

CableFAX Daily™

Friday — August 9, 2013

What the Industry Reads First

Volume 24 / No. 154

Fox Day: Investor Day Delves into Fox Sports 1 & 2, Fox News, More

Great timing for Fox's Investor Day Thurs, with Fox Sports 1's launch date a little more than a week away. Not a lot of new details, with the programmer still basking in the glory of its golf coup. Fox announced late Wed a 12-year deal that will bring the US Open, US Women's Open and US Senior Open championships to Fox broadcast and Fox Sports 1 beginning in '15. NBC, ESPN and Golf Channel will lose the major tournaments. "There is actually limited opportunity to acquire new product until 2017," Fox Sports co-pres Eric Shanks said during an Investor Day presentation. "By diversifying content, we're no longer relying" on a single rights deal to be successful. And just so we're clear once and for all, there will be a Fox Sports 2 (currently Fuel TV) at the "outset" of Fox Sports 1, Shanks said. UFC, MLB, NASCAR, Soccer, NFL, USGA, CFB and college sports will be represented in programming, with more than 4800 hours of live programming planned for the year. FS1 is expected to be profitable by '16. On the RSN side, "we're looking forward to stepping up our interest in YES Network, which we believe will be an excellent addition to our portfolio of RSNs," co-pres Randy Freer said. News Corp acquired a 49% equity stake valued at about \$3bln last fall. It has the right after 3 years to acquire an additional stake that could bring its ownership to 80%. Plans are in place for that to happen no later than Dec 2015. What about possible consolidation among MVPDs, which is viewed as a way to combat programming costs? Even if it happens, Chase Carey thinks "content has the winning hand." He said Fox will continue to work to move retrans consent for Fox broadcast closer to what it believes the network is worth. FX Nets CEO John Landgraf said FXX (launches Sept 2) is still expected to be in 70mln homes at launch. He talked up FX owning the bulk of its original series, saying it has not only been a financial boon but a key strategic advantage as nonlinear, TVE service FX Now gears up for launch. Fox News chief Roger Ailes provided the lunchtime entertainment, fielding questions and delivering friendly jibes to interviewer/Fox News anchor Neil Cavuto. While CNN has seen some ratings growth, Ailes said he's not concerned. "In the first and second quarters, there was news fatigue after the election," he said, saying that while Fox News ratings dipped a little, they've come back up and the net stays in the top 5 cable nets. He remains confident in Fox Business, noting that it is profitable, even though growing the channel is taking some time. Ailes gave Geraldo Rivera some flak for his semi-nude selfie on

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Twitter, but praised him for rising to the occasion in even the most dangerous situations. “Naked pictures when you’re drunk is still stupid,” he added. The Fox News chief dodged questions about retirement, giving out his to-do list. “I want to save democracy for the next generation. I want to prove I can get to 100. I want to be on ‘Dancing with the Stars,’” he said. “My near-term plans are to put my competitors out of business completely.”

Day 6: CBS and Time Warner Cable were the stars at a NYC Council subcmte meeting Thurs morning that was all about their blackout. CBS evp *Marty Franks* earned the MSO’s ire for suggesting that perhaps TWC’s aim is “to hamstring our ability to do business with **Netflix, Amazon, Hulu Plus** and other new entrants that pose a new competitive threat to their former, cozy, unchallenged monopoly status.” That statement in his prepared testimony was referring to the MSO’s suggestion CBS agree to the same terms and conditions as the recently expired agreement, which he noted was negotiated before the iPad was invented. TWC followed up: “We categorically deny that we are trying to keep CBS from doing business with any new entrant. Both our expired and proposed agreements with CBS place no restriction on their ability to sell all of their product to Netflix, Amazon, Intel or any other entity, or continue to give all of their best content away for free online, as they have to date.” Despite the back and forth, both sides have been in communication this week, and negotiations continued Thurs. We’re holding out hope a deal is done soon, even as Time Warner Cable directed subs to **PGA.com** and **TNT** for PGA coverage this weekend and to **NFL Net** for replays of preseason games. TWC subs impacted by the **Journal Broadcast** blackout can catch Fri’s Green Bay Packers game live in Spanish on **Telemundo Wisconsin (WYTU)**. Consumer Groups, including the **National Consumers League** and **Sports Fan Coalition**, held a conference call organized by the **American Television Alliance** (which counts TWC as a member). **Public Knowledge’s Harold Feld** called on the FCC to step in and stop CBS from blocking CBS.com video content from TWC Internet subs. “It’s very unfortunate that neither the chairwoman or Commission has said one word with regard to this conduct,” he said, warning that “the longer it is allowed to happen” the more likely other broadcasters will do the same. An FCC spokesman said the Commission urges the parties to resolve the situation ASAP. “The Commission reminds the parties of their obligation to negotiate in good faith for the benefit of consumers. We are in regular contact with the parties and stand ready to take appropriate action if the dispute continues,” he said. Among the National Consumers League’s suggestion is a credit from cable providers during a blackout, while Sports Fan Coalition CEO *David Goodfriend* argued for making it illegal to take sports away during a retrans dispute.

Earnings: AMC Nets has reached several renewals over the past 18 months, but the wheeling and dealing isn’t over. It has a pair of agreements up in the next few months with smaller MVPDs that could result in some disruption, *Josh Sapan*, pres/CEO said during AMCN’s 2Q earnings call Thurs. “We don’t expect any potential disruption to have a significant impact on our financial results as these platforms represent a very small percentage of our total affiliate base,” he said. Moving forward, original programming will continue to drive financials. Speaking of originals, “Walking Dead” is expected to last a long time. “We hope that zombies really do live, either forever or at least a decade,” Sapan said. During 2Q, revenue increased 15.8% YOY to \$379mln, helped by 15.9% growth at domestic networks and a 13.9% increase at international units. A \$133mln litigation settlement gain related to **Voom HD** contributed to net income from continuing operations, which was \$136mln vs \$41mln a year ago. Looking ahead, instead of competition, the biggest challenge is “the identification and development of great material and great people,” Sapan said. -- **Scripps Networks** upped its 2Q net income by 12% YOY to \$160mln as revenues for the quarter increased 11% to \$665mln. The growth was helped by strong ad revenue of \$462mln, up 11% YOY, and affil fee revenue of \$189mln, up 11% YOY. Thanks to ongoing strength in the ad market, total revenue for the full year is expected to increase 9-10% YOY, up from the previously announced 7-9%.

Aereo: Ongoing legal battles aren’t stopping **Aereo** from expanding. The streaming service will soon launch in Houston, Dallas-Ft. Worth, and Miami. However, the Dallas (CBS footprint) launch was scheduled for Sept 23, after **NFL** season coverage starts on **CBS** on Sept 8. That means Aereo might not affect the broadcaster’s retrans negotiation with **Time Warner Cable** (if there’s still no agreement by then).

Carriage: More distributors have signed on for **NBC Sports’ Premier League Extra Time** package, including **Bright House, Cox, Mediacom** and **Time Warner Cable. AT&T U-verse, Cablevision, Comcast, DirecTV, DISH** and **Suddenlink** previously agreed to carry the bonus package of matches.

Ratings: **GSN’s** Tues premiere of “The Chase” scored a 1mln cume, with 511K (9pm) and 461K (10pm) total viewers.

BUSINESS & FINANCE

MMTC: Former NAMIC head Nicol Turner-Lee was named vp and chief research and policy officer at the **Minority Media and Telecom Council**. She will launch a new research and policy arm aimed at improving national leadership on telecom issues and will be the director of MMTC's 65-member telecom and Internet policy taskforce. *Latoya Livingston*, MMTC senior attorney, interim dir of the group, will be assistant dir.

Measurement: Beginning in Sept, **FreeWheel** will integrate **Nielsen Online Campaign Ratings** into its video ad management platform, allowing clients to initiate campaign measurement and tag ads with a click of the button. The idea is to give clients better management of cross platform video inventory. **ABC Family, Hulu, AOL** and others have already been using Nielsen Online Campaign Ratings for online audience guarantees.

People: *Paul Pastor* advanced to svp, strategy and consumer analytics for **Disney/ABC Television Group**. -- **NBCU** beefed up its digital ad sales team, hiring **Huffington Post** exec *Phil Cara* as svp, digital entertainment ad sales; upping *James Kreckler* to svp, digital entertainment ad sales; and tapping *Aaron Radin* as newly created svp, partnerships & portfolio products. Separately, the company hired *Charles Kennedy* as evp, research and insights, **NBCU Cable Entertainment Group**. It also appointed *Liz Mahaffey* as evp, brand strategy.

CableFAX Daily Stockwatch

| Company | 08/08 Close | 1-Day Ch | Company | 08/08 Close | 1-Day Ch | | | |
|------------------------------|-------------|----------|-----------------------|-------------|----------|--|--|--|
| BROADCASTERS/DBS/MMDS | | | | | | | | |
| DIRECTV: | 63.22 | 1.32 | GOOGLE: | 892.66 | 2.01 | | | |
| DISH: | 44.89 | (0.43) | HARMONIC: | 7.87 | 0.10 | | | |
| DISNEY: | 65.75 | (0.16) | INTEL: | 22.45 | (0.25) | | | |
| GE: | 24.33 | (0.01) | JDSU: | 14.76 | 0.03 | | | |
| NEWS CORP: | 32.79 | 0.98 | LEVEL 3: | 22.55 | 0.71 | | | |
| MSOS | | | | | | | | |
| CABLEVISION: | 19.48 | (0.16) | MICROSOFT: | 32.89 | 0.83 | | | |
| CHARTER: | 128.06 | (1.57) | RENTRAK: | 25.00 | 3.29 | | | |
| COMCAST: | 44.94 | (0.24) | SEACHANGE: | 11.71 | 0.10 | | | |
| COMCAST SPCL: | 43.22 | (0.21) | SONY: | 20.20 | 0.07 | | | |
| GCI: | 9.60 | 0.14 | SPRINT NEXTEL: | 6.94 | 0.02 | | | |
| LIBERTY GLOBAL: | 79.15 | (0.59) | TIVO: | 10.88 | 0.08 | | | |
| LIBERTY INT: | 23.18 | (0.24) | UNIVERSAL ELEC: | 29.99 | 0.43 | | | |
| SHAW COMM: | 25.18 | 0.47 | VONAGE: | 3.27 | 0.15 | | | |
| TIME WARNER CABLE: | 114.76 | 0.01 | YAHOO: | 27.48 | 0.09 | | | |
| WASH POST: | 590.00 | 2.42 | TELCOS | | | | | |
| PROGRAMMING | | | | | | | | |
| AMC NETWORKS: | 66.90 | (4.25) | AT&T: | 35.29 | (0.3) | | | |
| CBS: | 54.04 | 0.41 | VERIZON: | 49.62 | (0.31) | | | |
| CROWN: | 2.82 | (0.02) | MARKET INDICES | | | | | |
| DISCOVERY: | 82.93 | 0.20 | DOW: | 15498.32 | 27.65 | | | |
| GRUPO TELEVISIA: | 27.99 | 0.48 | NASDAQ: | 3669.12 | 15.12 | | | |
| HSN: | 61.21 | 0.22 | S&P 500: | 1697.48 | 6.57 | | | |
| INTERACTIVE CORP: | 50.30 | 0.43 | TECHNOLOGY | | | | | |
| LIONSGATE: | 34.23 | 0.20 | ADVANTAGE: | 2.62 | 0.04 | | | |
| SCRIPPS INT: | 74.29 | 0.24 | ALCATEL LUCENT: | 2.66 | 0.05 | | | |
| STARZ: | 24.38 | (0.26) | AMDOCS: | 38.40 | (0.06) | | | |
| TIME WARNER: | 63.94 | 0.10 | AMPHENOL: | 77.46 | 0.01 | | | |
| VALUEVISION: | 5.70 | (0.24) | AOL: | 36.81 | 0.12 | | | |
| VIACOM: | 80.60 | 0.63 | APPLE: | 461.01 | (3.97) | | | |
| WWE: | 10.29 | (0.03) | ARRIS GROUP: | 16.61 | 0.99 | | | |
| TECHNOLOGY | | | | | | | | |
| ADDVANTAGE: | 2.62 | 0.04 | AVID TECH: | 5.89 | 0.05 | | | |
| ALCATEL LUCENT: | 2.66 | 0.05 | BLNDER TONGUE: | 1.01 | 0.01 | | | |
| AMDOCS: | 38.40 | (0.06) | BROADCOM: | 26.30 | (0.47) | | | |
| AMPHENOL: | 77.46 | 0.01 | CISCO: | 26.26 | 0.14 | | | |
| AOL: | 36.81 | 0.12 | CONCURRENT: | 8.14 | (0.03) | | | |
| APPLE: | 461.01 | (3.97) | CONVERGYS: | 19.31 | 0.10 | | | |
| ARRIS GROUP: | 16.61 | 0.99 | CSG SYSTEMS: | 25.42 | 0.29 | | | |
| AVID TECH: | 5.89 | 0.05 | ECHOSTAR: | 43.50 | (0.23) | | | |
| BLNDER TONGUE: | 1.01 | 0.01 | | | | | | |
| BROADCOM: | 26.30 | (0.47) | | | | | | |
| CISCO: | 26.26 | 0.14 | | | | | | |
| CONCURRENT: | 8.14 | (0.03) | | | | | | |
| CONVERGYS: | 19.31 | 0.10 | | | | | | |
| CSG SYSTEMS: | 25.42 | 0.29 | | | | | | |
| ECHOSTAR: | 43.50 | (0.23) | | | | | | |



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PROGRAMMER'S PAGE

The Black Sheep

We know it's hard but try to picture the camo-clad "Duck Dynasty" guys in tux as they prepare for a surprise ceremony for *Phil and Miss Kay Robertson's* 50th wedding anniversary in the series' Season 4 premiere ep, "Until Duck Do Us Part" (Aug 14, **A&E**). In fact, the Robertsons are just as uncomfortable: "Fashion has never been the strong suit in the Duck Commander workforce," according to Willie. And of course, Phil wears his camouflage under the black tux jacket. As the Robertson children, in their own words, are "getting whipped" by the wives to set up the ceremony, iced tea-swilling breakout star *Uncle Si* was tasked with distracting the couple by taking them on a "trip down memory lane." As expected, Si recalls things differently. However, the key word in this hour-long special is "beardless," as the couple's oldest son Alan joins the show and officiates the ceremony. The only one without a big, scraggly beard, the pastor is also the only one that doesn't work in duck manufacturing. We are guessing that's why he's regarded as the "black sheep" in the family. No word on whether the clean-shaven Robertson will grow his beard now that he's part of the show, but we are certain his life will get a lot more hairy. It's only been a little more than a year since DD's debut, and it already draws millions of fans and some ridiculous ratings. Despite fame, the Robertsons seemed to stay true to their characters: witty, mostly inappropriate, unfiltered, and ridiculously funny, which is the key appeal of the show. Perhaps another key is the Robertson family value: They are more interested in staying together than turning on each other (if Phil and Miss Kay's half-a-century marriage is any indication). Maybe that answers the unavoidable question that many unscripted series face: Will fame tear them apart? - *Joyce Wang*

Reviews: "The White Queen," premiere, Sat, 9p, **Starz**. The War of the Roses (1455-85) pitted family against family battling for the English throne. Similarly, this entertaining 10-part mini, which tracks *Philippa Gregory's* novel of the same name, requires viewers to fight, or have a degree in English history, to follow this sometimes complex plot and bevy of characters. Still, it's a rewarding ride and a long overdue look at history from women's viewpoint. Early on the woman is a commoner, *Elizabeth Woodville*, whom *King Edward IV* weds despite her family's support of the rival monarch [Go to www.cablefax.com for an extended interview with Gregory and screenwriter Emma Frost] -- "Low Winter Sun," premiere, Sun, 10p, **AMC**. Adapted from a British hit, "LWS" begins with what seems the perfect crime. But is any crime perfect? A pair of Detroit PD detectives (played well by Brits *Mark Strong* and *Lennie James*) is ensnared in the mess. Through 2 eps, LWS seems poised to deliver a violent but deliciously dark look at police and urban crime. -- "Clear History," Sat, 9p, **HBO**. Surprise: *Larry David's* all-improvised film is a 70-min version of "Curb Your Enthusiasm." And it's hilariously excellent. *Liev Schreiber* kills in an un-credited role; HBO CEO *Richard Plepler* becomes immortalized. -- **Notable:** Fortuitous timing? Nah. Golf nut *Larry David* talks links with nutty golfer *David Feherty* on "Feherty," Mon, 9p ET, **Golf Channel**. - *Seth Arenstein*

| Basic Cable Rankings (8/29/13-8/04/13) Mon-Sun Prime | | | |
|--|------|-----|------|
| 1 | USA | 2.0 | 2003 |
| 2 | DSNY | 1.7 | 1666 |
| 3 | TNT | 1.6 | 1604 |
| 4 | HIST | 1.5 | 1517 |
| 5 | TBSC | 1.4 | 1372 |
| 5 | FOXN | 1.4 | 1345 |
| 7 | DISC | 1.3 | 1297 |
| 8 | A&E | 1.1 | 1087 |
| 9 | ADSM | 1.0 | 954 |
| 9 | HGTV | 1.0 | 950 |
| 9 | DSE | 1.0 | 71 |
| 12 | FX | 0.9 | 900 |
| 12 | TLC | 0.9 | 879 |
| 12 | AMC | 0.9 | 871 |
| 12 | NAN | 0.9 | 861 |
| 16 | LIFE | 0.8 | 810 |
| 16 | FOOD | 0.8 | 756 |
| 16 | BRAV | 0.8 | 730 |
| 19 | FAM | 0.7 | 702 |
| 19 | SYFY | 0.7 | 699 |
| 19 | ESPN | 0.7 | 687 |
| 19 | SPK | 0.7 | 663 |
| 19 | TRU | 0.7 | 638 |
| 19 | BET | 0.7 | 613 |
| 19 | HALL | 0.7 | 605 |
| 19 | ID | 0.7 | 559 |
| 27 | TVLD | 0.6 | 595 |
| 27 | VH1 | 0.6 | 586 |
| 27 | MTV | 0.6 | 579 |
| 27 | EN | 0.6 | 539 |
| 27 | LMN | 0.6 | 470 |
| 27 | DSJR | 0.6 | 390 |
| 33 | CMDY | 0.5 | 537 |
| 33 | APL | 0.5 | 523 |
| 33 | MSNB | 0.5 | 430 |
| 33 | OWN | 0.5 | 400 |
| 33 | NKJR | 0.5 | 349 |
| 33 | BIO | 0.5 | 338 |
| 39 | CNN | 0.4 | 348 |
| 39 | NGC | 0.4 | 324 |
| 39 | DXD | 0.4 | 290 |
| 39 | GSN | 0.4 | 277 |
| 39 | HMC | 0.4 | 196 |
| 44 | TRAV | 0.3 | 327 |
| 44 | ESP2 | 0.3 | 270 |
| 44 | HLN | 0.3 | 262 |

*Nielsen data supplied by ABC/Disney

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