

CableFAX Daily™

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What the Industry Reads First

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Greg Walden: FCC Reform Push Take 2

House Commerce subcommittee head *Greg Walden* (R-OR) is looking to streamline the **FCC**, again. Cable isn't endorsing specific proposals but has been generally supportive, and Walden, whose FCC overhaul bills failed in the Senate last year, wants to introduce similar proposals this year. Sen *Dean Heller* (R-NE), who supported the Senate version of Walden's bill last year, will "continue to work with Chairman Walden to bring these bills up for discussion in both chambers of Congress," a spokesman told us. Meanwhile, in a statement, **NCTA** head *Michael Powell* said "given today's competitive communications landscape, it is appropriate that policymakers carefully consider new ideas that promote transparency and predictability in decision making, streamline reporting requirements and remove outdated regulatory obstacles." **Comcast** evp *David Cohen* agreed that "certain reforms of FCC processes and procedures are appropriate" in light of changes in the market and implications of FCC decisions. "We applaud Chairman Walden for his efforts to offer a discussion draft, which represents an important next step towards modifying regulatory reforms that have been long discussed by many different Commissions regardless of party or leadership," he said in a statement. Without backing specific proposed measures, Cohen said Comcast looks forward to working with Congress and the Administration to "evaluate and refine the proposed legislation to ensure that a suitable set of reforms are set forth." Like last year, Walden's proposals faced resistance from the Democrats. Calling the bills "a backdoor way of gutting the FCC's authority," subcommittee ranking member *Anna Eshoo* (D-CA) noted much of the concern was centered on the proposed provision that would restrict the FCC's ability to impose merger conditions. "There are smaller reforms we can do on a bipartisan and bicameral basis, but this is the area that causes the most heartbreak both pro and con," Eshoo, one of the only 2 Democrats at the hearing, said. Fellow CA Democrat Rep *Henry Waxman* was on the same page, saying adopting additional steps before taking a vote will "slow the agency to a crawl." However, keeping conditions streamlined to address merger specific problems would reduce costs to consumers and help spur market activity, former FCC commish *Robert McDowell*, a Republican, said. McDowell took the opportunity to urge a rewrite of the '96 Telecom Act. Fellow Republican commish *Ajit Pai*, though not a witness, also supported an agency overhaul. "I hope that today's hearing portends progress in updat-

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ing FCC processes to reflect the realities of today's marketplace," he said in a statement. "Maybe this is the year we get the bills passed," Rep *Joe Barton* (R-TX) said. "Those interacting with the FCC would want to get these passed," he said. Meanwhile, subcmte members thanked departing chief counsel *Neil Fried*, who has been on the House telecom team for almost a decade but is going to the **MPAA**. "He will be a movie star at MPAA," Walden joked.

Retrans: **Time Warner Cable** and **Journal Broadcast's** retrans spat is a bit unusual. The dispute fell into the "sweeps" period (June 27-July 24), during which stations can't be dropped per FCC rules. That means **WGBA**, **WACY**, **WTMJ**, **KMTV** and **KMIR** are expected to remain on TWC through July 24. The rules, however, don't apply to stations like **KPSE** in Palm Springs, CA, and **Live Well Network** in Milwaukee. The stations went dark around midnight Wed. Negotiations are ongoing and Journal is demanding "a huge increase in their compensation of 200%," a TWC spokesman said. The broadcaster claimed TWC has refused to place "a fair, market-based value on the rights to carry our stations... Reaching that agreement remains important for us, but not to the point of risking long term harm to our stations or businesses."

Sports Deals: **YES Network** inked a deal with **Fox Sports Media Group** to televise live **ACC** basketball and football games and Big East basketball games starting this fall. Under the agreement, the net will televise up to 10 ACC football games and up to 23 ACC men's basketball games, in addition to some women's basketball and Olympic sports. YES will offer up to 10 Big East basketball games.

ACA: The **FCC** should stay away from VoIP interconnection trials sought by **AT&T** and others, **ACA** told the agency in a filing. The reason is that the trials are "unnecessary in making the competitively significant legal determination that bedrock interconnection protections" found in the '96 Act apply to cable VoIP providers, regardless of technology, the group said. "The FCC should act now to affirm that regardless of technology, all interconnection for the exchange of traffic is governed by sections 251 and 252 of the Act," ACA head *Matthew Polka* said. "Confirming that interconnection rights exist when exchanging managed VoIP traffic is the critical issue the FCC should address." Despite competition in select retail voice markets, ACA said, larger ILECs continue to dominate the interconnection and transit markets.

From the Streets: Even **S&P** is now backing a potential **DirecTV/Hulu** deal. Citing the latest reports that the sat-caster remains a frontrunner "in a narrowed field of potential suitors," S&P analysts said Hulu could have "some strategic value" for DirecTV's pay TV business even though the streaming service remains unprofitable. The analysts said a Hulu acquisition could push "parallel initiatives on TV Everywhere and Connected Home" at DirecTV.

Press Clippings: The cable industry needs consolidation, **Liberty Media** chmn *John Malone* told **Reuters** at the annual **Allen and Co** media conference Thurs. He specifically mentioned **Time Warner Cable** as a potential consolidator because the MSO is the 2nd biggest. Malone recently triggered a wave of M&A speculation when he reportedly offered TWC a tie-up with **Charter**, which TWC reportedly rejected.

Ratings: **ESPN** defended its 2Q ratings drop after media reports on the decline peaked Wed night. For instance, *David Letterman's* top 10 list included "Lowest Rated ESPN Programs." We reported last week that during the quarter, the net fell 33% to 1.4mln, largely due to last year's shortened **NBA** season that featured a heavy concentration of games toward the backend (*Cfax*, 7/8). In a blog post, vp, comm *Mike Soltys* said ESPN in '12 also benefitted from 21 Euro Championship matches while this year ESPN had the Confederations Cup, with only approx half as many matches and less national interest. -- **MTV2** had its highest rated total day in network history on Tue with "*Nick Cannon Presents: Wild 'N Out*" and "*Ain't That America with Lil Duval*" leading the way. Cannon scored a 1.3 rating and drew 1.1mln total viewers, making it the highest rated telecast in MTV2 history. Duval averaged nearly 800K total viewers. Among male teens, the show bagged a 1.8 rating.

Emmy Noms: At 21, **HBO** scored the most number of Emmy nominations for cable news and documentary. It scored 5 noms for its short film "Saving Face" and 3 for "The Loving Story." **CBS** bagged 46 noms, leading all nets. **CNN** scored 8 noms, while **Discovery Comm** received 5, including 3 for **Discovery Channel** and 1 each for **Investigation Discovery** and **Science Channel**.

WiFi: **Time Warner Cable** on Thurs celebrated the launch of more than 1K TWC WiFi Hotspots now available in

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Manhattan. In addition, the MSO will offer open, complimentary access to its NYC WiFi network during the MLB All-Star Week July 12-16 as the official WiFi provider.

Programming: Nick ordered 20 additional eps of its comedy "Sam & Cat." -- **Pivot, Participant Media's** new net targeting Millennials, debuts its 1st original scripted series "Please Like Me" on Aug 1. -- **ESPN** airs live, 4-round coverage of the 142nd renewal of golf's oldest major, The Open Championship, July 18-21.

People: Multiplatform ad firm **Ensequence** has promoted its vp, engineering *Roger Demuth* to CTO, putting him fully in charge of the company's development, engineering, services and quality assurance teams. Ensequence CEO *Roger Low* called Demuth "one of the strongest managers in our company's history" and said he'll lead its charge into new product and service areas. Demuth is credited with recruiting much of Ensequence's current tech mgmt staff.

Editor's Note: Do we sound like a broken record? Good. Just another reminder that Fri, July 12, is the absolute final deadline for **Most Influential Minorities and Most Powerful Women** nominations. If you didn't nominate during the original window earlier this year, this is your last chance. More info: <http://www.cablefax.com/cablefaxmag/2013nominations.html>

CableFAX Daily Stockwatch

Company	07/11 Close	1-Day Ch	Company	07/11 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
DIRECTV:	64.40	2.17	GOOGLE:	920.24	14.25
DISH:	42.05	0.39	HARMONIC:	6.88	0.15
DISNEY:	66.58	1.67	INTEL:	23.99	0.74
GE:	23.94	0.40	JDSU:	14.96	0.52
NEWS CORP:	29.94	(0.08)	LEVEL 3:	21.79	0.01
MSOS					
CABLEVISION:	18.99	0.14	MICROSOFT:	35.69	0.98
CHARTER:	125.20	(0.15)	RENTRAK:	21.09	0.19
COMCAST:	44.46	1.55	SEACHANGE:	11.85	0.13
COMCAST SPCL:	42.45	1.28	SONY:	22.20	0.43
GCI:	9.36	0.01	TIVO:	11.64	0.02
LIBERTY GLOBAL:	79.24	1.82	UNIVERSAL ELEC:	31.07	(0.02)
LIBERTY INT:	24.29	0.27	VONAGE:	2.94	0.03
SHAW COMM:	24.88	0.76	YAHOO:	27.04	0.48
TIME WARNER CABLE:	115.36	1.51	TELCOS		
WASH POST:	508.05	7.67	AT&T:	35.87	0.48
PROGRAMMING					
AMC NETWORKS:	68.67	0.63	VERIZON:	51.21	0.67
CBS:	51.41	0.24	MARKET INDICES		
CROWN:	2.49	0.04	DOW:	15460.92	169.26
DISCOVERY:	84.49	1.63	NASDAQ:	3578.03	57.55
GRUPO TELEVISIA:	25.38	0.75	S&P 500:	1675.02	22.40
HSN:	58.30	0.59			
INTERACTIVE CORP:	50.74	0.87			
LIONSGATE:	31.82	0.32			
SCRIPPS INT:	72.02	1.02			
STARZ:	23.63	0.87			
TIME WARNER:	61.67	0.66			
VALUEVISION:	5.30	UNCH			
VIACOM:	71.47	0.84			
WWE:	10.87	0.22			
TECHNOLOGY					
ADVANTAGE:	2.30	0.00			
ALCATEL LUCENT:	1.96	0.12			
AMDOCS:	38.14	0.33			
AMPHENOL:	85.13	2.40			
AOL:	36.98	(0.34)			
APPLE:	427.29	6.56			
ARRIS GROUP:	15.41	0.17			
AVID TECH:	6.15	0.23			
BLNDER TONGUE:	0.98	-0.00			
BROADCOM:	34.83	0.76			
CISCO:	25.87	0.46			
CONCURRENT:	7.91	0.04			
CONVERGYS:	19.10	0.34			
CSG SYSTEMS:	23.58	0.03			
ECHOSTAR:	40.69	0.67			

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PROGRAMMER'S PAGE

Back in the Newsroom...

When it premiered last year, HBO's "The Newsroom" seemed destined for greatness. Creator and TV veteran *Aaron Sorkin* had just won an Oscar win for Best Adapted Screenplay with *The Social Network*, and expectations were high. To be sure, some critics and viewers loved the series. But others piled on, calling it preachy and indulgent as its veteran news anchor *Will McAvoy* (*Jeff Daniels*) and his staff went on a quixotic quest to elevate cable news. HBO didn't waiver, renewing the show for a 2nd season that premieres Sun. And it's perhaps fitting that this season's storyline unfolds much like the show's launch: Excitement followed by doubt and derision. Daniels told me at a recent event in L.A. that the biggest surprise of the new season "is how much trouble we get in ourselves... We cover a story in the wrong way, in the worst way possible, and we're paying the price for it right away." Indeed, S2 opens with lawyers grilling the staff over a mis-handled coverage that has put the entire network in jeopardy, and subsequent episodes gradually reveal its origins in a series of flashbacks. "There are a lot of time jumps, which has been fun," noted *Alison Pill*, who plays Maggie. Interestingly, the fictional news story that gets everyone in trouble departs somewhat from S1's reliance on real news events on a time lag (although the Romney campaign and the opening salvo of Occupy Wall Street color the first few eps). Sorkin told me that character interplay remains the hardest part, no matter what the news backdrop. "You've got to write about our people," he said. "So inventing that every week is always tough." Even as the newsroom descends into a bit of chaos, those relationships ground the show. "There's got to be a story beneath the story," he said. "It has to do with the characters or the dilemma in the newsroom. It sounds crass to say, but it's not just enough that something exploded." Nonetheless, S2 gets off to an explosive start that even includes a trip by Maggie to Africa and lots of other adventures out in the field. This show still may be destined for greatness, as long as it doesn't screw up the story. - *Michael Grebb*

Reviews: "The Newsroom," season 2 premiere, Sun, 10p, **HBO**. As it did in season 1, much of "The Newsroom" comes at the viewer with great rapidity. Characters speak *Aaron Sorkin's* erudite dialogue so fast you wonder whether real people actually talk so intelligently so quickly. Sardonic wit also comes at a relentless pace. Still, Newsroom captures the feel of how TV news is made, the egos, stress and the toll they take on staffers' lives. -- "Inside: Secret America," Wed, 10p, **Nat Geo**. A welcome addition to documentary television, this week "Inside" shows how easy it can be to buy a gun in AZ. Journalists *Mariana van Zeller* and *Darren Foster* purchase an AK-47 and a .50-caliber sniper rifle in minutes. Chilling also is their traversing a secret tunnel to Mexico frequented by gun runners. Future topics include sex slavery and animal cruelty. -- "The Bridge," episode 2, Wed, 10p, **FX**. Adapted from international hit "Bron," the bridge refers to a border crossing between Texas and Mexico. A murder there unites an anal, geeky El Paso detective (*Diane Kruger*) and a wise Mexican officer (*Demian Bichir*). But that's only the first layer in this absorbing saga of crime and deviance. - *Seth Arenstein*

Basic Cable Rankings (7/01/13-7/07/13)			
Mon-Sun Prime			
1	USA	2.2	2170
2	TNT	1.9	1901
3	DSNY	1.5	1452
4	HIST	1.3	1271
4	A&E	1.3	1236
6	TBSC	1.2	1150
7	FOXN	1.1	1083
8	HGTV	1.0	961
8	FX	1.0	961
8	BET	1.0	894
11	ADSM	0.9	884
12	FOOD	0.8	810
12	LIFE	0.8	788
12	NAN	0.8	778
12	AMC	0.8	759
12	DISC	0.8	754
12	FAM	0.8	729
18	SYFY	0.7	732
18	TLC	0.7	724
18	ESPN	0.7	643
18	ID	0.7	590
22	TRU	0.6	590
22	SPK	0.6	588
22	BRAV	0.6	573
22	APL	0.6	571
22	TVLD	0.6	542
22	HALL	0.6	510
22	DSE	0.6	46
29	CMDY	0.5	515
29	CNN	0.5	477
29	EN	0.5	474
29	LMN	0.5	450
29	MSNB	0.5	444
29	VH1	0.5	441
29	DSJR	0.5	300
36	MTV	0.4	439
36	HLN	0.4	430
36	NGC	0.4	347
36	TRAV	0.4	334
36	OWN	0.4	321
36	NKJR	0.4	311
36	GSN	0.4	275
36	HMC	0.4	212
44	OXYG	0.3	270
44	INSP	0.3	234
44	BIO	0.3	233

*Nielsen data supplied by ABC/Disney

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