

# CableFAX Daily™

Tuesday — August 17, 2010

What the Industry Reads First

Volume 21 / No. 158

ADVERTISEMENT

*Let's blow this joint*

MARY-LOUISE PARKER

**weeds**

NEW SEASON **10:00PM** ET PT

**Grabbing life by the balls.**

LAURA LINNEY

**the big C**

NEW SERIES **10:30PM** ET PT

**TWO BIG SERIES. ONE BIG NIGHT.**

**MONDAYS SHOWTIME**

SHO.com ©2010 Showtime Networks Inc. All rights reserved. SHOWTIME and related marks are trademarks of Showtime Networks Inc.

# CableFAX Daily™

Tuesday — August 17, 2010

What the Industry Reads First

Volume 21 / No. 158

## Helpful Hands: BelAir, Others Showcase Tech Designed to Benefit Cable Ops

Cable plants are gaining a rising share of the cell backhaul market, and with voice and particularly data traffic exploding across the mobile landscape **BelAir Networks** hopes its new tech will rev up cable's growth in the space. Demonstrated and voted the most promising tech at **CableLabs'** Innovation Showcase Mon, part of the org's summer conference, BelAir's picocell is a wireless base station that leverages DOCSIS infrastructure to deliver mobile broadband and voice services from any device through both licensed and unlicensed wireless spectrum—and on a smaller scale to promote efficacy and targeting in delivering those services. "This is all about a good user experience," said BelAir vp, product marketing *Dave Park* on a conference call, noting how the host-to-base station model "offers a host of interesting business models for the MSOs." The cells are designed to mesh with cable infrastructure at a micro level (ie, in neighborhoods), and allow ops to use them for their own spectrum or for offloading wireless providers' spectrum. "We all feel the pain that BelAir is looking to solve," said **Comcast** svp, strategic planning *Mark Coblitz*, citing MSOs' constant need for network coverage in spots and capacity in specific locations. Cable ops are using similar tech for WiFi coverage, he said, "but adding licensed spectrum is a good business opportunity." As BelAir's tech was the only showcase entry that addressed connected devices outside the home, CableLabs' evp/chief strategy officer *David Reed* said the conference's dominant theme involved "technologies that allow cable operators to connect devices in the home." **ActiveVideo**, for example, demo'd its CloudTV platform enabling a seamless environment for any content—including linear TV, VOD, Web and iTV—to combine into a single experience that can be navigated through set-tops in a Web-style manner. Also, new **Pace** tech allows its set-tops to support app stores, and **BigBand** bowed tech with the ability to leverage existing switched digital video and narrowcasting tech to meet multi-screen video service demands.

**Competition:** **Verizon** finished a field trial for delivery of approx 1Gbps bandwidth to a customer on the deployed gigabit passive optical network in a live production FIOS network setting. An existing GPON system from **Motorola** was used in the trial, which VZ said will help drive new and emerging services such as 3DTV, desktop virtualization and remote storage.

**More Movies:** The **Epix** product suite continues to grow, this time with new movie channel **The 3** from Epix, which fea-

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

tures films from the '70s-present from net partners **Lionsgate**, **MGM** and **Paramount**. **DISH** agreed to carry the digital net as a free service to customers who subscribe to America's Top 250 and above, compared to Epix/Epix 2's feature as part of its Platinum HD package that also features **HDNet Movies**, **Mav TV** and **Universal HD**. While DISH and Epix declined to comment on the carriage deal, sources said the net is positioned as a standalone product while distribution discussions are ongoing with current Epix partners. Down the road, The 3 may be offered to ops that don't carry Epix.

**Retrans:** **NAB** launched www.keepmyTV.org in hopes of educating and empowering viewers during carriage negotiations between broadcast stations and pay-TV providers. The site notes that 98.5% of the highest-rated TV shows air on broadcast, cites the importance of local programming to millions of viewers because of the local news and critical weather info.

**Online:** A new subscription service and expected '10 profitability on \$200mln in rev mark **Hulu's** busy year, but according to the *NY Times*, an additional milestone may be imminent for the Web video play: an IPO, perhaps as early as this fall. No word on how stakeholders **NBCU**, **Disney** and **News Corp** would be affected by public trading of Hulu, but S&P maintained its 'buy' rating on Disney shares following the news, saying an IPO "could presage major int'l expansion, seemingly timed on the heels of the site's attainment of [a] profit milestone in a relatively short period since its Mar. '08 launch."

**Net Neutrality:** **AT&T** focused on wireless as it weighed in on the **Google-Verizon** net neutrality proposal (*Cfax*, 8/10) in a recent blog post. "In order to provide consumers with the high quality wireless broadband services that they demand, wireless carriers must to be able to dynamically manage traffic and operate their networks in an environment free from burdensome, arbitrary and unnecessary regulations," said the telco. "But perhaps what might help most of all is for agreement to be reached on net neutrality so we can finally satisfy concerns and put that issue behind us."

**Marketing:** **WWE** teamed with **Burger King** for an in-restaurant promo running Aug 23-Sept 12 and including the feature of wrestling stars such as *John Cena* on more than 5mln exclusive Superstar plush toys inside BK Kids Meals. **HBO** will spend more than \$10mln to promote forthcoming series "Boardwalk Empire" (Sept 19) through a multimedia campaign. The net reportedly dropped approx \$20mln to produce the series' initial ep, which spotlights the '20s Prohibition era. -- **USA** inked a multiplatform partnership with **Ford** for series "White Collar" that includes a customized, interactive experience pairing the unique brand attributes of the Ford Fusion with the show's main female character.

**In the States:** A **Cox Business** light-speed computer connection along with military-grade tech provides **Translational Genomics Research Institute** in Phoenix with the nation's fastest supercomputer link among life-sciences facilities. The org can now move 1 full gene sequence to an offsite supercomputer for analysis in 8 hours, where before it took 12 days. -- **Comcast** added in OR and SW Washington nearly 9K on demand movie titles, marking an increase of 450%. -- **Cox** rolled out in CT a broadband tier for residential and business customers offering 50Mbps downstream (up to 55 with PowerBoost). -- **Broadstripe** said its satisfaction guarantee now covers DVR and HD services and premium nets.

**Technology:** Free to customers with an Everything Data plan, **Sprint's** Football Live app offers subs live college football telecasts from **ESPN Mobile TV** and all 7 Notre Dame home games on **NBC Sports Mobile**, video blogs from NFL players and analysts and a real-time game center for every pro and college game featuring stats, scoring summaries and play-by-play. -- **Piper Jaffray** analyst *Gene Munster* believes a new iteration of **Apple TV** replete with an app store will launch in the near term, but perhaps more importantly that it will serve as a precursor to an Apple-connected HDTV. Munster expects the latter product to launch as early as '12, a year in which Apple could sell 1.4mln of the projected 143mln overall unit sales of Web-connected TVs. -- We all know the broadband market is slowing, but interesting is a notable trend among African Americans. The demo's home broadband adoption grew a robust 22% from '09-'10, according to the **Pew Internet & American Life Project**, with 56% of demo adults now counted as broadband subs. That's well below the corresponding numbers for whites (67%) and English-speaking Hispanics (66%), but the growth rate was truly an outlier. The closest demos in adoption growth were adults (5%), 18-29s (4%) and 30-49s (4%). Hispanics was the only 1 with a negative trend (-3%). -- **Ubee Interactive** crossed the 1mln mark on worldwide **DOCSIS 3.0** shipments. The co said more than a dozen cable ops in the US, Canada and Latin America are now rolling out wideband services.

**Ratings:** J-E-T-S. The premiere of **HBO's** "Hard Knocks: The NY Jets" pulled in 870K viewers, making it the most-watched show telecast since '02. -- **Adult Swim** continues to sizzle, ranking tops among cable nets in total day delivery this summer among 18-34s (490K, +8% YOY), 18-24s (273K, +25%), 18-49s (684K, +7%) and men 18-24 (159K,

# BUSINESS & FINANCE

+7%). -- TNT's 1st-round **PGA Championship** coverage averaged a 1.1 HH rating (+22% YOY), and **PGA.com's** online feature set a single-day site record with 1.73mln uniques.

**Programming:** TBS ordered 90 additional eps of "Are We There Yet," which averaged 2.8mln viewers and 1.5mln 18-49s during its initial 10-ep run this summer. -- The 1st of **Hallmark Channel's** several interview specials with *Martha Stewart* airs Sept 9 and features female designers such as *Diane von Furstenberg* and *Tory Burch*. -- Sept 6 will mark the 100th ep of **Travel Channel's** "Anthony Bourdain No Reservations" (9pm ET), preceded by a full day of popular eps of the series.

-- **Spike** greenlit a 3rd season of "Deadliest Warrior" (summer '11). -- **Discovery Health's** "Adventures in Parenting" programming event (Sept 13-17) features premiere specials each night, including "Tourette's Uncovered" (Sept 13) and "My Child Won't Talk" (Sept 14).

**People:** TV Guide Net tapped *Friday Abernethy* as evp, affil sales and marketing. -- *Cameron Death* was upped to svp/gm, **NBCU Digital Studio**.

**Business/Finance:** Intel agreed to buy **Texas Instruments'** cable modem product line, and plans to combine TI's Puma line with DOCSIS tech and its SoCs to deliver advanced set-top, residential gateway and modem products for the cable industry.

## CableFAX Daily Stockwatch

Company	08/16 Close	1-Day Ch	Company	08/16 Close	1-Day Ch
<b>BROADCASTERS/DBS/MMDS</b>					
DIRECTV:	38.54	(0.02)	ARRIS GROUP:	9.01	0.06
DISH:	17.86	0.37	AVID TECH:	11.80	0.19
DISNEY:	33.66	(0.02)	BIGBAND:	2.70	0.04
GE:	15.46	0.08	BLNDER TONGUE:	1.98	0.03
NEWS CORP:	14.52	0.00	BROADCOM:	31.46	(0.47)
<b>MSOS</b>					
CABLEVISION:	25.78	0.22	CISCO:	21.91	0.55
COMCAST:	17.75	(0.12)	CLEARWIRE:	6.42	0.25
COMCAST SPCL:	16.66	(0.12)	COMMSCOPE:	20.54	(0.36)
GCI:	8.20	0.19	CONCURRENT:	4.60	(0.21)
KNOLOGY:	12.49	0.23	CONVERGYS:	10.06	0.32
LIBERTY CAPITAL:	45.43	(0.94)	CSG SYSTEMS:	17.86	0.07
LIBERTY GLOBAL:	28.15	0.22	ECHOSTAR:	18.70	0.19
LIBERTY INT:	10.69	(0.02)	GOOGLE:	485.59	(0.76)
MEDIACOM:	6.76	(0.05)	HARMONIC:	6.07	(0.04)
RCN:	14.92	0.01	INTEL:	19.47	0.32
SHAW COMM:	19.95	0.03	JDSU:	10.08	(0.19)
TIME WARNER CABLE:	54.66	0.32	LEVEL 3:	1.12	0.00
VIRGIN MEDIA:	20.38	0.06	MICROSOFT:	24.50	0.10
WASH POST:	315.65	(27.83)	MOTOROLA:	7.81	0.17
<b>PROGRAMMING</b>					
CBS:	14.13	0.18	RENTRAK:	23.39	(0.34)
CROWN:	2.02	(0.06)	SEACHANGE:	8.04	0.28
DISCOVERY:	36.97	(0.23)	SONY:	29.60	(0.41)
GRUPO TELEVISIA:	19.14	0.02	SPRINT NEXTEL:	4.30	(0.18)
HSN:	27.30	0.72	THOMAS & BETTS:	37.27	0.00
INTERACTIVE CORP:	23.79	0.24	TIVO:	8.39	0.06
LIBERTY:	36.88	(0.17)	TOLLGRADE:	6.70	0.03
LIBERTY STARZ:	59.64	1.38	UNIVERSAL ELEC:	18.21	0.43
LIONSGATE:	6.39	0.04	VONAGE:	2.14	0.12
LODGENET:	2.85	0.28	YAHOO:	13.79	(0.04)
NEW FRONTIER:	1.43	0.00	<b>TELCOS</b>		
OUTDOOR:	5.19	0.04	AT&T:	26.65	(0.07)
PLAYBOY:	5.08	(0.12)	QWEST:	5.69	0.00
SCRIPPS INT:	42.00	0.06	VERIZON:	29.96	(0.07)
TIME WARNER:	30.70	(0.11)	<b>MARKET INDICES</b>		
VALUEVISION:	1.60	0.14	DOW:	10302.01	(1.14)
VIACOM:	36.79	0.12	NASDAQ:	2181.87	8.39
WWE:	14.01	(0.12)	<b>TECHNOLOGY</b>		
<b>ADC:</b> 12.69 0.09					
<b>ADDVANTAGE:</b> 3.07 (0.09)					
<b>ALCATEL LUCENT:</b> 2.69 (0.02)					
<b>AMDOS:</b> 26.29 0.07					
<b>AMPHENOL:</b> 41.30 0.47					
<b>AOL:</b> 21.88 (0.03)					
<b>APPLE:</b> 247.64 (1.46)					



**Aim for the most qualified new employees—affordably!**

For your next job opening, visit <http://www.CableFAX.com/jobs.html> to find top notch professionals in the Cable industry. With our pay-per-use resume bank, you'll be able to browse through anonymous resumes before you pay a cent!

You'll get to see everything on the resumes, except for the candidate's name and contact information. You'll then have the opportunity to only buy the resumes that you are interested in – and, you'll only pay if the candidate is interested in you too!

Log on today to discover new talent, or post your job listings and we'll help you find the right candidates

**Employers: save 15% on your next job posting or package—Enter JOBS09.**

## EYE ON INNOVATION

### Only Popcorn Endures

It's quite fitting that **Magnolia Pictures'** forthcoming feature "Freakonomics" will be available 1st on **iTunes** before hitting theaters nearly a month later. Not only because **Mark Cuban** owns the studio, which continues to trial various VOD windows, but also because the film's title could easily double as an apt description of the ongoing changes in the movie business that impact cable ops and media companies. Improvement in the cable ad market and the migration of TV content to the Web remain important stories, to be sure, but neither category faces the systemic alterations occurring in the film industry almost daily.

Windowing has dominated recent headlines, most notably due to last week's **Epix-Netflix** deal covering online streams of new releases and library titles from **Lionsgate**, **Paramount** and **MGM** after a 90-day window. While narrow, the window purportedly assuages the concerns of Epix's MSO partners including **Charter**, **Cox** and **Mediacom**, who may or may not join ops including **Time Warner Cable** in considering a 30-day window with Hollywood studios for VOD feature of new releases. Magnolia's 'Nomics plan offers yet another script for monetizing release windows, as does a Netflix deal from July whereby major theatrically released films from **Relativity** will be licensed directly and exclusively to Netflix for streaming during the pay TV window, thus closing the window on premium cable channels. More experiments will surely follow.

But as changing windows can reasonably be considered the new normal for content owners and distributors—who collectively should be diligent in SWOT analyses of both their own plays and competitors'—rumors of an imminent **Hulu** IPO is anything but par for the course. If a market listing occurs, the popularity and performance of the shares may just inform on how the public thinks about online TV and movie content in general and the interface/offers of the Website specifically. Moreover, market results could



push site partners **Disney**, **News Corp** and **NBCU** in a certain direction concerning online video content, important in part because Disney appears to have a relatively loose online strategy to date along with arguably the greatest protectionist approach to its content. And while **Interpret** said Hulu's current users overindex in viewing of TV eps versus movies, who's to say windowing dabbles by Hulu won't reverse that trend through the feature of more recent flicks? Either way, **S&P** spoke positively of the potential IPO Mon, particularly regarding how it could benefit Disney's economics.

Indeed, many content owners stand to reap healthy monetary gains from trialing various windowing strategies and online distribution methods, and by ultimately deciding which ones offer the greatest ROI. The ramifications for cable ops, meanwhile, are a little trickier to determine, what with the VOD platform affected in some way by virtually all windowing and online plays. But that statement spurs thoughts of yet another sea change in the media space—namely the consolidation of programming and distribution under a single roof that's underscored by the proposed **Comcast-NBCU** merger.

Against the backdrop of all these content changes, consider the symbiotic and accretive benefits likely afforded Comcast if the deal goes through, including on the film side. Other companies such as **News Corp**, **Time Warner**, **Viacom** and of course **Disney** all operate cable nets as well as film studios, and while this column isn't conducive to determining which of them do better jobs in effectively managing and melding the 2 segments, the relative size of the studio pie for each player spotlights the importance of getting movie distribution on the right track, be it in the theater, on VOD or online. In 2Q, 16% of Disney's total rev came from studio ent, and the corresponding percentages for Time Warner and Viacom totaled 39% and 38%, respectively.

—Chad Heiges

**CableFAX**  
THE MAGAZINE

## Most Influential Minorities in Cable

Celebrate Diversity Week! This issue profiles CableFAX's most influential minorities in cable and the winners of NAMIC's EMMA Awards (Excellence in Multicultural Marketing Awards) and the Top 10 Places to Work in Cable.

**Distribution:** NAMIC and CableFAX Breakfast Honoring the 2010 Most Influential Minorities in Cable; Kaitz Dinner; WICT Conference.

**Save the Date:** September 14, Hilton New York  
NAMIC and CableFAX Breakfast Honoring the 2010 Most Influential Minorities in Cable.  
See details and registration information at [www.namic.com](http://www.namic.com)

**Advertise Your Message  
as a Diversity Champion!**

**Publication Date:** September 14, 2010  
**Ad Space Deadline:** August 24, 2010  
**Artwork Deadline:** August 26, 2010

17841

For all of your advertisement and sponsorship opportunities contact:

Debbie Vodenos, Publisher; 301-354-1695; [dvodenos@accessintel.com](mailto:dvodenos@accessintel.com)  
Amy Abbey, Associate Publisher; 301-354-1629; [aabbey@accessintel.com](mailto:aabbey@accessintel.com)

[www.cablefax.com](http://www.cablefax.com)