

CableFAX Daily™

Wednesday — July 15, 2009

What the Industry Reads First

Volume 20 / No. 133

Mid-Summer Update: Busy Baseball Season For Cable Continues

MLB Net was still scrambling late Tues to lock down an interview with *Pres Obama*, who descended on St. Louis to toss out the 1st pitch for the **MLB All-Star Game**. The net's frenetic pursuit of the Commander in Chief seems to typify a baseball season that to date has been abuzz with major cable-related storylines: the net's 1st seasonal coverage, online streaming of league games by players including **YES**, **Cablevision** and **Cox**, and the ongoing saga of **Tribune's** attempted sale of the **Cubs**, **Wrigley Field** and a 25% stake in **Comcast SportsNet Chicago**. After a Jan bow in more than 50mln homes, MLB Net has exceeded expectations regarding advertising and flagship show "MLB Tonight," said pres/CEO *Tony Petitti*. As every MLB sponsor has appeared on the net this season, Petitti says the net is on track to "meet or exceed" all initial ad forecasts, though he did note "modest" expectations due to evidence of mounting economic woes around the net's launch date. Live games have helped in this regard, said Petitti, though he's more excited about the early success of "MLB Tonight." Airing every night from 6pm-2am, the show bounces among coverage of all league games and has "worked out better than we thought" in its mission to provide "March Madness every night." Petitti also likes the performance of original series "The Pen," and wants to develop other shows for next season using a similar format. Meanwhile, this season marks the initial availability of live streaming Yankees games through YES, Cablevision and **MLB.com**. As the service launched just last week, the net said it doesn't have any sales numbers yet. It did allow, however, that "there will be a significant learning curve involved among fans... thus we are constantly running promotional spots within our Yankees telecasts and within other Yankees-themed programming, and we're promoting heavily on YESNetwork.com, as well." Ditto the heavy promotion for Cox, whose similar service featuring Padres games bows Thurs. The MSO is using eNewsletters, **Cox.com**, targeted online banner advertising and local San Diego news to get the word out. Sources don't expect many followers this year, citing both the complexity of such deals involving myriad content stakeholders and, unlike the **NHL** or **NBA**, MLB's heavy involvement in digital rights initiatives. On the Cubs front, word surfaced this week that the club may declare bankruptcy in order to expedite the Tribune asset sale, which continues to face obstacles despite a pair of parties willing to negotiate. MLB commish *Bud Selig* confirmed the possibility Tues, when he also called the league's overall 5% dip in attendance so far this year "amazing in this economy." TV viewership across cable RSNs featuring baseball is effectively flat, according to sources.

Online: Comcast now counts approx 25 nets as participants of its **On Demand Online** trial featuring 5K subs, but **CBS** may be the most noteworthy of 18 new partners. As the 1st broadcaster to sign up, CBS plans to test various types of current and library content during the trial, which marks the net's initial large-scale response to **Hulu.com**, a jv between **NBCU**, **Fox** and **ABC**. When discussing the provisioning of online video content only to paying cable subs at **FCTA/CTAM Fla's Florida Cable Connection** in Miami last month, **CBS Interactive** svp *Jason Kint* said

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cable ops need to “make it simple and easy to find your content... Keep it very open.” Apparently On Demand Online satisfies those parameters. Other new net partners include **A&E**, **BBC America**, **HGTV** and **AMC**. -- **Playboy.com**'s new monthly series “Uncovered” launches next month with **Southern Comfort** presenting, and will feature musical artists talking about songs that influenced them and performing exclusive acoustic covers such as **3 Doors Down** performing **Bon Jovi**'s “Dead or Alive.”

On the Hill: Sen **Kay Bailey Hutchison** (R-TX) on Tues stirred up the broadband pot by introducing legislation that would offer financial incentives to build out broadband networks. The Connecting America Act aims to spur investment over the next 5 years with limited duration tax credits and other targeted incentives. In addition, the bill would create a technology-neutral bond program to let local govts raise their own broadband funds and “allows local communities to play a bigger role in determining the technology and infrastructure that best suits their needs,” said Hutchison, the ranking member on the Commerce Committee. Citing the potential imprecision of the \$7.2bln federal broadband stimulus plan, she said “we must approach broadband deployment in a more thoughtful and comprehensive way.”

Advertising: US ad-supported media will likely suffer a 15% YOY decline in '09 ad rev, said **Magna**, which nonetheless projects improvement in the 2nd half of the year after estimating an 18% dip through 2Q. Magna predicts a 2% YOY fall next year before overall growth resumes in the latter half of '11.

Technology: **Blockbuster** and **Samsung** are working toward offering by this fall consumer access to Blockbuster's movie library through certain Samsung HDTVs, home theater systems and Blu-ray players. Also, **Blockbuster On-Demand** will receive preferred positioning on the Blu-ray interfaces.

Ratings: USA (2.4/2.41mln) used the return of its stalwart originals to reassume the prime mantle last week after being relegated to 3rd (Gasp!) during Jul 4 week. But perhaps the most intriguing storyline is **Syfy**'s solid viewership results after rebranding from Sci Fi Jul 7. The net notched 5th among nets with a 1.3/1.23mln, aided by the series premiere of “Warehouse 13” (2.5/2.39mln) and the return of original “Eureka” (1.9/1.78mln). **Disney Channel** (2.2/2.41mln) took 2nd, followed by **TNT** (1.8/1.76mln) and **Fox News** (1.7/1.65mln). **ABC Family** (1.3/1.28mln) tied with Syfy in 5th. In a rare phenomenon, half of the week's top telecasts aired outside of prime, and all were related to **CNN**'s coverage of the *King of Pop*'s memorial service. Ratings for the net's 5 blocks ranged from 4.1/4.01mln to 3.7/3.60mln. -- **Brag Book:** **HBO**'s “True Blood” delivered a series-high 3.9mln total viewers Sun night and is averaging a gross audience (linear, on demand and DVR) of 10.8mln viewers/ep, a 39% increase over last season. Meanwhile, “Entourage” returned with 3.4mln viewers, its largest audience in more than 2 years. -- The 3rd season premiere of **Bio**'s “I Survived...” garnered premiere bests among 18-49s (192K) and 25-54s (225K).

Programming: **The Mtn** will air this fall a minimum of 9 football games in HD, beginning Nov 14. -- **FX** ordered 6 eps of animated comedy series “Archer” (wt). -- **VH1** and **VH1 Classic** will simultaneously air (Aug 10-14) 5-part doc series “Lords of the Revolution,” featuring rare footage and interviews surrounding iconic people such as *Muhammad Ali* and *Andy Warhol*. -- Bowing Thurs is a 2nd round of **quboPic** user-generated animated short films that will air on **qubo** as well as **ION TV**, **NBC** and **Telemundo**.

Honors: Cable nets received 49 **News and Doc Emmy Awards** noms, led by 13 for **HBO/Cinemax** and **Nat Geo**'s



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Source: Nielsen Media Research, Live+SD, PrimeTime Live, 8p-11p, 2009
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BUSINESS & FINANCE

12. Leading cable programs include "National Geographic Explorer: Gorilla Murders" (4), and with 3 noms each Nat Geo's "The Devil Came on Horseback," HBO's "Taxi to the Darkside," Cinemax's "Nanking," **Travel Channel's** "Wild China," and **BBC America's** "BBC World News America." Other net totals: **CNN** (8), **Discovery Channel** (4), **BBC America** (3), **Travel Channel** (3), **MSNBC** (2), **Current TV**, **Discovery Health**, **History** and **Smithsonian Channel**. **PBS** led all nets with 41 noms, while **CBS** (23), **ABC** (13) and **NBC** (10) totaled 46.

Public Affairs: ESPN's 9th annual **ESPY Celebrity Golf Classic** raised \$950K in net proceeds for **The V Foundation for Cancer Research**, counting among the participants *Ju-lius Erving*, *Ben Roethlisberger* and *Jim Boeheim*.

People: Formerly the digital chief for **TBS**, **TNT** and **TCM**, *Molly Batten* assumed the role of svp, **Turner Media Group**. -- **MSG Media** promoted *Richard McNamara* to vp, integrated media sales. -- **Nexstar Broadcasting** named *Thomas Carter* CFO. -- **Lionsgate** seeks shareholder approval later this year for its nomination of *Mark Rachesky* as a board member. Rachesky is co-founder/pres of **MHR Fund Mgmt**, the largest Lionsgate shareholder with 20%. -- **NBCU** appointed *Allison Gollust* evp, corporate comm.

CableFAX Daily Stockwatch

Company	07/14 Close	1-Day Ch	Company	07/14 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
BRITISH SKY:	31.67	0.71	AMPHENOL:	32.20	0.20
DIRECTV:	23.79	0.13	APPLE:	142.27	(0.07)
DISH:	14.91	0.24	ARRIS GROUP:	11.70	(0.16)
DISNEY:	23.11	0.41	AVID TECH:	11.57	0.24
GE:	11.64	0.18	BIGBAND:	4.68	(0.04)
HEARST-ARGYLE:	4.50	0.00	BLNDER TONGUE:	1.36	0.00
NEWS CORP:	10.03	0.21	BROADCOM:	25.43	0.51
MSOS					
CABLEVISION:	17.92	0.08	CISCO:	18.73	0.16
COMCAST:	13.56	0.04	CLEARWIRE:	6.16	0.33
COMCAST SPCL:	13.12	0.10	COMMSCOPE:	24.25	(0.12)
GCI:	6.66	(0.19)	CONCURRENT:	5.32	0.01
KNOLOGY:	7.60	0.00	CONVERGYS:	8.67	0.19
LIBERTY CAPITAL:	12.15	0.38	CSG SYSTEMS:	13.92	(0.1)
LIBERTY ENT:	25.56	0.14	ECHOSTAR:	15.83	0.19
LIBERTY GLOBAL:	15.72	0.37	GOOGLE:	424.69	0.39
LIBERTY INT:	5.41	0.21	HARMONIC:	5.65	0.08
MEDIACOM:	4.23	(0.08)	INTEL:	16.83	0.34
SHAW COMM:	16.00	0.34	JDSU:	5.26	0.03
TIME WARNER CABLE:	30.07	0.21	LEVEL 3:	1.45	0.03
VIRGIN MEDIA:	9.85	0.04	MICROSOFT:	23.11	(0.12)
WASH POST:	350.51	(1.28)	MOTOROLA:	6.17	0.13
PROGRAMMING					
CBS:	6.23	0.25	OPENTV:	1.28	0.01
CROWN:	1.51	(0.06)	PHILIPS:	19.46	(0.05)
DISCOVERY:	22.92	0.54	RENTRAK:	16.16	(0.18)
EW SCRIPPS:	2.32	0.05	SEACHANGE:	8.00	0.07
GRUPO TELEVISA:	17.23	0.73	SONY:	24.77	0.69
HSN:	9.20	0.27	SPRINT NEXTEL:	4.38	0.08
INTERACTIVE CORP:	16.21	0.10	THOMAS & BETTS:	26.61	0.01
LIBERTY:	26.37	(0.27)	TIVO:	9.32	0.21
LODGENET:	3.30	(0.06)	TOLLGRADE:	5.25	(0.44)
NEW FRONTIER:	2.26	0.08	UNIVERSAL ELEC:	19.14	(0.29)
OUTDOOR:	5.92	0.00	VONAGE:	0.34	0.00
PLAYBOY:	2.51	0.06	YAHOO:	15.18	0.17
RHI:	2.49	(0.04)	TELCOS		
SCRIPPS INT:	28.02	0.98	AT&T:	23.45	(0.32)
TIME WARNER:	24.87	0.44	QWEST:	3.82	(0.04)
VALUEVISION:	1.48	0.01	VERIZON:	28.95	(0.1)
VIACOM:	22.34	0.18	MARKET INDICES		
WWE:	12.79	0.10	DOW:	8359.49	27.81
TECHNOLOGY					
3COM:	3.84	(0.07)	NASDAQ:	1799.73	6.52
ADC:	6.95	0.23			
ADVANTAGE:	1.75	0.09			
ALCATEL LUCENT:	2.16	(0.13)			
AMDOCS:	21.81	0.13			

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