

CableFAX Daily™

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What the Industry Reads First

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Retrans Round-Up: Game Shows, FiOS and Still No Deals

While **Time Warner Cable's** feud with **CBS** continues, so does its standoff with **Journal**. And while there was a lot of noise about the MSO possibly replacing **CBS'** historic Channel 2 slot in NY and L.A., it's actually Milwaukee's **NBC** affiliate that lost its Channel 4 position. **GSN** nabbed the channel spot. A TWC spokesperson said the MSO views it as a long-term channel lineup change, but added, "Once we have an agreement with Journal, we'll work together to determine the best channel placement on our lineup." As for CBS-TWC, it's looking more and more likely the blackout could bump up against the start of the NFL season. As for that whole idea of MVPDs sticking together during blackouts, that seems to be out the window. A **CBS** memo, first reported by the *L.A. Times* Mon, said **Verizon FiOS** is offering impacted CBS employees exclusive discounts and even sending sales teams to CBS offices to sign up customers. "In addition, existing Verizon FiOS customers may be eligible for monthly discounts on qualifying bundles," the memo said. Not every MVPD is biting. While **Cox** doesn't directly compete with TWC, a spokesman tweeted a link to the *L.A. Times* piece and wrote that Cox "doesn't play this game w/customers, rising content costs impact everyone." In recent years, distributors have been more reluctant to steal subs from one another during blackouts. Last year, **DirecTV** and TWC co-hosted a Super Bowl viewing party at sports bars in TX where TWC was without **NBC** due to a retrans skirmish with **Cordillera**.

ACE in the Cards: Thanks, but we'd like a little more. So says **Adams Cable Equipment's** petition for reconsideration of an **FCC** Media Bureau order that granted it a limited, conditional waiver of the ban on set-tops with integrated security for its refurbished boxes (*Cfax*, 7/29). The vendor applauded the waiver, but wants the FCC to rethink its decision to limit it to the 50K boxes currently in ACE's inventory. "Given that the Bureau concluded that consumers would benefit from access to 50,000 low-cost set-top boxes, then it follows that consumer benefit could at least quadruple if the Bureau extends ACE's waiver to permit it to resell an additional 150,000 refurbished set-top boxes," ACE said in the petition filed Fri and published on the FCC's Website Mon. The Media Bureau restricted the number of exempted refurbished boxes to assure that reliance on CableCARDS is not undermined (**CEA** and **Tivo** both raised concerns about the waiver). ACE wants the limit to be upped to 200K boxes that can be sold to cable ops, and it doesn't want any limit on the number of refurbished integrated boxes that it can sell directly to consumers (Right now, the 50K applies to both MSOs and consumers). ACE argues that allowing the sale of 200K boxes to cable ops would not even put the "slightest dent" in common reliance, noting ops have deployed more than 40mln STBs that rely on CableCARDS. What's more, expanding the waiver to 200K boxes would greatly reduce the price consumers would pay for the boxes, the vendor said. If ACE could buy additional integrated security boxes "stranded" at MSOs, it could reduce the current \$299 price for retail DVRs to \$199 or less and its lowest-cost set-top to \$29 from about \$50.



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Access Intelligence, LLC, 4 Choke Cherry Road, 2nd Floor, Rockville, MD 20850

Competition: Watch out **Time Warner Cable, Cox** and **Bright House, AT&T** is eyeing your smart home markets. The telco launched Digital Life in 6 markets, including Orlando, Providence, Virginia Beach, Rochester, Buffalo and Syracuse. The service offers home security, home management and personalization features. The Digital Life app allows customers to control cameras, door locks, lights and other appliances through smartphones, tablets and PCs. Including the new markets, the offering is available in a total of 39 markets, with plans to launch in up to 50 markets by the end of the year.

Launch Pad: **Fox Sports 1** scored solid ratings on its launch day Sat, which featured 11.5 hours of live **NASCAR** and **UFC** programming plus 3 hours of Fox Sports Live. Averaging 1.71m viewers in primetime and a 1.33 HH rating, the new net was particularly strong among younger audiences. It topped all 4 major broadcast nets among 18-49, 18-34, men 18-49 and men 18-34. Compared to **Speed's** 3Q '12 time period average, FS1 was up by 137% among total viewers (476K vs 201k). In total, Fox Sports 1 viewership was more than 25 times greater than **Speed/Fox Soccer/Fuel TV** among 18-49 and men 18-49. The 1st primetime event, "UFC Fight Night: Shogun VS. Sonnen," averaged a 1.38 and beat the average of the 8 UFC on FX Fight Nights by +49% in rating (1.38 vs. 0.93) and +38% in viewership (1.78m vs 1.29m). The net launched on virtually every major MSOs, including **DISH** and **Time Warner Cable**, in some 90min homes.

Research: Top MSOs lost approx 345K net new video subs in 2Q, 20K more than the number of subs lost in the year-ago quarter, **Leichtman Research** said. The top ops accounted for nearly 94.6m subs. While the top 9 cable ops lost 555K video subs in the quarter, top telcos added 373K subs. Satellite providers lost 162K vs a loss of 62K in the prior year. "The traditionally weak second quarter proved to be a down quarter for the multi-channel industry, but industry-wide losses were similar to recent second quarters," said pres/principal analyst *Bruce Leichtman*. "The multi-channel video industry has leveled-off, with major providers losing about 0.1% of all subscribers over the past year."

Business Services: Something to keep in mind when you hit the **CES Show** in Jan: **Cox Business** has inked a 7-year contract with the Las Vegas Convention and Visitors Authority, providing voice, data and video for the Convention Center and Cashman Center's 3.3m square feet of meeting and exhibit space.

Programming: On Sun, **Sportsman** unleashes "Aporkalypse 2013," a marathon that will educate viewers about the issues associated with feral hogs (begins at 8pm). -- **Lady Gaga** will get the **MTV VMA** party started Sun with a world premiere performance of her single "Applause" live from the Barclays Center. Additional performers include *Robin Thicke, Katy Perry* and *Kanye West*. -- **C-SPAN3's** American History TV presents "In Their Own Words," a collaboration with the Smithsonian's National Museum of African American History and Culture presenting eyewitness accounts of civil rights pioneers. The oral history project runs Mon through Fri, with new specials at 8pm ET each night. -- *Lee Thompson Young*, starring in **TNT's** "Rizzoli & Isles" as Detective Barry Frost, died Mon of a reported suicide. In a statement, "Rizzoli & Isles" exec producer *Janet Tamaro* said the cast and crew were "devastated." "We are beyond heartbroken at the loss of this sweet, gentle, good-hearted, intelligent man," he said of the 29-year-old. "We send our deepest condolences and thoughts to his family, to his friends and, most especially, to his beloved mother." -- "The Middle" will begin airing on **ABC Family**, kicking off with an 8-hour marathon on Sept 16. -- **History** booked a new 4-hour scripted miniseries "Houdini." Scheduled to start production this fall, the miniseries follows the life of the top magician. -- **ESPN** subsidiary **ESPN Regional Television** created the Camellia Bowl, a postseason college football game matching-up the Sun Belt Conference against the Mid-American Conference starting in Dec 4 next year. The game will be televised nationally on **ESPN** or **ESPN2**.

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Public Affairs: Time Warner Cable announced a \$1.6m donation to the NYC Media Lab. The Lab, launched in '10 by the NYC Economic Development Corp, NYU Polytechnic Institute and Columbia Univ, already received more than half of the donation from TWC and will get the remaining funds through '20. TWC's Research Program on Digital Communications will fund NYU-Poly's broadband Internet research through NYC Media Lab.

People: Andy Heller, former Turner vice chmn, was elected to Starz's board. Heller retired from Turner earlier this year (Cfax, 4/11). -- MAVTV made several exec announcements: Steve Grein, former pres and exec producer for NeWave Media Productions, will serve as exec producer and assistant to pres Bob Patison; former Sports-Time Ohio exec Ed Niemi was tapped as vp, distribution; and Mark Mitchell, who has spent 14 years at Speed/Fox Sports Media Group, was named vp, sales, marketing and biz dev. -- Former CNN digital producer and media reporter Steve Krakauer joins TheBlaze next month as vp, digital content. -- Bob Baskerville, COO of Scripps' international business, will succeed retiring Ron Johnson as CIO at year-end. Baskerville was part of the original team that helped launch HGTV about 20 years ago.

Editor's Note: Tick, tock...The early bird discount for the Sept 24 TV Innovation Summit expires Fri. Register here: www.cablefaxtvsummit.com

CableFAX Daily Stockwatch

Company	08/19 Close	1-Day Ch	Company	08/19 Close	1-Day Ch			
BROADCASTERS/DBS/MMDS								
21ST CENTURY FOX:	31.44	(0.53)	GOOGLE:	865.65	8.74			
DIRECTV:	59.06	(0.51)	HARMONIC:	7.55	(0.13)			
DISH:	44.07	(0.43)	INTEL:	22.28	0.36			
DISNEY:	61.83	(0.34)	JDSU:	13.40	(0.26)			
GE:	23.85	(0.1)	LEVEL 3:	22.20	(0.33)			
MSOS								
CABLEVISION:	17.81	(0.62)	MICROSOFT:	31.39	(0.41)			
CHARTER:	123.25	0.65	RENTRAK:	23.01	(0.56)			
COMCAST:	42.19	(0.35)	SEACHANGE:	10.88	(0.05)			
COMCAST SPCL:	40.36	(0.44)	SONY:	19.92	(0.06)			
GCI:	8.76	(0.45)	SPRINT NEXTEL:	6.91	(0.01)			
LIBERTY GLOBAL:	74.84	(1.4)	TIVO:	10.48	(0.28)			
LIBERTY INT:	22.00	(0.09)	UNIVERSAL ELEC:	31.84	(0.12)			
SHAW COMM:	24.46	(0.15)	VONAGE:	3.14	(0.13)			
TIME WARNER CABLE:	108.73	(1.21)	YAHOO:	26.91	(0.41)			
WASH POST:	566.01	(3.76)	TELCOS					
PROGRAMMING								
AMC NETWORKS:	65.02	(0.64)	AT&T:	33.79	(0.39)			
CBS:	51.09	(0.59)	VERIZON:	47.50	(0.21)			
CROWN:	2.90	(0.04)	MARKET INDICES					
DISCOVERY:	80.22	(0.12)	DOW:	15010.74	(70.73)			
GRUPO TELEVISIA:	26.99	(0.5)	NASDAQ:	3589.09	(13.69)			
HSN:	56.73	(0.51)	S&P 500:	1646.06	(9.77)			
INTERACTIVE CORP:	50.15	0.16	TECHNOLOGY					
LIONSGATE:	33.84	0.16	ADDVANTAGE:	2.46	(0.03)			
SCRIPPS INT:	74.40	(0.37)	ALCATEL LUCENT:	2.65	(0.07)			
STARZ:	24.43	(0.14)	AMDOCS:	38.03	(0.47)			
TIME WARNER:	60.85	(0.01)	AMPHENOL:	74.12	(0.67)			
VALUEVISION:	5.44	(0.03)	AOL:	34.38	(0.83)			
VIACOM:	78.13	(0.69)	APPLE:	507.74	5.41			
WWE:	9.90	(0.01)	ARRIS GROUP:	16.51	(0.17)			
TECHNOLOGY								
ADDVANTAGE:	2.46	(0.03)	AVID TECH:	5.49	(0.1)			
ALCATEL LUCENT:	2.65	(0.07)	BLNDER TONGUE:	0.87	(0.01)			
AMDOCS:	38.03	(0.47)	BROADCOM:	25.29	(0.62)			
AMPHENOL:	74.12	(0.67)	CISCO:	24.27	UNCH			
AOL:	34.38	(0.83)	CONCURRENT:	8.11	0.12			
APPLE:	507.74	5.41	CONVERGYS:	18.73	(0.08)			
ARRIS GROUP:	16.51	(0.17)	CSG SYSTEMS:	24.75	(0.15)			
AVID TECH:	5.49	(0.1)	ECHOSTAR:	41.48	(0.68)			
BLNDER TONGUE:	0.87	(0.01)						
BROADCOM:	25.29	(0.62)						
CISCO:	24.27	UNCH						
CONCURRENT:	8.11	0.12						
CONVERGYS:	18.73	(0.08)						
CSG SYSTEMS:	24.75	(0.15)						
ECHOSTAR:	41.48	(0.68)						



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CableFAX TECH

The Golden Age of IP Video?

The launch of new streaming services and content, as well as speculated deals between cable programmers and streaming services, have made headlines the last couple months. Coming on the heels of **Intel**, **Microsoft** and **Google's** OTT moves, **Sony** reportedly inked deals with **Viacom** to stream cable channels on its platform, potentially the PlayStation 4 gaming console. The consumer electronics vendor has also met with other content providers like **Time Warner** and **Disney**, according to reports. Meanwhile, **Azuki Systems** recently integrated its Azuki Media Platform into **LG Electronics'** "Android Stick" IP-enabled set-top that uses the new 802.11ac standard. That allows for more than 1Gbps wireless data speeds, especially suited for HD. The integration of Azuki's platform into the LG Android Stick enables TV Everywhere services, including time-shifted linear TV, network DVR and transactional VOD. LG's interest in IP-enabled video services isn't new: Vendors like **Cisco** demonstrated platforms on LG equipment at the Cable Show while TV tech firm **Entone** has teamed up with LG to offer a streaming media player dubbed LG SP530. The device integrates LG's Netcast media streaming platform with Entone's FusionTV software, capable of mixing OTT services with over-the-air or operator-branded pay TV services. And following Google's Chromecast launch, one developer released AirCast, an app that allows users to cast local content from various applications, such as Dropbox and Google Drive, to the TV screen. Whether it's Microsoft's Xbox 1, Intel's upcoming Intel Media streaming service, or attempts from companies like LG to offer IP video delivery options to MSOs, it sure feels like the golden age of IP-based video is arriving, if a recent study by **Park Associates** is any indication. The study found the number of US broadband households with a streaming video media device, such as **Roku** or an **Apple TV**, has doubled since '11, reaching 14% this year. The research firm expects the number of connected TV devices sold worldwide to reach 330mln annually by '17, doubling the number to be sold this year. Media streaming devices will "have a thriving market because they can offer

innovations such as streaming video at low prices," research dir *Barbara Kraus* said. The booming of IP video will put even more emphasis on broadband. Perhaps that's why analysts like *Craig Moffett* with **Moffett Research** called usage-based pricing the real race.

CableLabs: **CableLabs** is on a mission to unify cable broadband standards worldwide as it wraps up the development of the next generation DOCSIS 3.1. Specifically, the group took over **Cable Europe Labs**, adding 9 new members, including **Com Hem** (Sweden), **Get** (Norway), **Kabel Deutschland** (Germany), **LIWEST** (Austria), **Ono** (Spain), **Tele Columbus** (Germany), **YouSee** (Denmark), **Ziggo** (Netherlands), and **ZON** (Portugal). The initiative, started 9 months ago, allows ops and vendors to collaborate globally on standards and strategies, bringing new products to market faster and more cost effectively and at scale, **CableLabs** pres/CEO *Phil McKinney* said on a conference call last week. Most importantly, it seeks to move international cable ops to conform with the DOCSIS standard. Though ops worldwide had been using similar DOCSIS standards, variations exist, such as China's C-DOCSIS. That won't last, as CableLabs will be working with Chinese vendors and regulators to integrate the Chinese DOCSIS standard. The group's new members in Asia and Latin America include **J:COM** (Japan), **PT Link Net** (Indonesia), **Topway** (China), **WASU** (China) and **Cablevision** (Argentina).

Research: Fiber-optic broadband market share will reach 19% by year-end, up from 16% last year, **ABI Research** said. "The number of broadband subscribers is growing on all DSL, cable, and fiber-optic platforms. However, there is a marked shift in consumer adoption from DSL to fiber-optic as operators continue to extend the reach of their fiber-optic infrastructure," said *Jake Saunders*, vp/practice dir. In 1Q, total DSL subscriptions dropped by 3mln worldwide while fiber-optic adoptions grew from 32.9mln to 37.6mln. ABI expects 25.6mln net new fiber broadband subs globally this year. DSL sub net additions are expected to drop by 50% over the last year.

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