

CableFAX Daily™

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What the Industry Reads First

Volume 21 / No. 161

Merger Mania: ACA Doesn't Want ComNBC to Do Package Deals

A combined **Comcast** and **NBCU** should be required to sell NBC O&O stations and RSNs on a standalone basis, rather than bundling them with other networks. That's just one of the conditions **ACA** put forth in a document to be filed with the **FCC** Thurs. The group is pushing for the change—which would apply to deals with MVPDs large and small—to create greater transparency as the data would be required to be made available to arbitrators. "Right now, a major problem with arbitration... is that the largest programming deals often involve large bundles of programming, including not only retransmission, RSNs, but possibly also large blocks of national cable networks," said Northwestern economist and former FCC economist *William Rogerson*, who is working with ACA. "When all of this programming is included in a single agreement, it becomes virtually impossible or certainly very difficult for an arbitrator to determine what the fair market value of any particular piece of this programming is." Don't look for ComNBC to embrace such proposals. Earlier this week **NBC Ent and Universal Media Studios** co-chmn *Marc Graboff* was at the FCC to explain how broadcast ad revenue has declined with the changes in TV viewing, while program acquisition and production costs continue to rise. He "emphasized the importance of developing a 2nd revenue stream (particularly through retransmission consent fees) in order to maintain the high-quality programming viewers expect and, ultimately, the viability of TV broadcasting," according to an ex parte on the meeting. ACA's proposed condition would separate NBC O&O deals from its big broadcast brethren. "We think this is a direct result of the nature of the merger—where you have the largest MVPD in the country, the largest broadband provider in the country now merging with a major network that has not only O&O stations, but **Telemundo** stations, influence over other affiliates, cable programming, RSNs, as well as access to online content ...," said ACA pres/CEO *Matt Polka*. "We think these conditions are appropriate to address what we believe are competitive as well as consumer harms." Other conditions proposed by ACA: FCC program rules should apply to all Comcast-NBCU TV stations as well as satellite and terrestrially delivered RSNs and national cable nets (even if the delivery platform is online); Pay TV providers with fewer than 125K subs can't pay a fee for an O&O or RSN that is 5% greater than the lowest fee paid by any other local pay TV distributor; dispute resolution for smaller providers should be through a lower-priced commercial arbitration system vs baseball-style arbitration; and ComNBC would be required to negotiate with NCTC and be required to offer prices equal to that for a single MVPD of similar size. While ACA doesn't outright oppose the merger, public interests groups do. **Free Press** said that as of Wed, there were 33,049 filings in the Comcast docket, including 31,903 from Free Press activists. A Comcast spokesperson said there are more than 1K supportive, non-form letters filed by diversity groups, programmers and advertisers.

Carriage: **Cablevision** boosts its 24/7 high school sports and activities net next week by launching **MSG Varsity HD**, a high-def simulcast of the channel. Next week's debut is a soft launch, with marketing of the new service to ramp up Sept 7 in time for back-to-school. Varsity's programming includes sports, cheerleading, marching bands



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and other events performed in the tri-state area.

TV Everywhere: FiOS TV Online added content from **Adult Swim** to its Web programming service available to customers who also receive **FiOS Internet** through www.verizon.com/fiostvonline or **Time Warner** dedicated websites. Content from **Cartoon Net** and **truTV** will be added within the next month, and **TNT** and **TBS** shows were launched on the service in June.

In the States: **Airband Comm** and **Sparkplug Comm** announced a merger, and claim the deal creates the largest fixed-wireless company for businesses in the U.S through the provision of voice and data services in 17 markets including Atlanta, Dallas and L.A. The new entity will receive \$20mln in financing from a variety of investment firms. -- **Gannett** plans to launch more than 100 **HighSchoolSports.net** microsites across its network of local media Websites, plus national high school sports pages on **USATODAY.com**. The co expects the microsites to collectively reach approx 9.4mln monthly uniques.

Advertising/Marketing: NYC-based marketing co **Simulmedia** licensed **Tivo's** second-by-second set-top data to help TV nets build audiences for programs through more effective and targeted use of on-air promotion.

VOD: **BTIG's Rich Greenfield** on Thurs posted an interesting blog entry that adds some color to the ever-changing studio film release models covering **Netflix**, cable VOD, etc that remain nebulous at best. As the DVD-to-VOD window for the avg movie has now shrunk to just 5 days, Greenfield said cable VOD offers "far better economics" for studios on a per unit basis than does **Netflix** or **Redbox**. Day-and-date VOD releases give studios 70% of the \$4.99 (SD) or \$5.99 (HD) rental fee (60% for windowed releases), he said, while **Redbox** offers 50% of a \$2.25 avg rental price. "The only answer we can come up with for why a studio would delay VOD, but not **Redbox** and **Netflix** is that those retailers (such as **Netflix** and **Redbox**) guarantee volume (output deals), whereas multichannel video providers (such as **Comcast** and **Time Warner Cable**)... do not guarantee a minimum number of sales (based on a film's domestic box office)," wrote Greenfield. See the whole post at <http://www.btigresearch.com/2010/08/19/dvd-to-vod-window-goes-pooof-even-before-brian-roberts-goes-hollywood>, if only to see the "picture" of **Comcast** chief **Brian Roberts**.

Technology: Web-based TV tech platform **Clearleap** announced with **Related Content Database** a solution aimed at giving ops the ability to deliver their full VOD libraries to any sub with a Web-connected **Blu-ray** player. To launch the VOD app directly from a cable op's servers, consumers insert the op's Blu-ray disc into a **BD-Live** player and press start.

Ratings: **ABC Family's** "Melissa & Joey" began its run by notching a series premiere record for the net among 18-49s (1.26mln) and scoring the 2nd-most women 18-49s (902K) ever for a premiere. -- **Discovery en Espanol's** airing of "Vida" (July 26-Aug 6), or **Discovery's** "Life," scored well among Hispanics, delivering 71% more 18-49s over the time period compared to a year ago and during its 2nd week posting the net's highest delivery (M-F, 8pm) among the demo since the week of Dec 14.

Programming: **Anderson Cooper** will mark the 5th anniversary of Hurricane Katrina by anchoring **CNN's** "Anderson Cooper 360" live from New Orleans next Wed through Fri. -- **USA** picked up a 2nd season of "Covert Affairs." -- **Syfy's** fall lineup kicks off Wed with "Ghost Hunters" and includes the returns of several other series such as "Stargate Universe" and "Sanctuary," which both move to Tues starting Sept 29 to accommodate newcomer "WWE Friday Night

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BUSINESS & FINANCE

Smackdown" (Oct 1).

Online: GSN launched season 2 of "Baggage" this week, adding 2 new online features: "Perez Hilton's Baggage Report" featuring Hilton and his snark and "The Springer Institute for Baggage Research," quizzes, polls and more on people's personal baggage.

Public Affairs: Aimed at raising funds to accelerate innovative cancer research, the **Stand Up to Cancer** fundraising broadcast has become a creditable doozy. Not only will 17 cable and broadcast nets including **Showtime, Bio, Style** and **TV One** simulcast the event live and commercial-free on Sept 10 (8pm ET), but a slew of celebs have agreed to participate. More than 50, in fact, including *Michael C. Hall, Lance Armstrong, Sallie Field* and *Stevie Wonder*.

People: Media Access Project vp *Parul Desai* is moving to **Consumers Union** as policy counsel.

Oops!: While a **Verizon FiOS'** blog pointed to the "exclusive sneak peek on demand on Sept 1" of **Disney's** "Camp Rock 2" (*Cfax, 8/16*), FiOS' press release says the preview is also available to select Disney VOD affiliates. **Cablevision** is among those who will have the musical 2 days before its linear premiere on Disney Sept 3. Disney was not able to confirm whether **Time Warner Cable**, whose contract expires Sept 2, will have access to the preview.

CableFAX Daily Stockwatch

Company	08/19 Close	1-Day Ch	Company	08/19 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
DIRECTV:	38.05	(0.4)	AVID TECH:	11.61	(0.3)
DISH:	17.80	(0.32)	BIGBAND:	2.67	(0.09)
DISNEY:	33.19	(0.72)	BLNDER TONGUE:	1.97	(0.06)
GE:	15.25	(0.45)	BROADCOM:	32.29	(0.69)
NEWS CORP:	14.30	(0.39)	CISCO:	22.22	(0.19)
MSOS					
CABLEVISION:	25.53	(0.63)	CLEARWIRE:	6.44	(0.18)
COMCAST:	17.84	(0.27)	COMMSCOPE:	19.90	(0.5)
COMCAST SPCL:	16.73	(0.31)	CONCURRENT:	5.19	(0.17)
GCI:	8.07	(0.3)	CONVERGYS:	10.18	(0.18)
KNOLOGY:	12.66	(0.33)	CSG SYSTEMS:	17.89	(0.12)
LIBERTY CAPITAL:	45.45	(2.34)	ECHOSTAR:	19.25	(0.01)
LIBERTY GLOBAL:	28.30	(0.25)	GOOGLE:	467.97	(14.18)
LIBERTY INT:	10.64	(0.16)	HARMONIC:	5.94	(0.26)
MEDIACOM:	6.71	(0.14)	INTEL:	18.90	(0.69)
RCN:	14.90	0.00	JDSU:	10.37	(0.1)
SHAW COMM:	20.23	(0.24)	LEVEL 3:	1.07	(0.01)
TIME WARNER CABLE:	54.05	(2.07)	MICROSOFT:	24.44	(0.38)
VIRGIN MEDIA:	20.47	(0.35)	MOTOROLA:	7.54	(0.25)
WASH POST:	345.61	7.50	RENTRAK:	22.89	(1.24)
PROGRAMMING					
CBS:	13.76	(0.44)	SEACHANGE:	8.16	(0.14)
CROWN:	1.98	(0.23)	SONY:	29.92	0.04
DISCOVERY:	37.37	(0.67)	SPRINT NEXTEL:	4.25	(0.22)
GRUPO TELEVISIA:	18.99	(0.28)	THOMAS & BETTS:	37.33	(0.81)
HSN:	27.66	(0.74)	TIVO:	8.48	(0.2)
INTERACTIVE CORP:	23.88	(0.07)	TOLLGRADE:	6.65	(0.19)
LIBERTY:	36.54	(0.55)	UNIVERSAL ELEC:	17.77	(0.19)
LIBERTY STARZ:	58.22	(1.18)	VONAGE:	2.10	(0.01)
LIONSGATE:	6.34	(0.07)	YAHOO:	13.85	(0.14)
LODGENET:	2.52	(0.13)	TELCOS		
NEW FRONTIER:	1.47	0.06	AT&T:	26.97	(0.31)
PLAYBOY:	5.00	(0.06)	QWEST:	5.66	0.00
SCRIPPS INT:	41.61	(0.93)	VERIZON:	29.62	(0.53)
TIME WARNER:	30.66	(0.74)	MARKET INDICES		
VALUEVISION:	2.27	0.02	DOW:	10271.21	(144.33)
VIACOM:	36.43	(0.78)	NASDAQ:	2178.95	(36.75)
WWE:	13.98	(0.31)	TECHNOLOGY		
TECHNOLOGY					
ADC:	12.67	0.00	ADDVANTAGE:	3.20	(0.07)
ALCATEL LUCENT:	2.70	(0.06)	AMDOCS:	26.66	(0.13)
AMPHENOL:	41.48	(0.86)	AOL:	22.07	0.02
AOL:	22.07	0.02	APPLE:	249.88	(3.19)
APPLE:	249.88	(3.19)	ARRIS GROUP:	8.69	(0.29)
ARRIS GROUP:	8.69	(0.29)			

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PROGRAMMER'S PAGE with Chad Heiges and Seth Arenstein

Conference Clouds

In case you missed the myriad college football conference realignment news this summer because of the World Cup, vacation or otherwise, don't fret because it continues. Perhaps highlighted by **Nebraska's** slated move to the **Big Ten** next season, the compelling yet money-motivated game of musical sideline benches saw **Fresno State** and **Nevada** agree to join the **Mountain West Conference** this week after **BYU** announced plans to move from the MWC to the WAC in several sports save for football (it wants no conference affiliation in pigsaw). Serious ramifications are likely accorded **Big Ten Net** and **The Mtn.** sports network due to the changes, some of which remain in limbo because of sniping and threats by scorned conferences. That makes prognosticating the nets' prospects going forward a tricky endeavor—and prevented a chat with The Mtn. boss *Kim Carver*. Still, it seems clear that the MWC's TV venture will end up worse off than before or at least stagnate, what with BYU's desired leap and the definite defection of Utah to the **Pac-10** in '11. Utah's become a major talent on the national stage, and BYU enjoys a passionate fan base. Losing those 2 entities may make The Mtn.'s footprint expansion plans a little more difficult. The MWC is gaining a solid **Boise State** program and possibly Fresno State, but will the pair be enough to finally convince **Time Warner Cable** to sign on for carriage in North TX and San Diego, or for **DISH** or **U-verse** to assent to carriage? Perhaps. But there's little doubt that Big Ten Net will soon slice through distribution in NE with relative ease, and the net has been quite successful in penetrating disparate conference markets (although **Blue Ridge** remains a thorn in PA). The bottom line: The Mtn. has encountered difficulty in gaining carriage even with an intact and increasingly exciting group of schools, so the nagging questions and unknowns surrounding the MWC's makeup will only slow the process. *CH*

Highlights: "Witness: Katrina," Mon, 9p, **Nat Geo**. Nat Geo melds professional and amateur footage, some shot by people who ignored warnings to leave New Orleans, to re-visit Katrina as its 5th anniversary nears. *SA*

Worth a Look: "Stanley On The Go," Tues, 8p, **Retirement Living TV**. It's a 1-camera show and high-tech it ain't, but next week's ep, where *Stanley Siegel* travels through India on the Deccan Odyssey, a luxurious train, features extraordinary scenery and interesting glimpses into Indian life. Siegel can be a bit much, but the unusual spots and gorgeous scenery compensate. -- "Who the (Bleep) Did I Marry?" premiere, Wed, 10p, **Investigation Discovery**. In love, things aren't always what they seem. Indeed, each ep interviews ordinary people who were shocked to find their spouses had secret lives, often involving crime. -- "Kids in the Hall: Death Comes to Town," premiere, Fri (Aug 20), 10p, **IFC**. Ratings and Emmy nods followed IFC's "Monty Python" reunion. Now it's The Kids' turn. They star in a new comedy about a strange small town. IFC's mandate is to present unusual content. "Death" fits that bill; some, but not all, viewers will be amused. -- "Bond of Silence," Mon, 9p, **Lifetime**. Hang in there with this murder cover-up; *Kim Raver* leads one of the stronger Lifetime films recently. *SA*

Basic Cable Rankings			
(8/09/10-8/15/10)			
Mon-Sun Prime			
1	USA	2.4	2349
2	DSNY	2.1	2069
3	TNT	1.8	1800
4	FOXN	1.5	1478
5	NAN	1.3	1320
6	HIST	1.2	1181
6	ESPN	1.2	1177
8	TBSC	1.1	1143
8	A&E	1.1	1045
10	LIFE	1	1027
10	FOOD	1	1007
10	SYFY	1	1007
10	HGTV	1	1004
10	TOON	1	951
15	FAM	0.9	908
15	MTV	0.9	906
15	TRU	0.9	879
15	TLC	0.9	858
15	FX	0.9	846
20	CMDY	0.8	815
20	AMC	0.8	796
20	TVLD	0.8	783
20	BRAV	0.8	778
20	NKJR	0.8	569
20	NFLN	0.8	468
26	DISC	0.7	743
26	SPK	0.7	710
26	HALL	0.7	656
29	MSNB	0.6	609
29	EN	0.6	586
29	BET	0.6	525
29	LMN	0.6	488
33	OXYG	0.5	380
33	ID	0.5	297
35	ESP2	0.4	443
35	APL	0.4	414
35	CNN	0.4	401
35	TRAV	0.4	384
35	GSN	0.4	283
35	NGC	0.4	268
35	NKTN	0.4	223
42	HLN	0.3	339
42	VH1	0.3	274
42	WE	0.3	261
42	CMT	0.3	244
42	SOAP	0.3	239

*Nielsen data supplied by ABC/Disney



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.

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Nominate at: www.cablefax.com/cablefax100