

CableFAX Daily™

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What the Industry Reads First

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Vanity Plate: UFC, Football Expected to Contribute Positive FX

With hype a huge part of every combat sport, it came as little surprise that **Fox Sports'** promotion of its sweeping 7-year rights deal with the **UFC** featured the key players from both parties and use of its primary studio. Yet as execs including **Fox Sports Media Group** chmn *David Hill* and **UFC** pres *Dana White* exchanged professions of bro love and admiration, **FX** may very well emerge as the undisputed winner from all this. The deal moves "The Ultimate Fighter" next year to FX, infusing the reality series with a live format and direct fan engagement—and the net with 32 live fights/year on Fri nights. And don't forget, FX begins airing **PAC-12** and **Big 12** football games this fall, including features of powerhouses Oregon, USC and Oklahoma. To FX chief *John Landgraf*, who was also at the hypefest, the net's new sports content changes the game. "Our original programming is the envy of any network" and our ratings are right there with general ent nets such as **USA** and **TNT**, he said. But it's the UFC and sports content that "finally puts us on a level playing field with all our competitors." Already, FX has been on a tear in '11. The net was cited as a critical driver of **News Corp's** 22% overall ad rev growth last quarter, no doubt the result of its marked ratings improvement this year. In 1Q, FX earned prime jumps in P2+ (+23%), HHs (+20%) and 18-49s (+20%), according to **Nielsen**, and from Apr-June earned respective increases of 16%, 15% and 16%. July numbers improved as well. The UFC is expected to goose FX's viewership among males 18-34, an elusive demo courted by advertisers and with which football also scores extremely well. Importantly, Landgraf said 80% of UFC fans also watch FX, while Hill noted how advertisers are largely geeked about the Fox/UFC union that will also employ Fox for live bouts and **Fuel** for ancillary programming. At **TCA** earlier this month, Landgraf said he remains focused on turning FX into "one of the largest networks in America." UFC content may contribute to that achievement, and as attested to during all the Thurs hype, Landgraf is the man to monetize it. "This guy's a genius," said UFC's White of Landgraf, who also received praise from Hill. Meanwhile, you can bet News Corp deputy chmn *Chase Carey* will find ways to capitalize on all the FX buzz—and bring the fight to operators during distribution talks.

DISCA During Duress: Thurs' financial jolts—the S&P shed nearly 4.5%—served as a sober reminder that extreme volatility still reigns on Wall St. No one knows for sure how long the gyrations will last but while they do, said



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Needham analyst *Laura Martin*, don't look to media stocks for relief. "Most media stocks have operating or financial leverage, or both," she said. "This makes their volatility higher and in the same direction as the overall market—a bad thing in a falling market." In using media stocks' equity betas, which measure the relative volatility of stocks after financial leverage is accounted for, Martin said **Discovery Comm**, with an equity beta of 1.0, "appears to be the best media stock to own... during periods of market downside risk." **Scripps Nets** followed with a 1.2. Martin, however, said equity betas of less than 1 are optimal during volatile periods. Both DISCA (-6.87%) and SNI (-5.93%) were slammed Thurs, yet so was virtually every other media stock as well.

In the States: Oceanic Time Warner Cable debuts **OCSports** Fri, a basic package net featuring live telecasts of **University of Hawaii** sports contests and other local interest programming. The MSO will continue to provide PPV telecasts of UH sports. -- **Viacom/MTVN** tapped **Broadcast Integration Services** to assist in the design, installation, testing and commissioning of a new Technical Ops Center in NY. The project includes infrastructure expansion in HDSI routing and monitor and control systems and comprises 64 HD/SD on-air play out channels.

OTT: Amazon Instant Video now offers more than 100K movies and TV shows to customers for purchase or rent on an a la carte basis. New release movies start at \$3.99, and TV shows are available the day after their on-air premiere. Amazon Prime members can watch more than 9K movies and shows for free.

CTAM Chair: CTAM's exec committee will elect a new chair from its ranks at its upcoming Sept meeting. This follows the departure of chair *Sam Howe* from **Time Warner Cable** last month (*Cfax*, 7/18). In the meantime, the exec committee leads the organization. "The executive committee has always been highly involved in setting strategy and leading CTAM. The chair is the face of the organization, but it's a team play," said CTAM CEO *Char Beales*. *Jeffrey Hirsch* replaced Howe as CMO.

VOD: Music Choice broke monthly video viewing records in July with over 136mln views from nearly 7mln unique set top boxes, according to **Rentrak**. *Nicki Minaj's* "Super Bass" and *Bruno Mar's* "Lazy Song" led the video plays. -- **Sportsman Channel's** VOD offering, Sportsman On Demand, launched on **DirecTV** Cinema (ch 1605). The service will be refreshed every 2 weeks with seasonal and regional content.

Online: Weather Channel has teamed with **Google** to provide weather data for the new weather layer available on Google Maps. The idea is that the weather layer makes it easier to plan travel and activities. To add the weather layer, hover over the widget in the upper right corner of Google Maps and select the weather layer from the list of options. -- **ESPN** will supply sports venue data, including game times and tips (such as where to go for the best food) on **foursquare's** new Events platform. Foursquare's over 10mln users who check into a sporting event will now be able to do more than just tell friends where they are.

Programming: TCM and the **American Film Institute** have come together to celebrate great artistic collaborations in film with a series of quarterly one-hour specials. "TCM Presents: AFI's Master Class- The Art of Collaboration" will premiere on Nov 15 with a look at the 40 year partnership between *Steven Spielberg* and composer *John Williams*. -- **HBO Latino** debuts a set of first-run series, specials, and films this fall including the 2nd season of "Capadocia," 16 Spanish-language films under the banner "Estrenos Latinos," and new specials including the animated "El Perro Y El Gato: Sigue Soñando" and documentary "The Latino List." HBO Latino will also air favorite films and HBO original programs from the main network in Spanish. -- Dutch ent firm **Endemol** is launching a div to prod and finance scripted TV fare for the US market. The company's targeting cable nets after selling "Hell on Wheels" to **AMC**. -- **TNT** commenced prod on drama series "Perception" (summer '12), starring *Eric McCormack* as a neuroscientist and professor recruited to help the government solve difficult cases. -- **Epix** and **EpixHD.com** will feature concert special "Britney Spears: Femme Fatale" in Nov. -- A new partnership between **3net** and **Red Bull Media House North America** kicks off Sun with the world 3D premiere of "Red Bull Rampage," which spotlights the eponymous mountain biking competition. -- **Galavisión's** new morning show, "Matutino Express," will present the day's news stories along with some subtle tongue-in cheek commentary from its hosts, *Esteban Arce*, *Adriana Riveramelo* and *José Ramón San Cristóbal*, when it premieres Mon at 10am. -- New prime series for **OWN** beginning Oct 15 and 16: "Don't Tell the Bride," (groom plans wedding without bride) "Welcome to Sweetie Pie's" (features legendary St Louis soul food restaurant) and "Visionaries:

BUSINESS & FINANCE

Inside the Creative Mind™ (doc series following innovators such as Tyler Perry).

On the Circuit: The Media Institute will honor FCC commish Robert McDowell and AT&T CEO Randall Stephenson at its annual Friends & Benefactor Awards banquet Oct 18 in DC. McDowell will receive the Freedom of Speech Award, while Stephenson will receive the American Horizon Award.

People: Todd Townsend was named as the CMO for Time Warner Cable's East Region. The region also added several folks to its leadership team: Jennifer Friedman as vp, subscriber acquisition; Alessandra Otero-Reiss, vp, multicultural marketing; Tanita Alexander, vp, customer relationship mgmt and Justin Wolf, vp, product mgmt.

Public Affairs: Style Network's Beauty Bus will travel through 10 US cities, starting in Chicago on Aug 27, to promote skin cancer prevention in the next phase of the network's "Fight with Style" campaign.

Business/Finance: Google's prepared to pony up \$2.5bln if it terminates its Motorola Mobility deal. Sure, AT&T's break-up fee for its \$39bln T-Mobile proposal is \$3bln, but Google's is much higher on a percentage basis (20% of the \$12.5bln price tag). Motorola would owe the Goog \$375mln if it went with another offer.

CableFAX Daily Stockwatch

Company	08/18 Close	1-Day Ch	Company	08/18 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
DIRECTV:	42.71	(1.61)	BLNDER TONGUE:	1.27	(0.07)
DISH:	22.22	(1.3)	BROADCOM:	32.25	(2.19)
DISNEY:	32.55	(0.82)	CISCO:	15.01	(0.84)
GE:	15.34	(0.89)	CLEARWIRE:	2.31	(0.02)
NEWS CORP:	16.31	(0.91)	CONCURRENT:	5.82	(0.15)
MSOS					
CABLEVISION:	17.17	(1.49)	CONVERGYS:	9.66	(0.59)
CHARTER:	45.98	(2.47)	CSG SYSTEMS:	13.31	(0.61)
COMCAST:	20.28	(1.05)	ECHOSTAR:	22.98	(1.63)
COMCAST SPCL:	20.07	(0.95)	GOOGLE:	504.88	(28.27)
GCI:	8.14	(0.55)	HARMONIC:	4.94	(0.35)
KNOWLOGY:	13.07	(0.58)	INTEL:	19.77	(0.9)
LIBERTY CAPITAL:	67.65	(4.92)	JDSU:	10.21	(1.49)
LIBERTY GLOBAL:	37.47	(2.33)	LEVEL 3:	1.73	(0.18)
LIBERTY INT:	13.97	(0.67)	MICROSOFT:	24.67	(0.57)
SHAW COMM:	21.69	(0.35)	MOTOROLA MOBILITY:	37.85	(0.28)
TIME WARNER CABLE:	62.32	(2.64)	RENTRAK:	11.58	(1.17)
VIRGIN MEDIA:	23.86	(1.47)	SEACHANGE:	7.34	(0.55)
WASH POST:	333.77	(25.34)	SONY:	20.69	(1.21)
PROGRAMMING					
AMC NETWORKS:	32.96	(1.53)	SPRINT NEXTEL:	3.49	(0.23)
CBS:	22.46	(2.46)	TIVO:	8.02	(0.57)
CROWN:	1.21	(0.08)	UNIVERSAL ELEC:	17.78	(0.89)
DISCOVERY:	36.47	(2.69)	VONAGE:	2.85	(0.4)
GRUPO TELEVISA:	19.43	(0.67)	YAHOO:	12.96	(0.52)
HSN:	29.76	(1.47)	TELCOS		
INTERACTIVE CORP:	35.10	(1.24)	AT&T:	28.46	(0.71)
LIBERTY STARZ:	66.50	(3.3)	VERIZON:	35.08	(0.53)
LIONSGATE:	7.13	UNCH	MARKET INDICES		
LODGENET:	1.84	(0.1)	DOW:	10990.58	(419.63)
NEW FRONTIER:	1.19	(0.06)	NASDAQ:	2380.43	(131.05)
OUTDOOR:	6.17	(0.22)	S&P 500:	1140.65	(53.24)
SCRIPPS INT:	39.85	(2.5)	TECHNOLOGY		
TIME WARNER:	28.58	(1.89)	ADVANTAGE:	2.20	(0.16)
VALUEVISION:	3.38	(0.32)	ALCATEL LUCENT:	3.40	(0.3)
VIACOM:	51.57	(2.76)	AMDOCS:	26.06	(1.4)
WWE:	9.09	(0.43)	AMPHENOL:	42.45	(3.36)
MARKET INDICES					
			AOL:	11.97	(0.48)
			APPLE:	366.05	(14.39)
			ARRIS GROUP:	9.97	(0.42)
			AVID TECH:	9.77	(0.84)
			BIGBAND:	1.46	(0.13)

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PROGRAMMER'S PAGE with Chad Heiges and Seth Arenstein

Still Contenders

Spike's loss of **UFC** programming after 6 years may sting like a stiff jab, but it won't KO the net, not by a long shot. Sure, it lost 6% of its prime total viewership in 1Q while shedding 7% of HHs, yet 2Q brought a 2% increase in prime P2+ as Spike continues with its effort to attract more males 35-49 after spending years courting the 18-34 testosterone set. In response to UFC's move to **Fox** channels, Spike said "we are increasing our commitment to distinctive, original series that we own such as 'Auction Hunters' and 'Bar Rescue,' which are delivering on our goal to reach a broader audience." The net was reticent to comment further. In using an admittedly miniscule sample size, namely the past 2 weeks, I found **Nielsen** data supports my initial hypothesis. From Aug 1-8, Spike aired 3 shows that beat the 1.37mln total viewers garnered by UFC content, including "Impact Wrestling" (1.44mln), "Auction Hunters" (1.43mln) and "Deadliest Warrior" (1.40mln). And while UFC didn't appear on the net last week, both Auction and Impact scored better than the aforementioned 1.37mln while "Bar Rescue" (1.26mln) came close. In other words, Spike has some alternate talent in its corner. UFC pres *Dana White* brazenly claimed Thurs to have carried the net's fortunes since '06, saying he's "looking to build **Fuel** much like we did with Spike." The UFC certainly helped to increase Spike's relevance among men 18-34, but let's dial down the rhetoric. And does it even matter anymore, what with the UFC having decidedly less resonance among men 35-49? Meanwhile, **Versus**, or **NBC Sports Net** come Jan, won't be badly bruised by the UFC's departure either. The rebrand and myriad synergies to be reaped from NBC Sports almost ensures the net will be just fine. And I like its reaction to Thurs' news: "We are proud of the role we played in the growth of the UFC." Nice jab. *CH*

Highlights: "The Liquid Bomb Plot," Sun, 9p, **Nat Geo**. Investigative journalism at its best. Senior US and UK security officials recount how they foiled the biggest terrorism plot since 9/11 and why liquids are banned from airplanes. -- "Life 2.0," premiere, Thurs, 9p, **OWN**. This is a terrific doc about people who spend significant time in the virtual world of Second Life. Besides the graphics, the doc's strengths are its myriad viewpoints. There's a woman escaping reality in SL, but she also makes her living there. Then we have a seemingly normal 30-ish man who's a young girl in SL. His wife is perturbed. "[SL] becomes a problem when you ignore your first life," she says. True. -- "Top Gear," season XVII premiere, Mon, 9p, **BBC A**. The Jaguar E-type's 50th birthday receives the hype, but we loved *Richard Hammond's* admiration of the 10-ton, 21-ft-long Marauder. He even treats the leviathan to **McDonald's**, for a Big Mac no doubt. *SA*

Worth a Look: "Talhina Sky: The Story of Kings of Leon," premiere, Sun, 10p, **Showtime**. The timing is terrific, with the Leons abruptly cancelling their US tour a few weeks ago. Director *Stephen C. Mitchell* uses his tremendous access well, providing a nuanced view of the Oklahoma childhood that undoubtedly influenced this band of brothers (and a cousin). *SA*

Basic Cable Rankings (8/08/11-8/14/11) Mon-Sun Prime			
1	USA	2.3	2297
2	DSNY	1.9	1915
3	FOXN	1.8	1801
4	TNT	1.6	1650
5	HIST	1.5	1517
6	A&E	1.3	1318
7	ESPN	1.2	1199
8	FOOD	1	1042
8	NAN	1	1019
8	HGTV	1	990
8	SYFY	1	989
8	MTV	1	955
13	ADSM	0.9	937
13	FX	0.9	930
13	FAM	0.9	921
13	NKJR	0.9	638
17	TBSC	0.8	852
17	LIFE	0.8	800
17	TLC	0.8	781
17	DISC	0.8	757
17	TRU	0.8	745
17	HALL	0.8	702
17	NFLN	0.8	463
24	TVLD	0.7	705
24	CMDY	0.7	693
24	AMC	0.7	642
24	MSNB	0.7	624
28	SPK	0.6	634
28	BET	0.6	558
28	BRAV	0.6	556
28	EN	0.6	551
28	ID	0.6	441
33	VH1	0.5	517
33	HLN	0.5	470
33	APL	0.5	461
33	CNN	0.5	457
33	LMN	0.5	414
38	ESP2	0.4	364
38	OXYG	0.4	336
38	NGC	0.4	315
38	DXD	0.4	307
38	SOAP	0.4	269
38	GSN	0.4	267
38	STYL	0.4	240
45	TRAV	0.3	331
45	CMT	0.3	268

*Nielsen data supplied by ABC/Disney

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