

CableFAX Daily™

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What the Industry Reads First

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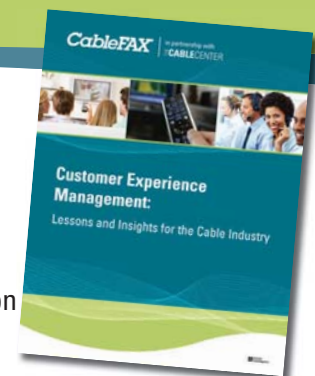
Windy City: Dissection of Comcast-NBCU Transaction Continues

Only one FCC commissioner made Tues' FCC public hearing in Chicago on **Comcast-NBCU**, and he was vocal about his concerns. "Right now the assurances and conditions we have received on this Comcast/NBCU proposal don't pass the red-face test," said Dem *Michael Copps* in a statement focused on net neutrality. "How many times do we have to experience the fallout when critical decisions are entrusted only to those in industry without credible public policy oversight? ... How many more oil-soaked beaches and lost livelihoods across the Gulf must we endure before we understand that our future is ours to make—yours and mine?" The first panel at Tues' hearing was devoted to Internet video—with the big question from FCC staffers being whether it will become a substitute or a complement to traditional video. **Nielsen** CEO *Susan Whiting* said her measurement firm sees a "limited" number of viewers cutting cable for the Web. She noted that DVRs "defied traditional wisdom" by actually building and increasing TV viewership instead of killing it. But *Markham Erickson*, who reps **NetCoalition** (members include **Google, Yahoo, Amazon**, etc), said Net video will be a substitute, pointing to indie programmers who view the Web as the next frontier after failing to gain access to cable. "Online will absolutely continue to grow," said **Sezmi's** *Travis Parsons*, calling for a level playing field for access and distribution. 5 of the 7 members of the 1st panel called for significant deal conditions, while the other 2 (**Nielsen's** Whiting and **Technology Policy Institute's** *Scott Wallsten*) seemed neutral and stuck to data points. Suggested conditions included divestiture of **CNBC** from Erickson of the NetCoalition (whose members include **CNBC** rival **Bloomberg**). **DISH's** deputy gen counsel *Jeff Blum's* recommendations included applying open Internet rules to Comcast and requiring transparency. DISH is concerned about discrimination against its online video offerings. A 2nd FCC panel on MVPD concerns continued at our deadline. It included **Tennis Channel** chmn/CEO *Ken Solomon* who wants Comcast-NBCU to treat non-affiliated networks the same as its own services (Tennis' program carriage complaint against Comcast is pending at the FCC). He said that Comcast's voluntary pledge to add 10 indie channels falls short because it doesn't ensure that carriage terms are comparable to those of its own nets. Solomon also complained that the pledge doesn't help non-affiliated programmers already carried by Comcast. **WOW** pres/CEO *Colleen Abdoulah* called for conditions preventing the new company from using market power to hurt cable ops that buy programming from Comcast-NBCU and operators that compete for subs with Comcast. She said the FCC's

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program access rules are weak because they don't address some issues (like pulling signals) and deemed them a "right without a remedy." Not everyone was as pessimistic. **Northwestern** law prof *James Speta* said the proposed deal "strikes me as an appropriate response to a marketplace in complete turmoil." Speta said that many concerns, like net neutrality, are already under broader FCC review. The hearing was slated to include 2 hours of public comment later Tues evening.

In the Courts: Broadcasters were tickled pink (or maybe blue) Tues after a federal appeals court threw out the **FCC's** indecency policy, calling it "unconstitutionally vague." The ruling came after several broadcast nets challenged violation orders after celebs used profanity during awards shows. "We believe that responsible decision making by network and local station executives, coupled with program blocking technologies like the V-chip, is far preferable to government regulation of program content," **NAB** said. FCC chmn *Julius Genachowski* said the agency is reviewing the court's decision in "light of our commitment to protect children, empower parents, and uphold the First Amendment."

In the States: **Comcast** intro'd its **High-Speed 2go** mobile broadband service in 10 additional Eastern div markets, including D.C., Richmond, Baltimore and Harrisburg. -- **RCN** launched the **TiVo Premiere** product in Boston after initial availability in NYC and D.C.

Advertising/Marketing: **Time Warner** and **Unilever** renewed their 3-year-old partnership. The pact, estimated to be worth up to \$300mln, includes TW's TV, magazine and Internet properties as well as *Time* magazine's iPad app. -- **News Corp** and **Sony** are joining to program digital marketing space in Times Square, including a new 35'X40' LED screen at the intersection of Broadway and W 43rd St. Initiatives will include interactive plays such as invitations for consumers to respond to poll questions via text messaging.

At the Portals: The **FCC** officially informed the public Tues that it restarted the informal 180-day transaction time clock on the **Comcast-NBCU** proposal (*Cfax*, 7/8). -- The **FCC** Media Bureau extended **James Cable's** set-top integration waiver to let it purchase refurbished HD/DVR devices from companies that would also sell them directly to consumers (**Baja Broadband** was previously granted a similar waiver). It also extended its waiver to deploy new integrated devices through July 1.

Social Branding: Social media's the place to be for many cable nets including **Discovery Channel**, which tapped **Hive Media** to dev and prod a social game based on "Deadliest Catch." It's slated to launch in Nov on **Facebook**. Meanwhile, **ExactTarget** reports that more than 90% of fans of at least 1 brand on Facebook also receive at least 1 permission-based marketing email/day; more than 75% who follow at least 1 brand on **Twitter** subscribe to at least 1 brand's email marketing.

Ratings: The **World Cup** ended with a bang as Sun's final match drew 24.3mln US viewers across **ABC** and **Univision** to become the most-watched soccer match in US history, according to **Nielsen**. ABC and Univision established their own records too. ABC's coverage now ranks as the most-watched men's World Cup match ever in the US among viewers with 15.55mln, while also delivering an 8.1 HH rating and 9.39mln HHs. Univision's feature garnered 8.82mln total viewers, marking just 1 of the net's new World Cup final match viewership records along with 5.4mln 18-49s, 3.3mln 18-34s and 4mln 12-34s. [*Look for our special World Cup Mid-Day Report on Thurs*] -- **ESPN's** special on *LeBron James'* free agent decision led cable last week with a 7.0/6.96mln but couldn't catapult the net to top-5 status among nets. **USA** took the weekly title with a 2.1/2.13mln, followed by **Disney Channel** (2.0/1.97mln), **TNT** (1.8/1.83mln), **Fox News** (1.4/1.38mln) and **History** (1.4/1.34mln). 2 eps of History's "Pawn Stars," Disney's "Hannah Montana Forever" and **Nick's** "SpongeBob SquarePants" finished the telecast top 5. -- The Mon premiere of original "Rizzoli & Isles" has **TNT** touting the show, which drew 7.55mln total viewers and 5.65mln HHs, as ad-supported cable's top series launch ever. Kicking off its 6th season, lead-in "The Closer" got an impressive 7.66mln total viewers and 5.72mln HHs. -- Owing to the returns of popular series "Warehouse 13" and "Eureka" and the premiere of "Haven," **Syfy** scored its best week of '10 among 18-49s and 25-54s. The trio delivered a collective 7.62mln unique viewers, including 3.15mln unique 18-49s and 3.91mln unique 25-54s.

Programming: **truTV** will air at least the 1st 4 games of next year's **March Madness** tourney thanks to a change in format that requires teams to win a spot in the main draw. -- **Showtime's** busy Jan includes the 4th season premiere of "Californication" and the series bows of drama "Shameless," based on the long-running hit UK show, and comedy "Episodes," starring *Matt LeBlanc*. -- **A&E's** new real-life original "The Squad: Prison Police" premieres Aug 5. -- **Comedy Central** is teaming with the **NY Comedy Festival** (Nov 3-7) to prod live show "Comics to Watch."

Obit: The Tues passing of **NY Yankees** patriarch *George Steinbrenner* due to a heart attack bears mention here because

BUSINESS & FINANCE

of the huge impact he had on cable sports. Thanks in part to The Boss, RCNs are now ubiquitous, money-making machines. "His vision of a team-owned regional sports network for the Yankees, resulting in the formation of the YES Network, revolutionized the sports business," said YES pres/CEO *Tracy Dolgin* in a statement. "Our prayers and thoughts go out to the Steinbrenner family and the Yankees organization." YES will present a 2-hour Steinbrenner special on Jul 13 at 6pm ET. Starting Wed morning, it will rotate airings of the special and its Steinbrenner "Yankeeography" program.

People: Cox Business named ex-Sprint exec *Steve Rowley* as vp, field ops for the Western Div. -- Fox Sports Interactive Media named *Rick Jaffe* svp/editor-in-chief. -- Ron Testa joined Insight as district vp, Lexington. -- MobiTV named *Joanne Waage* vp, strategic media partnerships and programming. -- CTAM welcomed *Jason King* as dir, comm and media relations.

Business/Finance: Tyco Electronics agreed to acquire broadband infrastructure co ADC Telecom for \$1.24bln in cash. The deal's expected to close in 4Q. -- GE/NBCU's Peacock Equity invested \$2mln in Vivox, a provider of voice chat services for social apps including online games and virtual worlds. -- Qwest shareholders will vote on the co's proposed merger with CenturyLink on Aug 24. -- Rovi inked Unitymedia to a licensing pact covering use of its IPG patents in Germany.

CableFAX Daily Stockwatch

Company	07/13 Close	1-Day Ch	Company	07/13 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
DIRECTV:	36.52	0.24	ARRIS GROUP:	11.36	0.71
DISH:	19.67	0.33	AVID TECH:	12.99	0.51
DISNEY:	34.45	0.68	BIGBAND:	3.20	0.09
GE:	15.21	0.28	BLNDER TONGUE:	1.23	0.01
NEWS CORP:	14.76	0.27	BROADCOM:	37.13	0.19
MSOS					
CABLEVISION:	26.30	0.77	CISCO:	23.09	0.23
COMCAST:	19.02	0.51	CLEARWIRE:	7.00	0.24
COMCAST SPCL:	18.00	0.55	COMMSCOPE:	25.52	1.00
GCI:	8.24	0.16	CONCURRENT:	4.78	(0.08)
KNOLOGY:	11.65	0.40	CONVERGYS:	10.68	0.25
LIBERTY CAPITAL:	45.15	0.23	CSG SYSTEMS:	19.25	0.79
LIBERTY GLOBAL:	28.43	0.64	ECHOSTAR:	20.09	0.72
LIBERTY INT:	11.42	0.34	GOOGLE:	489.23	13.40
MEDIACOM:	7.08	0.10	HARMONIC:	5.95	0.31
RCN:	14.90	0.03	INTEL:	21.00	0.43
SHAW COMM:	19.53	0.15	JDSU:	10.68	0.34
TIME WARNER CABLE:	56.75	1.55	LEVEL 3:	1.12	0.08
VIRGIN MEDIA:	18.21	0.27	MICROSOFT:	25.13	0.30
WASH POST:	433.29	6.41	MOTOROLA:	7.21	0.22
PROGRAMMING					
CBS:	14.60	0.51	RENTRAK:	26.20	0.54
CROWN:	1.82	0.07	SEACHANGE:	9.02	0.70
DISCOVERY:	36.58	0.64	SONY:	29.23	0.72
GRUPO TELEVISA:	18.78	(0.05)	SPRINT NEXTEL:	4.58	0.08
HSN:	27.72	0.96	THOMAS & BETTS:	36.70	1.11
INTERACTIVE CORP:	22.78	0.31	TIVO:	8.28	0.27
LIBERTY:	36.07	0.54	TOLLGRADE:	6.38	0.05
LIBERTY STARZ:	53.88	0.32	UNIVERSAL ELEC:	18.26	1.07
LIONSGATE:	6.53	(0.17)	VONAGE:	2.45	0.06
LODGENET:	3.84	0.19	YAHOO:	15.52	0.58
NEW FRONTIER:	1.75	0.03	TELCOS		
OUTDOOR:	5.34	0.31	AT&T:	24.95	0.11
PLAYBOY:	5.37	(0.18)	QWEST:	5.51	0.06
SCRIPPS INT:	42.13	0.70	VERIZON:	26.89	0.40
TIME WARNER:	30.92	0.82	MARKET INDICES		
VALUEVISION:	1.91	0.16	DOW:	10363.02	146.75
VIACOM:	38.29	0.85	NASDAQ:	2242.03	43.67
WWE:	16.42	0.56	TECHNOLOGY		
TECHNOLOGY					
ADC:	12.52	3.67			
ADDVANTAGE:	2.76	0.04			
ALCATEL LUCENT:	2.78	0.06			
AMDOCS:	28.87	0.76			
AMPHENOL:	41.98	1.43			
AOL:	20.95	0.31			
APPLE:	251.80	(5.49)			

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- General Sessions
- Educational Track Sessions
 - Diversity and Inclusion
 - Digital Media
 - Leadership Development
 - Multi-ethnic Content and Programming
- Hot Topic Discussions
- Excellence in Multi-cultural Marketing Awards
- Diversity in Communications Career Expo

To view the preliminary agenda, **visit www.namic.com**

