ROGERS COMM:	42.97	0.00	NORTEL:	23.52	(0.56)
SHAW COMM:	42.52	0.77	OPENTV:	2.20	(0.03)
TIME WARNER CABLE:	40.11	0.04	PHILIPS:	44.75	0.56
WASH POST:	777.34	(0.67)	RENTRAK:	14.92	(0.1)
PROGRAMMING					
CBS:	34.12	(0.11)	SEACHANGE:	7.91	(0.12)
CROWN:	7.23	0.16	SONY:	52.37	1.70
DISCOVERY:	22.81	(0.09)	SPRINT NEXTEL:	21.67	(0.07)
EW SCRIPPS:	46.31	0.70	THOMAS & BETTS:	60.59	(0.48)
GRUPO TELEVISA:	27.78	0.28	TIVO:	5.83	(0.04)
INTERACTIVE CORP:	34.19	(0.12)	TOLLGRADE:	10.37	(0.3)
LODGENET:	31.47	(0.76)	UNIVERSAL ELEC:	36.46	(0.14)
NEW FRONTIER:	8.66	0.00	VONAGE:	3.04	(0.06)
OUTDOOR:	11.65	0.01	VYYO:	7.18	0.02
PLAYBOY:	11.46	0.25	WEBB SYS:	0.11	(0.04)
TIME WARNER:	21.17	(0.24)	WORLDGATE:	0.42	(0.03)
UNIVISION:	36.23	0.00	YAHOO:	26.99	(0.01)
VALUEVISION:	11.55	0.05	TELCOS		
VIACOM:	42.49	0.23	AT&T:	40.96	(0.54)
WWE:	16.31	0.20	QWEST:	9.82	(0.04)
TECHNOLOGY					
3COM:	4.25	(0.03)	VERIZON:	41.98	(0.14)
ADC:	18.50	(0.19)	MARKET INDICES		
ADVANTAGE:	5.61	(0.05)	DOW:	13565.84	(11.46)
ALCATEL LUCENT:	14.41	(0.14)	NASDAQ:	2656.65	11.70
AMDOCS:	39.07	(0.89)			

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PROGRAMMER'S PAGE with Chad Heiges and Seth Arenstein

Teeing Up Reality

Golf is one of those rare sports in which participants aren't afforded teammates on which to lean for assistance, or to assign blame during mistake-filled trials. Sure, duffers the world over routinely seek scapegoats in equipment (the sweet spot's too small!), weather (the wind took that one!), fauna (damn gopher stole my ball!), and even the proverbial "Golf Gods" (of course three straight pars is out of the question!). But none of these deserves the punishment. Perhaps the game's solitary nature (at least as singular shots are concerned) leads so many to seek improvement through myriad golf gadgets, which range from the inspired to the inane, strive to help with facets ranging from swing speed to putting confidence, and are endorsed and/or derived by touring pros to instructors to downright kooks. Now down the fairway comes **The Golf Channel's** "Fore Inventors Only" (Jul 10, 10pm ET), in which 103 people were gleaned from 4K applicants for the chance to be named a golf innovator. While viewers will see good, bad and ridiculous inventions, "some of the simple inventions are going to go the farthest," said sr prod *Jay Kossoff*. The show also focuses on the human element, in some cases opting to feature particularly compelling people even if their designs are worthy of triple bogeys. If the formula sounds similar to a current ABC series, it is. But Kossoff said Fore's tailoring to golfers and their sensibilities makes for a better overall product. No, the show doesn't have *George Foreman* as a panelist/judge, but several golf strata are effectively covered with the participation of *Golf for Women* sr editor *Stina Sternberg*, instructor *Bill Harmon* and player *Fulton Allem*. What results is a knowledgeable and entertaining crew, a description that I only wish applied to my usual playing partners. At least they're worse than I am. *CH*

Highlight: "Greek," Mon, 9pm, **ABC Family**. The college years have become fertile territory for cable. Last week saw the premiere of **The N's** promising "The Best Years." This week includes a college-based dramedy about a freshman geek who desperately wants to go Greek. ABC Family's strongest series to date, "Greek" mixes the music and soap opera feel of "Desperate Housewives" with the antics and lasciviousness of "Animal House" (Are we allowed to say that of a Disney property, especially one shown on ABC Family?). The result is pure hoot. The hype about the ensemble cast will center around *Kelsey Grammer's* daughter Spencer, who has a pivotal role as an arrogant sorority sister whose brother is the freshman geek, a fact she keeps hidden. *SA*

Worth a Look: "The Bronx Is Burning," Mon, 10pm ET, **ESPN**. Baseball fans younger than 35 may find this nicely done rehash of Steinbrenner's early days with the Yankees interesting. Those older already know the story, and eps 1-3 don't add much to the saga. The bigger question: Will this 8-part series grab eyeballs? Probably, especially with a lead-in at 8pm from "Home Run Derby" (including *Kenny Mayne* reporting from a kayak in McCovey Cove). *SA* [More reviews, including TCM's "Spielberg" and **BBC America's** "Gordon Ramsay" Friday afternoon at cable360.net].

Basic Cable Rankings (5/28/07-7/01/07) Mon-Sun Prime			
1	USA	2.2	2113
2	DSNY	2.1	1957
3	TNT	2	1861
4	TBSC	1.5	1395
5	LIFE	1.4	1296
6	FOXN	1.3	1219
7	ESPN	1.2	1113
8	TOON	1.1	1065
8	NAN	1.1	1053
8	A&E	1.1	1027
8	HALL	1.1	899
12	SPK	1	967
12	DISC	1	965
12	SCIF	1	934
12	CORT	1	907
12	HIST	1	902
12	HGTV	1	901
18	FX 0.9	862	
19	CMDY	0.8	779
19	AMC	0.8	767
19	FAM	0.8	741
19	TLC	0.8	728
23	MTV	0.7	694
23	CNN	0.7	690
23	FOOD	0.7	656
23	TVLD	0.7	643
23	BET	0.7	612
28	ESP2	0.6	584
28	VH1	0.6	543
28	BRAV	0.6	507
28	LMN	0.6	328
32	APL	0.5	432
32	EN	0.5	429
34	MSNB	0.4	392
34	HLN	0.4	379
34	TTC	0.4	338
34	WGNC	0.4	266
34	SOAP	0.4	263
34	NGC	0.4	247
34	TDSN	0.4	239
41	OXYG	0.3	250
41	CMT	0.3	244
41	SPD	0.3	188
41	GSN	0.3	184
41	WE	0.3	173
41	DHLT	0.3	172

*Nielsen data supplied by ABC/Disney



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CableWorld's 2007 Most Influential Minorities in Cable

Who are cable's most influential minority executives? Help us decide by nominating the executives you think should be on our list of the **Top 50 Most Influential Minorities in Cable**. We will rank the top 50 in the Sept. 10, 2007, issue of **CableWorld**. Nominations are open to all cable operators, programmers, vendors and trade associations.

**Deadline for nominations:
July 13, 2007**

Nomination form can be found at:

www.cable360.net/nominate.html

