

CableFAX Daily™

Monday — August 16, 2010

What the Industry Reads First

Volume 21 / No. 157

Youth in Revolt? A Look at Tweeny-boppers and Social Media in Disney-TWC

While much of the focus has been on the possibility of disenfranchised football fans, if **Disney/ESPN** and **Time Warner Cable** can't renew their distribution deal by the Sept 2 expiration, there might also be some screaming adolescent girls. That's because "Camp Rock 2" makes its premiere on **Disney Channel** Sept 3. For those unfamiliar with the tween scene, "Camp Rock" debuted in '08 with 8.9mln viewers—making it the #1 show of the night on cable or broadcast and the #2 most-watched original movie behind "High School Musical 2." All of Disney's customer outreach on potential channel losses focuses on **ABC O&Os** and **ESPN**, but **Disney Channel**, **ABC Family** and other Disney nets could also go dark. Time Warner Cable's hoping this will all be a non-issue and kids will get their *Jonas Brothers* fix while Mom and Dad enjoy college football. "We're still negotiating and hoping a deal will get done," said a TWC spokesman. Marketing for the musical ramps up this week, complete with a, ahem... **Verizon** sponsored red carpet event Wed with the cast at Lincoln Center and exclusive sneak peek on **FIOS** starting Sept 1. Meanwhile, the two continue to run their respective social media campaigns on **Twitter**, their own Websites and **Facebook**. Disney/ESPN has been more aggressive, with Twitter posts directing concerned customers to alternative providers' Websites. "ABC and ESPN want to make sure concerned viewers are educated about their options, which we are explaining in a variety of ways including social media," an ABC/Disney spokesperson said. Despite relaunching RolloverorGetTough.com, almost none of Time Warner Cable's Twitter and Facebook messaging have dealt with Disney/ESPN. "Our call centers are pretty quiet. I would correlate that with our education campaign pretty much working," said TWC digital communications dir, *Jeff Simmermon*. Running a social media campaign during programming disputes is a given these days. One person very familiar with the process is **Scripps** vp, digital marketing *Jeffery Kissinger*, who was the strategist behind its social media campaign when **Food** and **HGTV** went dark on **Cablevision** earlier this year. "We thought it went pretty well. There's always going to be a vocal minority, and you have to understand who those people are and the mood of the entire page," he said of the campaign. "I think what you really find out is that the people who are really your fans will evangelize for you and come to your defense." The key thing, Kissinger said, is to be ready for these types of situations to spill onto Web properties. "That conversation is going to come to your Facebook page. It is going to come to Twitter. It's going to come to your site and your blog," he said, noting that programmers also have to be conscious of geo-targeting information since not all viewers are impacted.

Retrans: Broadcasters weighing in on retrans consent at the **FCC** have been quick to push for new notification rules for MVPDs instead of overhauling the process. Instead, **Mediacom** believes the FCC should consider adopting some notice-related restrictions to prevent broadcasters from targeting MVPDs' customers with "inflammatory messages that are not intended to educate the public." Mediacom suggested in a filing Thurs that the agency consider adopting a standard text to which both MVPDs and broadcasters would have to adhere to in messaging to consumers, much like the specific text that came down from the FCC during the DTV transition. Like other video distributors, Mediacom opposes the adoption of

Capitalizing on Transactional TV

VOD ■ SVOD ■ Pay Per View

CableFAX Webinar
August 25, 2010
1:30 – 3:00pm (ET)

17852

In this Webinar, we'll tackle the following areas:

- What is the best mix of screens and content to boost your revenue?
- What marketing techniques work best to optimize buzz for transactional offerings?
- What 3 steps operators can take to augment revenue from transactional TV and make it a must-use part of subscribers' cable experience?
- What's ahead in windowing and how can you plan for those future trends?
- How can you tap into the growing ethnic market for transactional TV?

Register Today at www.cablefax.com/webinars

CABLEFAX DAILY (ISSN 1069-6644) is published daily by Access Intelligence, LLC ● www.cablefaxdaily.com ● fax: 301.738.8453 ● Editor-in-Chief: Amy Maclean, 301.354.1760, amaclean@accessintel.com ● Exec Editor: Michael Grebb, 301.354.1790, mgrebb@accessintel.com ● Assoc Editor: Chad Heiges, 301.354.1828, cheiges@accessintel.com ● Asst VP, Ed Director: Seth Arenstein, 301/354-1782, sarenstein@accessintel.com ● Publisher: Debbie Vodenos, 301.354-1695, dvodenos@accessintel.com ● Assoc Publisher: Amy Abbey, 301.354.1629, aabbey@accessintel.com ● Marketing Dir: Carol Brault, 301.354.1763, cbrault@accessintel.com ● Prod: Joann Fato, 301.354.1681, cdaily@accessintel.com ● Diane Schwartz/VP and Group Publisher ● Subs/Client Services: 301.354.2101, fax 301.309.3847 ● Group Subs: Carol Brault, 301.354.1763, cbrault@accessintel.com

additional notice requirements (they are already required to give customers 30 days advance notice before a retrans deal is scheduled to expire). In addition to avoiding emotional appeals suggesting one party is threatening to deny access to a station, Mediacom proposed the rules bar other MVPDs in the market from publicly suggesting consumers need to switch providers before a retrans agreement expires. "The goal is to create pressure on the targeted MVPD by frightening its customers into changing service providers even before a shutoff is certain to occur," Mediacom said.

Air Tragedy: More details continue to emerge from the Alaska plane crash that took the lives of former Sen *Ted Stevens* (R-AK), **GCI** exec *Dana Tindall* and 3 others. One of the 1st people to reach Mon's crash of a GCI-owned plane was the wife of GCI pres/CEO *Ron Duncan*, Dr *Dani Bowman*. Bowman, a state-licensed physician who specializes in pediatrics intensive care, was at the lodge at the time of the accident. Duncan flew her in his amphibious plane to a nearby airstrip where she was then met by a helicopter that airlifted her and other rescue personnel to the crash site. "As soon as Dani knew there were survivors, she wanted to get to the scene to provide medical attention," Duncan said in a statement. GCI said the doctor would not be making any further statements or granting interviews at this time. *The Alaska Dispatch* reported that Bowman and two other volunteers were dropped above the crash scene Mon night and spent the night in the plane with the deceased and survivors, providing medical assistance and comfort while all tried to keep warm until rescue crews could get in the next morning.

At the Portals: Responses on the **FCC's** broadband classification proceeding were due Thurs, with many arriving late in the evening. The usual suspects were for a so-called Third Way classification, and the expected parties, like **NCTA**, **AT&T** and **ACA**, were against it. Meanwhile, the FCC has pushed back the date of its Sept meeting to Sept 23, with a spokesman citing scheduling issues. -- Reply comments also were due Thurs in the **FCC's** AllVid proceeding. **NCTA** took issue with the adapter approach proposed by **CEA**, **TiVo**, **Sony** and **Public Knowledge**, saying that its failures include assuring that retail devices will support the features of an MVPD's service offerings. It also swatted at the idea of a new "integration bar" that would prohibit MVPDs from providing service except through a stripped-down AllVid adapter, with other functionalities reserved for connected downstream client devices. That would mean 2 devices just to watch TV, NCTA said. Citing recent developments, such as the announcement of an UltraViolet digital rights system, the assoc maintains that "developing flexible solutions through inter-industry consultation, specifications, standards and other private initiatives is far more promising than govt-mandated requirements for building a more vibrant retail market for video devices."

Earnings: Suddenlink delivered 7.7% rev growth on factors including HSD (3,100) and phone (20,600) sub adds, an 11.6% increase in ad rev and basic rate hikes. As rev rose for all 3 main services, the company shed approx 18,800 basic subs but added 19,700 digital. Net loss was \$39.8mln, compared to a \$7mln net loss a year ago. As of Jun 30, Suddenlink counted 1.23mln basic subs, 595K digital, 787K HSD and 323K phone.

Business/Finance: Last week, **Discovery Comm** pres/CEO *David Zaslav* said a new contract with *Oprah Winfrey* would likely up the co's funding commitments to **OWN** beyond an established \$100mln cap. It did, to \$189mln, while Oprah in turn agreed to increase her on-air commitment to the net, including hosting or starring in a show. Discovery has spent \$75mln on OWN so far. -- Shares of **Liberty Starz** gained 3.67% Fri after **BTIG** analyst *Richard Greenfield* set an initial 'buy' rating and target price of \$85, a 46% premium over Fri's closing price. Greenfield expects **Netflix** to pay \$1.25bln over 5 years for continued access to Starz streaming rights when the pair's 3-yr, \$28mln deal for the rights ends in '11.

100

CableFAX

It's that time again!

Nominate your colleagues, your boss or even yourself for the **CableFAX100**—our annual cable industry power list—which will appear in the December edition of *CableFAX: The Magazine* and whose members will be celebrated during luncheon on **December 9 in New York**.

Nominate those who might not be headline makers but who are influential behind the scenes within their company and the industry. We also seek nominees who are influential at the regional/local/state level for our Regional list.

Questions: Jessica Clegg at jclegg@accessintel.com

Advertising Information: Debbie Vodenos, Publisher, dvodenos@accessintel.com or 301.354.1695
Amy Abbey, Associate Publisher, aabbey@accessintel.com or 301.354.1629

Publication Date: December 9, 2010

Nominations Deadline: September 3, 2010
Nominate at: www.cablefax.com/cablefax100

CableFAX Week in Review

Company	Ticker	8/13 Close	1-Week % Chg	YTD %Chg
---------	--------	------------	--------------	----------

BROADCASTERS/DBS/MMDS

DIRECTV:	DTV	38.56	(0.13%)	15.62%
DISH:	DISH	17.49	(12.9%)	(15.79%)
DISNEY:	DIS	33.68	(3.77%)	4.43%
GE:	GE	15.38	(6.5%)	1.65%
NEWS CORP:	NWS	14.51	(7.99%)	(8.86%)

MSOS

CABLEVISION:	CVC	25.56	(4.41%)	(1.01%)
COMCAST:	CMCSA	17.87	(4.13%)	5.99%
COMCAST SPCL:	CMCSK	16.78	(4.44%)	4.81%
GCI:	GNCMA	8.01	(14.15%)	25.55%
KNOLOGY:	KNOL	12.26	(3.01%)	12.27%
LIBERTY CAPITAL:	LCAPA	46.37	(1.34%)	94.18%
LIBERTY GLOBAL:	LBTYA	27.93	(5.29%)	27.59%
LIBERTY INT:	LINTA	10.71	(6.79%)	(1.2%)
MEDIACOM:	MCCC	6.81	(5.42%)	52.35%
RCN:	RCNI	14.91	(0.07%)	37.42%
SHAW COMM:	SJR	19.92	(2.31%)	(3.16%)
TIME WARNER CABLE:	TWC	54.34	(2.63%)	31.29%
VIRGIN MEDIA:	VMED	20.32	(6.53%)	20.74%
WASH POST:	WPO	343.98	(8.89%)	(21.75%)

PROGRAMMING

CBS:	CBS	13.95	(9.18%)	(0.71%)
CROWN:	CRWN	2.08	(6.73%)	43.45%
DISCOVERY:	DISCA	37.20	(2.59%)	21.29%
GRUPO TELEVISIA:	TV	19.12	(3.09%)	(7.9%)
HSN:	HSNI	26.58	(6.57%)	31.65%
INTERACTIVE CORP:	IACI	23.55	(5.99%)	14.99%
LIBERTY:	L	37.05	(2.45%)	1.93%
LIBERTY STARZ:	LSTZA	58.26	6.16%	26.24%
LIONSGATE:	LGF	6.35	(2.01%)	9.29%
LODGENET:	LNET	2.57	(18.15%)	(53.53%)
NEW FRONTIER:	NOOF	1.43	(3.38%)	(24.34%)
OUTDOOR:	OUTD	5.18	(3.18%)	(10.69%)
PLAYBOY:	PLA	5.20	(3.88%)	62.50%
SCRIPPS INT:	SNI	41.94	(6.43%)	1.06%
TIME WARNER:	TWX	30.81	(4.79%)	5.73%
VALUEVISION:	VVTV	1.46	(17.98%)	(69.58%)
VIACOM:	VIA	36.67	(2.99%)	16.41%
WWE:	WWE	14.13	(8.13%)	(7.83%)

TECHNOLOGY

ADC:	ADCT	12.61	(0.79%)	103.06%
ADVANTAGE:	AEY	3.16	8.96%	60.40%
ALCATEL LUCENT:	ALU	2.71	(8.75%)	(18.37%)
AMDOCS:	DOX	26.22	(7.55%)	(8.1%)
AMPHENOL:	APH	40.83	(9.27%)	(11.59%)
AOL:	AOL	21.91	(2.36%)	(5.88%)
APPLE:	AAPL	249.10	(4.23%)	18.21%
ARRIS GROUP:	ARRS	8.95	(5.89%)	(21.7%)
AVID TECH:	AVID	11.61	(10.28%)	(9.01%)
BIGBAND:	BBND	2.67	(8.25%)	(22.38%)
BLINDER TONGUE:	BDR	1.92	(9%)	68.42%
BROADCOM:	BRCM	31.93	(12.42%)	1.46%
CISCO:	CSCO	21.36	(11.3%)	(10.78%)
CLEARWIRE:	CLWR	6.17	(4.34%)	(8.73%)

Company	Ticker	8/13 Close	1-Week % Chg	YTD %Chg
---------	--------	------------	--------------	----------

COMMSCOPE:	CTV	20.90	(5.22%)	(21.22%)
CONCURRENT:	CCUR	4.81	(2.83%)	21.46%
CONVERGYS:	CVG	9.74	(3.75%)	(9.4%)
CSG SYSTEMS:	CSGS	17.80	(6.51%)	(6.76%)
ECHOSTAR:	SATS	18.52	(8.86%)	(8.04%)
GOOGLE:	GOOG	486.35	(2.77%)	(21.55%)
HARMONIC:	HLIT	6.11	(10.15%)	(3.32%)
INTEL:	INTC	19.15	(7.26%)	(6.13%)
JDSU:	JDSU	10.27	(5.35%)	24.48%
LEVEL 3:	LVLTL	1.12	(3.45%)	(26.8%)
MICROSOFT:	MSFT	24.40	(4.5%)	(19.95%)
MOTOROLA:	MOT	7.64	(4.5%)	(1.55%)
RENTRAK:	RENT	23.74	(8.13%)	34.35%
SEACHANGE:	SEAC	7.76	(10.7%)	18.29%
SONY:	SNE	30.01	(5.24%)	3.48%
SPRINT NEXTEL:	S	4.48	0.67%	22.40%
THOMAS & BETTS:	TNB	37.27	(6.47%)	4.14%
TIVO:	TIVO	8.33	(4.14%)	(18.17%)
TOLLGRADE:	TLGD	6.67	0.30%	9.17%
UNIVERSAL ELEC:	UEIC	17.78	(3.26%)	(23.43%)
VONAGE:	VG	2.02	(13.3%)	44.29%
YAHOO:	YHOO	13.83	(3.56%)	(17.58%)

TELCOS

AT&T:	T	26.72	0.68%	(4.67%)
QWEST:	Q	5.69	0.00%	35.15%
VERIZON:	VZ	30.03	1.62%	(9.36%)

MARKET INDICES

DOW:	DJI	10303.15	(3.29%)	(1.2%)
NASDAQ:	IXIC	2173.48	(5.02%)	(4.22%)

WINNERS & LOSERS

THIS WEEK'S STOCK PRICE WINNERS

COMPANY	CLOSE	1-WK CH
1. ADVANTAGE:	3.16	8.96%
2. LIBERTY STARZ:	58.26	6.16%
3. VERIZON:	30.03	1.62%
4. AT&T:	26.72	0.68%
5. SPRINT NEXTEL:	4.48	0.67%

THIS WEEK'S STOCK PRICE LOSERS

COMPANY	CLOSE	1-WK CH
1. LODGENET:	2.57	(18.15%)
2. VALUEVISION:	1.46	(17.98%)
3. GCI:	8.01	(14.15%)
4. VONAGE:	2.02	(13.3%)
5. DISH:	17.49	(12.9%)



September 14-15, 2010 • Hilton New York

ONLINE REGISTRATION IS NOW OPEN

Visit www.namc.com to register today!

GROUP REGISTRATION DISCOUNTS AND SPONSORSHIP OPPORTUNITIES ARE AVAILABLE.

EMBRACE DIVERSITY. EMBRACE SUCCESS.

NATIONAL ASSOCIATION FOR MULTI-ETHNICITY IN COMMUNICATIONS