

CableFAX Daily™

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What the Industry Reads First

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Reving Replays: DVR Use Continues Upward Trending

Although many advertisers, and by extension programmers, may find time-shifted viewing nettlesome, growth in DVR usage for cable shows has been so brisk that the trend warrants a closer look—particularly considering that such viewing greatly coalesces with popular original series, cable's ace in the summer hole. Last summer, the greatest percent increase in TV show viewership (18-49s) culled from time-shifted viewing was the 48% achieved by **Sci Fi's** "Eureka," according to **Turner** research based on **Nielsen** data; so far this season the same series counts a 60% boost as 1 of 8 cable shows that have achieved increases greater than 48%, led by Sci Fi's "Stargate Atlantis" with 100%. "These are big, big numbers," said Turner research chief *Jack Wakshlag*, proof that an increasing number of cable shows "have passionate audiences." Also notable is the diminishing number of broadcast series that made the DVR lift list this year versus last year. Based on time-shifted viewing during May sweeps—a reasonable comparison to cable's summer—half of the top 20 shows making last year's list were on **NBC**, **ABC**, **CBS** or **The CW**. This year, only 6 made the list. Additional data bear out sharp growth in DVR usage. DVR penetration now sits at one-quarter of US homes, according to Nielsen, a healthy increase from the 5% reported just 10 months ago. That's approx 28mln HHs—53% cable subs, 40% satellite—of which approx one-third have a DVR connected to multiple TVs. Puts the disagreement between **Cablevision** and several programmers/studios over the MSO's remote storage DVR in perspective, doesn't it? Even so, griping from **CNN** over the device may be a tad overzealous, as various research shows that news is 1 of the least popular genres for DVR use. "We know that [time-shifted viewing] is not just a function of how old a viewer is," said **Hallmark** svp, research *Jess Aguirre*, noting that movies aren't a popular genre for DVR use either. "It's about genre, [ad] matchflow and environment." Even as Nielsen data shows that DVRs comprise 5% of all total day viewing and 14% in prime, more than 98% of movies are watched live, said Aguirre. That may make DVR use less meddlesome to Hallmark and its advertisers than it does to many others, but growth in time-shifted viewing across cable should not be overlooked.

At Deadline: The **FCC** has adopted an order exempting small operators from rules requiring carriage of must-carry broadcasters' digital SD and HD signals along with their analog signals post-transition. It was slated to be on the FCC's Fri agenda, but was adopted before the meeting's 10am ET start.

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Advertising: Republican presidential hopeful *John McCain* likes cable. Of the 668 ads placed on national cable between McCain and *Barack Obama* from June 4 to Aug 1, McCain was responsible for 526, **Nielsen** said. Democratic candidate Obama has more of a penchant for local TV spots, running 70,381 during the period. McCain placed 57,132 local broadcast spots. Neither candidate ran ads on the national broadcast nets or syndication in June and July.

Carriage: **US Cable** will launch **Big Ten Network** Aug 29 on expanded basic for the majority of its subs in MN and WI. It will also offer BTN HD on the HD Plus level of service in Cambridge, MN, and Wabasha, MN.

Competition: **Verizon** will inspect every single **FiOS** installation in NY after routine inspections from state regulators found that "a high proportion" of the fiber-optic systems were not properly grounded or bonded, reports the *Albany Times Union*. The telco says it will inspect installs and correct any problems within 60 days. It's also creating a special quality-assurance team. -- **AT&T** launched a nationwide home service program offering in-home tech support for PCs, TV, home theaters and other digital entertainment products. "AT&T ConneCTech" is available to AT&T and non-AT&T customers (www.att.com/connectech). Pricing starts at less than \$100.

Deals: **ESPN** inked with **MLB Advanced Media** a digital rights agreement through '13 covering ESPN.com, ESPN360.com, mobile initiatives, interactive TV, emerging platforms such as video game platforms and portable devices.

DTV Doings: Republican *Robert McDowell* will be the first **FCC** commish to take part in the agency's 81 city DTV outreach tour (*Cfax*, 8/19). He'll be in Anchorage and Fairbanks Wed and Thurs to hold forums on the transition with key groups at a senior center and public library. -- The **FCC** has approved prohibiting low-power auxiliary stations from operating in the 700 MHz Band after the end of the digital TV transition on Feb 17. Low power auxiliary stations are authorized for such uses as wireless microphones, cue and control communications, and synchronization of TV camera signals.

Change of Address: **Travel Channel** has spread its wings and flown from **Discovery's** Silver Spring, MD, HQ. The whole group moved to Chevy Chase, MD, a posh DC suburb, a few months ago. The net will send out official "We've Moved" notices to media folks next week. Travel, which was acquired from Discovery by Cox last year, previously leased space in Discovery's building.

Bandwidth Management: **Comcast** hasn't settled on exactly how it will change its network management practices. One idea being kicked around is reducing top Internet speeds for the heaviest users for 10-20 minutes. The MSO has been working for much of the year on developing a protocol agnostic approach to network management. An **FCC** order released Wed requires the MSO to show within 30 days how it will change its practices by year-end.

Programming: **Travel Channel** acquired the exclusive US cable rights to **CBS** reality series "The Amazing Race," beginning with the most recent season and including upcoming seasons 13 and 14. Season 12 will begin airing Sept 3, 8pm, with additional eps airing every Wed. -- **HBO** is participating in the **NY Television Festival** for the 1st time, presenting a debut screening of "The Life and Times of Tim," Sept 17. The animated half-hour comedy series is about an average guy whose instincts repeatedly lead him down the wrong path. -- **Sportsman Channel** parent **InterMedia Outdoors** acquired **Barrett Productions**, a producer of outdoor programming. With InterMedia shifting all its programming to Sportsman and the Barrett deal, the net expects to introduce a host of new shows in the next



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BUSINESS & FINANCE

12 months. -- **Animal Planet** premieres "Living with the Wolfman," a series about a couple living among a wild wolfpack, Oct 21, 10pm. -- Next time you're driving in NYC, take the Bruckner/Deegan instead of the Cross Bronx. That's one of 10 tips **News 12 Traffic and Weather** is giving viewers in celebration of its 10th anniversary. It was the 1st channel of its kind when it launched in '98 as **Metro Traffic and Weather**. -- **Sci Fi** will end "Stargate Atlantis" run when Season 5 concludes next year. However, the series will be followed by a 2-hour Atlantis movie and the show will remain a network franchise.

On the Circuit: **SCTE** is launching "DTV: Strategies for a Smooth Transition," a 6-part series of live, online seminars focused on the Feb 17 analog cutoff. It's designed to ensure technical and non-technical cable personnel are ready for the conversion, addressing operational aspects as well as customer management. The 1st seminar is set for Sept 24 and is free for members. Visit scte.org.

Business/Finance: **IAC's** split into 5 separately traded companies was consummated Thurs and spurred a frenzied Wall St shopping spree. Shares of **HSN** (ticker HSNL) jumped 21.3% to \$15.29, **Ticketmaster** (TKTM) rose 6.7% to \$23.09, **Interval Leisure** (IILG) popped 12.5% to \$15.88, **IAC/InterActiveCorp** (IACID) bounced 8.3% to \$16.63, and **Tree.com** increased 0.5% to \$7.46.

CableFAX Daily Stockwatch

Company	08/21 Close	1-Day Ch	Company	08/21 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
BRITISH SKY:	33.19	0.43	AMPHENOL:	48.90	(0.09)
DIRECTV:	27.95	0.24	APPLE:	174.29	(1.55)
DISNEY:	31.83	0.01	ARRIS GROUP:	9.47	0.02
ECHOSTAR:	28.45	(0.39)	AVID TECH:	23.45	(0.22)
GE:	28.75	0.10	BIGBAND:	3.53	(0.32)
HEARST-ARGYLE:	19.85	(0.03)	BLNDER TONGUE:	1.30	0.05
ION MEDIA:	1.44	0.00	BROADCOM:	26.82	(0.5)
NEWS CORP:	13.82	0.07	C-COR:	11.00	0.00
MSOS					
CABLEVISION:	32.46	(0.1)	CISCO:	24.23	0.00
CHARTER:	1.04	(0.02)	COMMSCOPE:	45.32	(0.96)
COMCAST:	21.47	0.19	CONCURRENT:	6.48	0.20
COMCAST SPCL:	21.37	0.21	CONVERGYS:	14.35	0.05
GCI:	10.00	(0.19)	CSG SYSTEMS:	18.88	(0.24)
KNOLGY:	9.64	(0.41)	ECHOSTAR HOLDING:	32.02	(0.02)
LIBERTY CAPITAL:	16.03	(0.26)	GOOGLE:	486.53	1.53
LIBERTY ENTERTAINMENT:	26.89	0.72	HARMONIC:	8.42	(0.03)
LIBERTY GLOBAL:	33.01	(0.4)	JDSU:	10.42	(1.48)
LIBERTY INTERACTIVE:	13.25	(0.04)	LEVEL 3:	3.13	(0.03)
MEDIACOM:	7.65	(0.27)	MICROSOFT:	27.18	(0.11)
SHAW COMM:	21.02	0.45	MOTOROLA:	9.95	0.27
TIME WARNER CABLE:	26.22	0.25	NDS:	60.64	(0.01)
VIRGIN MEDIA:	10.70	0.05	NORTEL:	6.16	0.20
WASH POST:	605.50	(2.53)	OPENTV:	1.80	(0.05)
PROGRAMMING					
CBS:	16.47	0.01	PHILIPS:	33.02	0.19
CROWN:	4.81	(0.21)	RENTRAK:	14.63	0.00
DISCOVERY:	19.51	(0.23)	SEACHANGE:	7.94	(0.04)
EW SCRIPPS:	7.02	0.05	SONY:	37.76	0.10
GRUPO TELEVISA:	24.46	(0.16)	SPRINT NEXTEL:	8.98	(0.13)
LIBERTY:	40.98	(0.23)	THOMAS & BETTS:	45.93	(0.39)
LODGENET:	4.00	(0.01)	TIVO:	7.55	(0.18)
NEW FRONTIER:	3.70	0.01	TOLLGRADE:	6.96	0.02
OUTDOOR:	7.79	(0.05)	UNIVERSAL ELEC:	26.27	(0.41)
PLAYBOY:	4.26	(0.06)	VONAGE:	1.25	0.04
RHI:	14.65	0.05	WEBB SYS:	0.04	0.00
SCRIPPS INTERACTIVE:	41.86	0.07	WORLDGATE:	0.30	0.00
TIME WARNER:	15.51	0.01	YAHOO:	19.11	(0.06)
VALUEVISION:	2.72	(0.05)	TELCOS		
VIACOM:	28.63	(0.27)	AT&T:	30.76	0.07
WWE:	16.45	(0.1)	QWEST:	3.68	0.00
TECHNOLOGY					
3COM:	2.06	(0.03)	VERIZON:	34.57	0.12
ADC:	10.34	0.04	MARKET INDICES		
ADVANTAGE:	2.76	0.00	DOW:	11430.21	12.78
ALCATEL LUCENT:	5.68	0.00	NASDAQ:	2380.38	(8.7)
AMDOCS:	29.89	(0.13)			



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PROGRAMMER'S PAGE with Chad Heiges and Seth Arenstein

Pageantry Defined

The 29th Olympiad has been marvelous, rife with remarkable athletic achievement and compelling sociological, political and economic undercurrents. **NBCU** has benefited so handsomely from broadcast/cable ratings growth and ad revenue that I wonder if some type of Media Growth Hormone has been a key catalyst. No wonder **ESPN** and **ABC** are keen on bidding for the telecast rights to future Games. Following is stream of consciousness commentary on and indelible memories of my Olympic experience, complete with medal awards where appropriate: *Bob Costas'* endearing, fluid style is unsurpassed (Gold)...95% humidity during a bicycle race!...I'm convinced *Michael Phelps* has gills and can communicate with dolphins (Gold)...*Usain Bolt* transcends *Michael Johnson's* gold-shoed 200m Atlanta performance in cartoonishly quick fashion (Silver)...*May-Trainor* and *Walsh's* dominance (bronze)...*Dan Hicks/Rowdy Gaines'* passionate professionalism (silver)...*Shawn Johnson's* smile...the Water Cube (Gold)...*Yao Ming* truly stands tall in China...USA Basketball will never lose an important competition with *Coach K*, *Kobe* and *LeBron* on the bench...state-run athletic programs mint plenty of medals yet remain remorseless factories with little regard for the human spirit...opening ceremonies were brilliantly baroque yet sickeningly lavish, with a few practices reported to have lasted 48 hours straight...how to rid the Games of perplexing and bias-laden judging?...*Bela Karoly's* excitability is classic, even if it quickens his speech to indiscernible velocities (bronze)...superlative ad revenue=maddeningly frequent commercial breaks=strained thumbs...back up a Brinks truck to my house if you would like to see me attempt the pommel horse...*Nastia Luken's* intensity...live event scheduling must be considered a masterstroke (gold)...event's 4-yr spacing is both a boon and a bane, for athletes and viewers...is there any greater, more recognizable event theme music than the Olympics' version and its powerful drum intro?...training with a few cold beers instead of thousands of laps, reps, routines etc (gold). *CH*

Worth a Look: "Z Rock," Sun, 11:30pm, **IFC**. This new series is reaching for the comedic highs of semi-reality predecessors like **HBO's** "Flight of the Conchords," "Curb Your Enthusiasm" and even "Entourage." The problem is "Z Rock" is doing this on a budget considerably smaller, so the laughs are spaced out more. Still, a show that can produce 3-4 solid chuckles in 25 minutes, as Z Rock's pilot did, has a chance to stick, especially at 11:30pm, when its adolescent humor and sexual high jinks make it catnip for the young male demo. The series' premise is also its main joke. A 3-man band wants to be taken seriously as rockers, but their only steady work is playing kids' birthday parties. But there are perks for the lads (don't ask) and viewers, like recurring cameos from *Joan Rivers*, and *Jay Oakerson* as a gay-leaning club owner. -- "World's Funniest Commercials," Tues, 9pm, **TBS**. Usually a ratings winner. Funniest ads came from Canada, Ireland and Norway, of all places. -- "Secret Access: Air Force One," Mon, 8pm, **History**. Fascinating insights. AF 1 has never been forced to land by mechanical error. That's because the pair of 20-year-old 747s (yes, there are 2) are swaddled by maintenance crews more than they fly. *SA*

Basic Cable Rankings (8/11/08-8/17/08) Mon-Sun Prime			
1	USA	2.2	2104
2	DSNY	1.8	1699
3	FOXN	1.6	1514
4	TNT	1.5	1437
5	NAN	1.2	1195
5	TBSC	1.2	1118
7	LIFE	1.1	1100
7	FAM	1.1	1055
7	TOON	1.1	1044
10	ESPN	1	943
10	HALL	1	827
12	SCIF	0.9	850
13	HGTV	0.8	807
13	A&E	0.8	760
13	CNN	0.8	752
13	HIST	0.8	724
13	CMDY	0.8	711
13	TRU	0.8	688
13	LMN	0.8	515
20	SPK	0.7	690
20	DISC	0.7	639
20	FX	0.7	613
20	AMC	0.7	608
24	TVLD	0.6	563
24	BRAV	0.6	551
24	TLC	0.6	549
24	MSNB	0.6	527
24	BET	0.6	510
29	MTV	0.5	517
29	FOOD	0.5	511
29	VH1	0.5	504
29	HLN	0.5	471
29	OXYG	0.5	343
29	NOGG	0.5	327
29	NFLN	0.5	216
36	APL	0.4	385
36	SOAP	0.4	267
36	BIO	0.4	179
39	EN	0.3	326
39	ESP2	0.3	306
39	TTC	0.3	251
39	WGNA	0.3	238
39	NGC	0.3	226
39	WE	0.3	206
39	GSN	0.3	193
39	DHLT	0.3	175

*Nielsen data supplied by ABC/Disney

Call For Nominations The 2008 **CableFAX 100**

Deadline for nominations: Sept. 5, 2008

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*.

Visit www.cable360.net/cablefaxmag/2008cablefax100.html to nominate online today!