

CableFAX Daily™

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What the Industry Reads First

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Blast from the Past: Dual Carriage Clock Ticking

Last month, the 2-year anniversary of the DTV transition came and went with little notice. But in addition to marking 2 years without analog broadcast TV, it marked the final year of an **FCC** rule requiring most cable operators to carry digital and analog must-carry signals. At the time the rule was passed, there was a lot of contention over the issue, with the Commission eventually opting for rules that mirrored a voluntary proposal put forth by **NCTA (NAB)** had initially hoped for permanent dual carriage). Small cable operators fought and won an exemption. Unless the FCC acts, the dual carriage rule will expire in June '12. The Commission is directed to review it during Year 3. While the issue hasn't gotten much attention post DTV transition, at least 1 group is keeping a close watch for FCC action. Late last month, the **NJ Division of Rate Counsel** requested a status update of the FCC's review of the rules prior to their sunset. The Counsel is an independent NJ agency that represents and protects the interests of all utility consumers in matters before the **NJ Board of Public Utilities** and the FCC. "We think that it's a very important review from the perspective of the consumer," Div of Rate Counsel dir *Stefanie Brand* said in an interview. "We've seen a few things in NJ. There are some issues that are developing, like exactly what are appropriate equipment costs and what are costs that are really for service that are being charged for equipment." That's a hot topic for the Division, which has a pending appeal at the FCC regarding a **Comcast** order issued by the NJ BPU and the appropriate equipment costs for digital transition adaptors (DTAs). The Division argues that the charges for some of these DTAs are more excessive than the costs of the equipment. That gives you some idea of the issues that are likely to come up when the FCC starts its review, which a Commission spokesperson said would happen. Brand said the Division has not taken a stance yet on whether the rules should sunset because it wants to see the FCC's review first. Operators in some markets are essentially carrying 3 signals—SD, HD and analog. If the rules expired, some cable systems may opt to no longer downconvert the digital signal to analog. But that is a non-issue in markets that already have transitioned to all-digital. While dual carriage is a sleeper now, keep an eye out for it perking up around the first of next year.

At the Portals: Cable is hoping the **3rd Circuit Court of Appeal's** decision to overturn the **FCC's** loosening of the

CableFAX Webinar

Wednesday, July 20 • 1:30-3:00 pm ET

What Connected TV Means for your Cable Business

You knew it was inevitable that the gap between the Internet and TV would end. Now your subscribers are purchasing Connected or Smart TVs, allowing them to access the Internet and download apps as easily as they do for their smart phones and computers. But what does this mean for your business?

At this information-packed Webinar you'll learn:

- › How you can exploit Connected TV's consumer-reach capabilities to augment customer experience, your brand and profits?
- › Will Connected TV influence consumers to shift their viewing habits and how does it fit with multi-screen strategies?
- › What are the new apps and what do they mean for your business?
- › What are Connected TV's technical hurdles and when will they be overcome?
- › Can programmers enhance the viewer experience and make profits with Connected TV apps?
- › Plus more...

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2011 NAMIC VISION AWARDS WINNERS

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- MEMBERS' CHOICE AWARD (TIE)** 2010 FIFA World Cup – Day One Open | ESPN
Chinese Food Made Easy | Cooking Channel
- ANIMATION** 2010 FIFA World Cup – Day One Open | ESPN
- BEST PERFORMANCE – COMEDY** China Anne McClain – Tyler Perry's House of Payne | TBS
- BEST PERFORMANCE – DRAMA** Khandi Alexander – Treme | HBO
- CHILDREN'S COMEDY** Brave New Voices 2010 | HBO
Love That Girl | TV One
- DIGITAL MEDIA – LONG FORM** Umlando – Through My Father's Eyes | ESPN
- DIGITAL MEDIA – SHORT FORM** 2010 FIFA World Cup – Voices of South Africa | ESPN
- DOCUMENTARY** A Small Act | HBO
- DRAMA** Luther | BBC America
- FOREIGN LANGUAGE** Deportados | Discovery Latin America / US Hispanic
- LIFESTYLE** Chinese Food Made Easy | Cooking Channel
- NEWS / INFORMATIONAL (TIE)** 2010 FIFA World Cup – Youth Day | ESPN
Anderson Cooper 360: Black or White: Kids on Race | CNN
- ORIGINAL MOVIE OR SPECIAL (TIE)** Black Girls Rock | BET Networks
Lies in Plain Sight | Lifetime Movie Network
- REALITY** America's Best Dance Crew "Champions for Charity" | MTV
- SPORTS** 2010 FIFA World Cup – Sports Features | ESPN
- VARIETY / TALK SHOW** The Mo'Nique Show | BET Networks

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newspaper-broadcast cross ownership ban is fodder for its argument to do away with the standstill provision in its program carriage order (**Cfax**, 7/7). In a letter to the FCC gen counsel, **NCTA** noted that the 3rd Circuit said the Commission failed to comply with the notice and comment requirements of the Administrative Procedure Act. NCTA believes the program carriage order on circulation (and reportedly already approved by 3 commissioners) would have the same problem because the 3-year-old NPRM did not provide notice that any sort of standstill requirement was under consideration.

Splitsville: The honeymoon lasted nearly 2 years, but when **AMC Nets** went public July 1 **Wedding Central** was annulled. Launched in Aug '09 on **Cablevision's** digital tier, the net earned carriage via **Mediacom** in Jan '10 and in **Time Warner Cable's** East Region/NYC market in Nov before folding with fewer than 4mln subs. "We made a strategic decision to reallocate our resources to further the momentum and success of our four nationally distributed networks," said AMC Nets in a statement. "**WE tv**, the network that pioneered the wedding genre, will remain home to new and returning series for our passionate viewers who love all things bridal." Despite airing its 1st and only original project in Apr, a preview of the Royal Wedding, Central had featured primarily WE programming such as "Bridezillas." News of Wedding Central's demise was first reported by *Multi*.

In the States: Windstream expanded its larger bandwidth Ethernet offering (up to 1Gbps) to 11 markets including Indianapolis, Tulsa and Oklahoma City and Baton Rouge. -- **FairPoint Comm** said it has met its regulatory commitment by currently offering broadband services to nearly 90% of its customers in VT. The telco also offers broadband to 83% of its ME customers and more than 85% in NH.

Carriage: Comcast launched 24-hour Italian-language channel **Mediaset Italia** in North and Central NJ and Bucks County, PA, marking the net's initial US exposure. It's available for \$14.99/month along with **Rai Italia**.

Happy Birthday: Comcast and **NBCU** hosted a 15th anniversary celebration for **MSNBC** in DC Thurs, with a guest list of cable execs, Hill staff and on-air personalities, including *Chris Mathews* and *Andrea Mitchell*. Rising above the clatter of food and drink was the message that MSNBC's newly branded slogan, "lean forward," as well as its partnership with Comcast, is already bringing the network success. *Chris Mathews* thanked the network for letting him speak his mind, most of the time, and added, "It's a grand notion to lean forward. It means greatness for this country." Focusing on the new members in attendance, **NBC News** pres *Steve Capus* remarked, "The fact that *David Cohen* [Comcast evp] is here is a sign of a new chapter for MSNBC... I can tell you Comcast is a great partner." No stranger to MSNBC anniversaries himself, MSNBC pres *Phil Griffin* was acknowledged as the heart and soul of MSNBC since day one. "We are stronger today than we have ever been," Griffin said.

Ratings: The season 3 debut of **MTV's** "Teen Mom" became the franchise's most-watched premiere with 3.65mln total viewers. -- **ESPN's** coverage of the **Women's World Cup** is averaging a 0.4 rating through 24 matches, up 100% versus '07. P2+ impressions and HH impressions have increased 124% and 88%, respectively.

Programming: Presumably (and hopefully) devoid of a preposterous dream sequence, a remake of classic TV series "Dallas" (summer '12) has been greenlit by **TNT**. A sneak preview of the show featuring holdover *Larry Hagman* as J.R. Ewing will air Mon night during the season premieres of "The Closer" and "Rizzoli & Isles." More info at **DallasTNT.com**. -- **Longhorn Network** will go live Aug 26 at 6pm CT to provide a preview of the Texas home football opener (also on the net) with the help of the "ESPN College GameDay" crew. At 8pm the net will see Texas' 1st women's volleyball match of the season. -- **TNT** picked up a 2nd season of "Falling Skies." -- Beginning this fall, **Hallmark Hall of Fame** movies will premiere exclusively on **ABC** and air a week later on **Hallmark Channel**. The 1st included project will be "Have a Little Faith," based on *Mitch Albom's* book.

Business/Finance: News Corp's tough week continued Fri when UK Prime Minister *David Cameron* put the brakes on the company's proposed acquisition of **BSkyB** because of the phone hacking scandal surrounding *News of the World*. News shares fell 3.35% Fri and 6% for the week. Still, "with organic operating income growth accelerating from 2011 into 2012," said **BTIG's** *Richard Greenfield*, "we see minimal downside in NWSA shares from current levels." Achievement of the \$24 price target and closure of **BSkyB** could both take a year, he said.

CableFAX Week in Review

Company	Ticker	7/08 Close	1-Week % Chg	YTD %Chg
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BROADCASTERS/DBS/MMDS
 DIRECTV:.....DTV.....53.08.....2.55%.....59.16%
 DISH:.....DISH.....31.78.....2.15%.....53.01%
 DISNEY:.....DIS.....39.91.....0.48%.....23.75%
 GE:.....GE.....18.99.....(1.09%).....25.51%
 NEWS CORP:.....NWS.....17.33.....(5.97%).....8.86%

MSOS
 CABLEVISION:.....CVC.....27.22.....4.85%.....5.42%
 CHARTER:.....CHTR.....57.80.....4.81%.....0.00%
 COMCAST:.....CMCSA.....25.51.....(0.86%).....51.30%
 COMCAST SPCL:.....CMCSK.....24.48.....(0.49%).....52.90%
 GCI:.....GNCMA.....12.52.....1.71%.....96.24%
 KNOLOGY:.....KNOL.....15.07.....(0.13%).....38.00%
 LIBERTY CAPITAL:.....LCAPA.....87.13.....0.80%.....264.87%
 LIBERTY GLOBAL:.....LBTYA.....45.48.....(1.62%).....107.77%
 LIBERTY INT:.....LINTA.....17.74.....3.20%.....63.65%
 SHAW COMM:.....SJR.....22.72.....(1.09%).....10.45%
 TIME WARNER CABLE:.....TWC.....79.24.....(0.33%).....91.45%
 VIRGIN MEDIA:.....VMED.....29.00.....(4.1%).....72.31%

PROGRAMMING
 CBS:.....CBS.....28.67.....0.42%.....104.06%
 CROWN:.....CRWN.....1.89.....(2.07%).....30.34%
 DISCOVERY:.....DISCA.....41.93.....0.62%.....36.71%
 GRUPO TELEVISA:.....TV.....23.58.....(4.5%).....13.58%
 HSN:.....HSNI.....34.57.....3.81%.....71.22%
 INTERACTIVE CORP:.....IACI.....38.55.....1.34%.....88.23%
 LIBERTY:.....L.....42.36.....0.57%.....16.53%
 LIBERTY STARZ:.....LSTZA.....74.51.....(1.23%).....61.45%
 LIONSGATE:.....LGF.....6.69.....(0.59%).....15.15%
 LODGENET:.....LNET.....3.12.....(3.41%).....(43.58%)
 NEW FRONTIER:.....NOOF.....1.49.....7.97%.....(21.16%)
 OUTDOOR:.....OUTD.....7.10.....4.57%.....22.41%
 SCRIPPS INT:.....SNI.....47.39.....(3.97%).....14.19%
 TIME WARNER:.....TWX.....36.64.....(0.76%).....25.74%
 VALUEVISION:.....VVTV.....8.25.....0.12%.....71.88%
 VIACOM:.....VIA.....59.07.....0.61%.....87.52%
 WWE:.....WWE.....9.84.....0.41%.....(35.81%)

TECHNOLOGY
 ADVANTAGE:.....AEY.....2.57.....(0.77%).....30.46%
 ALCATEL LUCENT:.....ALU.....5.88.....0.00%.....77.11%
 AMDOCS:.....DOX.....30.77.....1.02%.....7.85%
 AOL:.....AOL.....20.53.....(0.1%).....(11.81%)
 APPLE:.....AAPL.....359.71.....4.79%.....70.70%
 ARRIS GROUP:.....ARRS.....11.81.....0.17%.....3.32%
 AVID TECH:.....AVID.....19.69.....1.49%.....54.31%
 BIGBAND:.....BBND.....2.14.....(3.17%).....(37.79%)
 BLNDER TONGUE:.....BDR.....1.63.....(1.81%).....42.98%
 BROADCOM:.....BRCM.....34.62.....0.61%.....10.01%
 CISCO:.....CSCO.....15.74.....(0.76%).....(34.25%)
 CLEARWIRE:.....CLWR.....3.80.....(0.52%).....(43.79%)
 CONCURRENT:.....CCUR.....6.10.....4.99%.....54.04%
 CONVERGYS:.....CVG.....13.78.....(0.58%).....28.19%
 CSG SYSTEMS:.....CSGS.....18.91.....6.48%.....(0.94%)
 ECHOSTAR:.....SATS.....38.36.....3.40%.....90.47%
 GOOGLE:.....GOOG.....531.99.....2.10%.....(14.19%)

Company	Ticker	7/08 Close	1-Week % Chg	YTD %Chg
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HARMONIC:.....HLIT.....7.10.....(4.83%).....12.34%
 INTEL:.....INTC.....23.09.....2.49%.....13.19%
 JDSU:.....JDSU.....15.94.....(6.29%).....93.21%
 LEVEL 3:.....LVL.....2.59.....2.78%.....69.28%
 MICROSOFT:.....MSFT.....26.92.....3.46%.....(11.68%)
 MOTOROLA MOBILITY:.....MMI.....21.64.....(7.84%).....0.00%
 RENTRAK:.....RENT.....18.62.....(1.64%).....5.38%
 SEACHANGE:.....SEAC.....10.71.....(1.02%).....63.26%
 SONY:.....SNE.....27.10.....1.99%.....(6.55%)
 SPRINT NEXTEL:.....S.....5.49.....1.10%.....50.00%
 THOMAS & BETTS:.....TNB.....55.25.....0.36%.....54.37%
 TIVO:.....TIVO.....10.78.....(0.46%).....5.89%
 UNIVERSAL ELEC:.....UEIC.....25.53.....0.87%.....9.95%
 VONAGE:.....VG.....4.78.....5.29%.....241.43%
 YAHOO:.....YHOO.....15.61.....1.04%.....(6.97%)

TELCOS
 AT&T:.....T.....31.14.....(1.7%).....11.10%
 VERIZON:.....VZ.....37.48.....(0.85%).....13.13%

MARKET INDICES
 DOW:.....DJI.....12657.20.....6.05%.....21.38%
 NASDAQ:.....IXIC.....2859.81.....1.55%.....26.03%
 S&P 500:.....GSPC.....1343.80.....(89.32%).....17.39%

WINNERS & LOSERS

THIS WEEK'S STOCK PRICE WINNERS

COMPANY	CLOSE	1-WK CH
1. NEW FRONTIER:.....	1.49	7.97%
2. CSG SYSTEMS:.....	18.91	6.48%
3. DOW:.....	12657.20	6.05%
4. VONAGE:.....	4.78	5.29%
5. CONCURRENT:.....	6.10	4.99%

THIS WEEK'S STOCK PRICE LOSERS

COMPANY	CLOSE	1-WK CH
1. S&P 500:.....	1343.80	(89.32%)
2. MOTOROLA MOBILITY:.....	21.64	(7.84%)
3. JDSU:.....	15.94	(6.29%)
4. NEWS CORP:.....	17.33	(5.97%)
5. HARMONIC:.....	7.10	(4.83%)

Most **CableFAX's** Powerful Women 2011 in Cable

Who are cable's most powerful women executives?

Help us decide by nominating the executives you think should be included in our annual list of the Most Powerful Women in Cable. We will rank the top 50 most powerful women, and run a list of the second 50, in the November 2011 issue of CableFAX: The Magazine. Nominations are open to all cable operators, programmers, vendors and trade associations.

Nominations Due: **July 29, 2011**
 Nominate Now at: www.cablefax.com/2011powerfulwomen

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