

# CableFAX Daily™

Tuesday — July 6, 2010

What the Industry Reads First

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## DISH Drops: A Look at Today's Climate and Weather Past

DISH has a reputation for not being afraid to drop and replace channels. The most recent example is its substitution of MTVN's *Palladia* for MSG's *Fuse*. After years of legal wrangling, it also ditched several **Disney HD** Nets last month because it was unhappy with the price. One of the more unusual cases of late was DISH's threat in late May to replace **Weather Channel** with an unheard of service called **The Weather Cast**. For about 72 hours, a Minnesota weather venture with only about 6% of the staff of The Weather Channel and a crumb of its budget was a national weather channel. "I know it sounds ridiculous hearing it—sounds even crazier saying it: 'We launched a national weather channel late Thursday,'" MN meteorologist and entrepreneur *Paul Douglas* wrote on his blog, noting the enterprise had 3 HD studios and 12 meteorologists. It was all hands on deck, with his son, a recent Penn State grad, helping with shooting/editing and post production. And then as quickly as the storm popped up, it blew over with DISH announcing a deal with Weather Channel and casting Weather Cast off its lineup the following Mon. **Cfax** tried multiple times to speak with someone at **WeatherNation**, Douglas' company behind the channel, but calls were not returned. So we turned to Douglas' blog to get a better idea of what happened. He wrote that they knew all along of the risk Weather Channel and DISH would sign an agreement. "Did they use us for leverage to get a better deal? Absolutely. But there were never any guarantees," he wrote. "Like anything else in business, there was considerable risk, but also a huge upside. It's business, nothing personal." WeatherNation already has an established presence on the Net (WeatherNation.net). Douglas said that a couple of Denver entrepreneurs approached the company some time ago to adapt its mission for TV. So, is Weather Cast yesterday's forecast? It doesn't sound that way. While it's unclear if there will be a national network, the company has plenty of other work, including providing all weather content for **Insight's** new local channel **cn2**. While it is based in MN, the meteorologists are able to create extremely customized, local content for the KY communities covered by the net. As for Disney's HD net and *Fuse*, both programmers have said they continue to hope a fair agreement can be reached.

**Broadband Bucks:** Pres *Obama* announced 66 new Recovery Act broadband projects Fri that will get \$795mln in grants and loans. The money—the 1st awards in the 2nd round of funding—is part of an overall \$7.2bln govt investment in expanding broadband access. So far, more than \$2.7bln of the funding has been awarded. Among Fri's grant winners

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# CENTURION

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is **Bend Cable**, which will get a \$4.4mln grant for fiber construction in central OR areas lacking broadband. Bend will provide an additional \$1.9mln in funding, and estimates that 3K+ people and 1K+ businesses stand to benefit from the project, which includes Jefferson and Crook counties. More grants and loans will be announced in the coming weeks.

**In the Courts:** **DISH** opposes being forced to carry HD programming of public TV stations nationwide, part of the Satellite TV Extension and Localism Act, and has filed suit to block enforcement. In a complaint in US District Court for NV, DISH claims the law violates its 1st and 5th Amendment rights. DISH said the **PBS** HD Mandate is designed to coerce it into giving preferential treatment to programming that the govt prefers rather than letting it decide what's best for its customers.

**Comcast-NBCU:** *Jesse Jackson* will be among witnesses at Thurs' House Communications subcmte Chicago field hearing on **Comcast-NBCU**. Also invited: **Earthlink** gen counsel *Samuel DeSimone*, **Alliance for Digital Equality's Shirley Franklin**, **Hip Hop On Demand's Will Griffin**, **NBCU** Chief Diversity Officer *Paula Madison* and **Comcast's Joe Waz**.

**Carriage:** **Charter** will add **Sprout's** 24-hr diginet on a market-by-market basis by the end of the year. The VOD component is already available for Charter digital subs footprint wide.

**That's a Wrap:** **NCTA** released its end-of-show report for May's **Cable Show**, which saw attendance climb 7% from '09 to 13K. Findings: 1/3 of attendees were cable operators; cable net attendance was up 19%; 53% of attendees are exec-level registrants; 5K downloads of the Cable Show Mobile app; 8,388 clicks on the Exhibitor section; 7502 **YouTube** views for 26 posted videos; 329 show-related articles and more than 558K Website impressions.

**Call Home:** Vendor **Alpine Access** wants to break into the cable space and convince operators that in-home, virtual call center solutions can meet their needs. With a client base including more than 10 Fortune 100 companies, one area of Alpine's focus is hiring CSRs who can speak Spanish, Mandarin, Cantonese and other Asian languages, as it estimates that bilingual interactions account for nearly 15% of all call volumes in the cable and wireless industries. Its pitch: it's easier for it to hire bilingual CSRs to work out of their home than for a company to staff multiple foreign languages within a 30-mile hiring radius of brick-and-mortar call center. It's also looking to bring in CSRs with other expertise, including technical knowledge. But aren't cable operators looking to take more customer service in house? "Historically, there's an accordion trend where they go from either in-house to outsourcing..." said *David Parkhurst*, Alpine's vp, telecom, ent and media. "What we see right now is that there are a couple of cable companies that seem to be bringing more things in house, but then there are others... that seem to be pleased with having some in-house, but are expanding their outsourcing size." Some of the smaller operators that have traditionally done everything in-house are beginning to look at outsourcing, while larger ops are experimenting with the at-home CSR model and looking to expand it, Parkhurst said.

**Research:** 79% of regular social networkers say they would likely watch a TV show based on a recommendation from a friend via a social networking site, says a study released by **CTAM**. 33% of regular social networkers said they were made aware of new shows because of something they saw on such a site. 10% reported that they watch TV and movies on the TV via the Internet, and 39% expressed an interest in doing so. -- US Hispanic communities will spend \$257bln on telecom services over the next 5 years, according to **The Insight Research Corp**. That's 17% of all residential telecom expenditures. The firm said Hispanics make up the youngest demo in the country, with the largest percentage of people under 18.

**Programming:** **WealthTV** inked a deal with **MGM/United Artists** for movies such as "Dances with Wolves," "Hotel Rwanda" and "Henry V" for its "Movie Night" lineup every Mon and Fri at 10pm ET. -- **TV One** signed on as the exclusive cable broadcast partner of the '10 **Essence Music Festival**, and will prod and air 2 post-event specials, including "TV One Night Only: Live from the Essence Music Festival" (Aug).

**People:** **CTAM** staffers were surprised Fri by the departure of long-time CTAM vet *Seth Morrison*, who resigned from his post as svp, gm of MSO marketing co-op. No word on what's next. -- **Synacor** named *Peter Lee* vp, information technology. -- **The Alliance for Women in Media** (formerly American Women in Radio and TV) named *Erin Fuller* of *The Coulter Companies* as its new pres, effective immediately. -- *Dave Davis* was named pres, gm of NY's **ABC7**. He replaces *Rebecca Campbell*, who was named pres, ABC TV Stations Group not long after ABC7's carriage dispute with **Cablevision**. -- **Outdoor Channel** named *Tom Allen* evp, CFO, effective Jul 16.

**Editor's Note:** **CFax** will be closed Mon for Independence Day. Enjoy the 4th!

### CableFAX Week in Review

Company	Ticker	7/2 Close	1-Week % Chg	YTD %Chg
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**BROADCASTERS/DBS/MMDS**  
 DISH:.....DISH..... 17.94..... (9.16%).....(13.63%)  
 DISNEY:.....DIS..... 31.38..... (6.27%).....(2.7%)  
 GE:.....GE..... 13.88..... (6.91%).....(8.26%)

**MSOS**  
 CABLEVISION:.....CVC..... 23.93..... (5.08%).....(7.32%)  
 COMCAST:.....CMCSA..... 17.46..... (1.19%)..... 3.56%  
 COMCAST SPCL:.....CMCSK..... 16.48..... (1.32%)..... 2.94%  
 GCI:.....GNCMA..... 7.64..... 1.06%..... 19.75%  
 KNOLOGY:.....KNOL..... 10.66..... (9.35%).....(2.38%)  
 LIBERTY CAPITAL:.....LCAPA..... 41.21..... (6.83%)..... 72.57%  
 LIBERTY GLOBAL:.....LBTYA..... 26.04..... (2.44%)..... 18.96%  
 LIBERTY INT:.....LINTA..... 10.23..... (13.16%).....(5.63%)  
 MEDIACOM:.....MCCC..... 6.75..... (2.6%)..... 51.01%  
 RCN:.....RCNI..... 14.86..... 0.27%..... 36.96%  
 SHAW COMM:.....SJR..... 18.42..... (1.13%).....(10.45%)  
 TIME WARNER CABLE:.....TWC..... 52.13..... (3.82%)..... 25.95%  
 VIRGIN MEDIA:.....VMED..... 16.59..... (3.27%).....(1.43%)  
 WASH POST:.....WPO..... 408.25..... (5.62%).....(7.13%)

**PROGRAMMING**  
 CBS:.....CBS..... 12.82..... (9.27%).....(8.75%)  
 CROWN:.....CRWN..... 1.75..... 2.34%..... 20.69%  
 DISCOVERY:.....DISCA..... 35.39..... (5.95%)..... 15.39%  
 GRUPO TELEVISIA:.....TV..... 17.87..... (1%).....(13.92%)  
 HSN:.....HSNI..... 25.62..... 0.91%..... 26.89%  
 INTERACTIVE CORP:.....IACI..... 21.60..... (6.09%)..... 5.47%  
 LIBERTY:.....L..... 33.57..... (0.91%).....(7.65%)  
 LIBERTY STARZ:.....LSTZA..... 52.03..... (4.44%)..... 12.74%  
 LIONSGATE:.....LGF..... 6.94..... (4.54%)..... 19.45%  
 LODGENET:.....LNET..... 3.24..... (20.39%).....(41.41%)  
 NEW FRONTIER:.....NOOF..... 1.51..... (4.43%).....(20.11%)  
 OUTDOOR:.....OUTD..... 4.58..... 0.00%.....(21.03%)  
 PLAYBOY:.....PLA..... 4.14..... 10.11%..... 29.38%  
 SCRIPPS INT:.....SNI..... 40.96..... (5.4%).....(1.3%)  
 TIME WARNER:.....TWX..... 28.20..... (8.32%).....(3.23%)  
 VALUEVISION:.....VVTV..... 1.77..... (6.84%).....(63.13%)  
 VIACOM:.....VIA..... 35.46..... (6.59%)..... 12.57%  
 WWE:.....WWE..... 15.32..... (5.78%).....(0.07%)

**TECHNOLOGY**  
 ADC:.....ADCT..... 7.67..... 0.00%..... 23.51%  
 ADDVANTAGE:.....AEY..... 2.62..... (11.62%)..... 33.25%  
 ALCATEL LUCENT:.....ALU..... 2.53..... (8.33%).....(23.8%)  
 AMDOCS:.....DOX..... 26.70..... (1.4%).....(6.41%)  
 AMPHENOL:.....APH..... 38.96..... (5.92%).....(15.63%)  
 AOL:.....AOL..... 20.37..... (7.24%).....(12.5%)  
 APPLE:.....AAPL..... 246.94..... (7.41%)..... 17.18%  
 BIGBAND:.....BBND..... 3.02..... 2.72%.....(12.21%)  
 BLNDER TONGUE:.....BDR..... 1.18..... (6.35%)..... 3.51%  
 BROADCOM:.....BRCM..... 33.49..... (2.7%)..... 6.42%  
 CISCO:.....CSCO..... 21.12..... (4.78%).....(11.78%)  
 CLEARWIRE:.....CLWR..... 7.23..... (6.1%)..... 6.95%  
 COMMSCOPE:.....CTV..... 22.94..... (10.25%).....(13.53%)  
 CONCURRENT:.....CCUR..... 4.64..... (9.9%)..... 17.17%  
 CONVERGYS:.....CVG..... 9.67..... (5.57%).....(10.05%)  
 CSG SYSTEMS:.....CSGS..... 17.97..... (7.66%).....(5.87%)

Company	Ticker	7/2 Close	1-Week % Chg	YTD %Chg
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ECHOSTAR:.....SATS..... 19.04..... (3.79%).....(5.46%)  
 GOOGLE:.....GOOG..... 436.55..... (7.64%).....(29.59%)  
 HARMONIC:.....HLIT..... 5.60..... (5.72%).....(11.39%)  
 INTEL:.....INTC..... 19.20..... (4.14%).....(5.88%)  
 JDSU:.....JDSU..... 9.69..... (12.55%)..... 17.45%  
 LEVEL 3:.....LVL..... 0.97..... (18.28%).....(36.44%)  
 MICROSOFT:.....MSFT..... 23.27..... (5.14%).....(23.65%)  
 MOTOROLA:.....MOT..... 6.48..... (10.74%).....(16.49%)  
 RENTRAK:.....RENT..... 23.99..... (5.03%)..... 35.77%  
 SEACHANGE:.....SEAC..... 7.90..... (11.04%)..... 20.43%  
 SONY:.....SNE..... 26.36..... (3.55%).....(9.1%)  
 SPRINT NEXTEL:.....S..... 4.16..... (0.95%)..... 13.66%  
 THOMAS & BETTS:.....TNB..... 33.86..... (7.96%).....(5.39%)  
 TIVO:.....TIVO..... 7.25..... (2.03%).....(28.78%)  
 TOLLGRADE:.....TLGD..... 6.29..... (2.02%)..... 2.95%  
 UNIVERSAL ELEC:.....UEIC..... 16.47..... (9.8%).....(29.07%)  
 VONAGE:.....VG..... 2.17..... (14.23%)..... 55.00%  
 YAHOO:.....YHOO..... 14.07..... (5%).....(16.15%)

**TELCOS**  
 AT&T:.....T..... 24.29..... (2.02%).....(13.34%)  
 QWEST:.....Q..... 5.24..... (0.57%)..... 24.47%  
 VERIZON:.....VZ..... 26.81..... (6.09%).....(19.08%)

**MARKET INDICES**  
 DOW:.....DJIA..... 9686.48..... (4.51%).....(7.11%)  
 NASDAQ:.....IXIC..... 2091.79..... (5.92%).....(7.82%)

### WINNERS & LOSERS

**THIS WEEK'S STOCK PRICE WINNERS**

COMPANY	CLOSE	1-WK CH
1. PLAYBOY:.....	4.14	10.11%
2. BIGBAND:.....	3.02	2.72%
3. CROWN:.....	1.75	2.34%
4. GCI:.....	7.64	1.06%
5. HSN:.....	25.62	0.91%

**THIS WEEK'S STOCK PRICE LOSERS**

COMPANY	CLOSE	1-WK CH
1. LODGENET:.....	3.24	(20.39%)
2. LEVEL 3:.....	0.97	(18.28%)
3. VONAGE:.....	2.17	(14.23%)
4. LIBERTY INT:.....	10.23	(13.16%)
5. JDSU:.....	9.69	(12.55%)

CableFAX  
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**MSO of the Year: Cablevision**

Space Close: July 7 Artwork Close: July 9 Publication: July 25  
 Distribution: Print and Online Event: The Independent Show & CableFAX Events





## EYE ON INNOVATION

### Surfing a New Wave

Ubiquity Broadcasting's reach isn't near to what its name implies, but the company believes that will change with the recent success of its innovative approach to delivering live content feeds. Nine years of work is coming to fruition.

The breakthrough occurred in Hawaii on Jun 15. For day 1 of the '10 **Sponsor Me Ala Moana Bowls Contest** surfing competition, Ubiquity delivered the action to the Web, mobile devices including the iPad and the TV screen through **Time Warner Oceanic Cable**—sans satellite trucks or coaxial cable. And in HD. And with a reportedly pristine picture apparent across all screens. For those of you now wondering... no, I didn't suffer a nasty wipeout and bang my head on some coral. In a nutshell, here's how it works: using IP backhaul tech, Ubiquity set up a dedicated WiFi network for the event, used it to wirelessly receive the imagery from Sony HD cameras and then to transmit a feed to various media. It's seemingly simple, yet far from it.

"We created a new way to broadcast," said Ubiquity CEO *Chris Carmichael*, noting the company has filed for 8 patents surrounding the method. "Streams were clearer on the iPad than if you downloaded a movie or content from **YouTube**."

Without the method's compression tech, said Carmichael, a potential wave of success wouldn't be possible. The company worked with 3 physicists to get the compression right, as various outdoor elements such as wind can cause it to slow. Slowness in Web video is sometimes accepted, but it's anathema to the goal of delivering flawless video across platforms, particularly to the TV.

The surf contest was "a great test bed to go and shoot this and do it successfully" because of the inherent

elements, said Carmichael. "We picked the hardest sport." Indeed, wind speeds during portions of the event measured 30 knots.

Carmichael said TW Oceanic Cable was logically skeptical of Ubiquity's method, that it took a little wrangling to get the MSO's assent for a TV feed. Oceanic couldn't provide feedback in time for this story, but Carmichael said the MSO was pleased with the results after admitting that initial "confidence was

virtually zero." In a recent release, Oceanic broadcast coordinator *Dean Luke* noted how the MSO's "excited with the potential [Ubiquity] offers," and early reviews appear favorable.

Carmichael foresees widespread adoption of the tech, particularly by news orgs and other broadcasters/programmers that cover myriad live events. It strips out a lot of infrastructure and will purportedly go easy on expenses.

"This is an easy way to cut costs without losing quality," said Carmichael, adding that Ubiquity's method can cut delivery costs in half.

Importantly, Ubiquity's feed, in addition to quality video, can also deliver the on-screen graphics that are so prevalent in today's programming. As the surf feed included motion graphics, however, its real success may have been the seamless inclusion of Sony ads. In short, Ubiquity hopes TV viewers see no difference between content delivered traditionally and by its own method. And that Web and mobile viewers are blown away by the quality.

So to recap: Ubiquity claims it can simultaneously deliver a live video feed to the Web, TV and mobile phones, that the feed will be crystal clear in HD across them all while including ads and graphics, and that it's all achievable at half the cost of traditional broadcasting methods.

Right now it's a story of island innovation. The mainstream and mainland may come later.

—*Chad Heiges*



## CableFAX THE MAGAZINE Most Influential Minorities in Cable 2010

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