

CableFAX Daily™

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What the Industry Reads First

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No Double Coupons: MSO Cancels Plan to Redeem NTIA Vouchers

Following pressure from House Commerce chmn *John Dingell* (D-MI), **Mediacom** has nixed plans to honor the govt's \$40 digital converter box coupons. The MSO announced plans earlier this month to target over-the-air HHs with a promotion that would let new customers redeem the **NTIA**-issued coupons for \$40 off a single product and \$80 off a 2-product purchase (*Cfax*, Aug 8). Mediacom planned to destroy the cashed-in coupons. But according to sources, the marketing raised concerns with Dingell. There was no legal problem—the MSO wasn't going to redeem the coupons with NTIA, so there wasn't a waste, fraud or abuse issue. But Dingell's office was concerned it could drive people to apply for coupons knowing they weren't going to use them for converter boxes, but for Mediacom's discount. That made the chmn nervous, considering he has previously expressed worry over whether there will be enough NTIA coupons for HHs who need them—especially if there is a spike in coupon requests as the Feb 17 transition date gets closer. Mediacom confirmed that it no longer plans to run the coupon promo, but said it would probably launch another campaign with similarly aggressive discounts. Dingell's concern came as a surprise to some in the industry who said cable had been encouraged by NTIA to launch such creative DTV campaigns.

Sports Spree: ESPN's back-to-school shopping netted a broad-reaching 15-yr rights agreement with the **SEC**, reported by *Sports Business Journal* to be worth \$2.25bln. Importantly, the pact scuttles any SEC plans to launch its own cable venture a la **Big Ten Net** and **The mtn**. SEC commish *Mike Slive* said he was initially a conference channel proponent before being swayed by 2 key factors: the ESPN deal allows SEC institutions to continue to forge their own lucrative local packages (In July, for example, **Sun Sports** and the **University of FL** inked a reported \$82mln deal granting the RSN marketing rights to the school's entire athletics program), and ESPN properties and **ABC** have committed to considerably ramp conference exposure "without the problems and risks" endemic to a new net. ESPN earns tighter ties to arguably the country's preeminent college football talent, plus men's/women's basketball and Olympics sports content starting in '09 for properties ranging from **ESPN Mobile TV** to **ESPN360.com**. "We're thrilled with the breadth of rights we're getting," said ESPN evp, content *John Skipper*, noting the sports giant's family will carry more than 5.5K SEC events over the deal's life. Also, ESPN and the SEC will collaborate to ink regional cable packages.

Switched Digital Problem: The **FCC** Enforcement Bureau has notified **Oceanic Time Warner Cable** of an apparent liability for a forfeiture of \$7500 for failing to provide 30 days notice that it was migrating certain channels to switched digital video. Last fall, complaints emerged that the **Time Warner Cable** subsidiary had moved several channels to SDV, thus requiring CableCARD users to get set-tops to continue to receive the nets. Time Warner told the FCC that it doesn't have to notify the LFA of the change because it does not involve a change in rates or service packages. It

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said it even offered subs with CableCARDS an opportunity to lease interactive set-tops for 2 years at the same monthly charge as a CableCARD. However, the Enforcement Bureau ruled that migrating channels previously accessible via CableCARD does constitute a change in service for those customers. "If we followed TWC's construction of the rules to its logical conclusion, cable operators could, with nothing more than an annual equipment notice, move all their channels to such platforms without further notice to customers and local governing bodies, and thereby render CableCARDS entirely useless," the Bureau said. "Such an interpretation defies both precedent and common sense." The operator has 30 days to pay the fine or file a statement explaining why it should be canceled or reduced.

Carriage: Big Ten Net and Mediacom are expected to announce a carriage deal any day now. That would leave **Time Warner Cable** and **Charter** as the 2 largest MSO holdouts. -- **Comcast** will make high-def versions of **FX** and **Speed** available to HD subs by the end of '09.

Retrans: Buckeye Cable and Toledo **NBC** affil **WNWO** agreed to an extension that will keep the **Barrington Broadcasting** station on the air through Sept 10. A previous extension that kept the channel on during the Olympics expired Sun.

Convention Doings: The biggest draw at the **Democratic National Convention** is obviously *Barack Obama*, but **WWE** wrestler *Batista* will likely be the biggest attendee. As part of **WWE.com's** planned coverage of both parties' conventions, the muscle-bound Batista will storm Denver with a few colleagues, while *Sean Michaels* will headline the **WWE** contingent in MN. The initiative stems from **SmackDownYourVote.com**, **WWE's** effort to get more 18-30s involved in the election. -- Once again, **Comedy Central's Jon Stewart** and "The Best F*cking News Team Ever!" will be at the DNC for "The Daily Show." Eps from Denver will air Tues-Fri at 11pm. Be warned. They have their own bus and floor passes. -- Conventions aren't free. Private money, expected to exceed \$112mln for the 2 conventions combined, will pay for an estimated 80% of their cost, the **Campaign Finance Institute** said. Several familiar names are among the Host Committee donors for both conventions: **AT&T, Best Buy, Cisco, Comcast, Qwest** and **Verizon**.

Competition: FiOS TV has begun adding 14 multicultural nets from **World TV**, including channels broadcast in Korean, Russian and Portuguese. Also, the service is bowing 75 new nets in RI and MA, including 55 HD nets such as **CNN HD, CNBC HD, Lifetime HD** and **USA HD**. In addition, the telco launched **FiOS Freedom** bundles in the 2 states and OR, offering FiOS TV and Internet plus local and long-distance phone. -- **Verizon** is moving **FiOS TV** to all digital in TX, phasing out analog simulcasts this year. The telco is phasing out analog on a regional basis, with TX customers seeing the transition start Sept 22. -- **AT&T** launched **U-verse** services in South Bend, IN. -- **MediaFLO USA's** mobile TV service, available to certain **AT&T** and **Verizon** wireless subs, has added **CNBC, MSNBC** and **Fox News** to its channel lineup. All 3 offer simulcasts of linear programming. -- More interactivity from **DirecTV**, this time through a partnership with **USA, CBS** and the **USTA** that features additional US Open matches on 5 extra court channels. On-screen interactive extras include real-time scoring and match schedules. -- **DISH** began Mon transmitting all SD and HD programming in the MPEG-4 Advanced Video Coding Standard, claiming its the first pay-TV provider to do so.

Programming: Universal Sports inked a deal to provide the 1st-ever multiplatform broadcast coverage of the **Para-**

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BUSINESS & FINANCE

lympic Games in the US. Coverage of the Games, this year from Beijing, kicks off Sept 6 at **UniversalSports.com** and Oct 8 on **Universal Sports TV**. -- **History's** "102 Minutes That Changed America" (Sept 11) features 9/11 footage from 100 individual sources, pieced together and presented commercial free. Ensuing will be "I-Witness To 9/11," a doc spotlighting some of the sources. -- **Lifetime's** 1st-ever slate of original unscripted daytime programming includes series "Mom's Cooking" (Dec), featuring mother/daughter cooking projects, and special week-long events "Lisa Williams" and "Untitled Fat Friends Project." The former spotlights the eponymous clairvoyant, while the latter follows 5 friends attempting to lose weight together. -- **ESPNU HD** bows Thurs with a Vanderbilt-Miami, OH, football game.

Business/Finance: Citigroup downgraded **Cablevision** to "Sell" from "Buy," citing the stock's current premium trading level and a potential threat from **FIOSTV** in parts of NYC. Amid a market sell off Mon, CVC shares closed down 4.8%, at \$30.85. -- **Broadcom** has agreed to acquire for approx \$193mln in cash **AMD's** digital TV assets. Broadcom expects the deal, slated to close in 4Q, to expand its existing tier one customer base and complete its related product line offerings. Approx 530 AMD will be invited to join Broadcom.

CableFAX Daily Stockwatch

Company	08/25 Close	1-Day Ch	Company	08/25 Close	1-Day Ch
BROADCASTERS/DBS/MMDs					
BRITISH SKY:	32.70	(0.51)	AMPHENOL:	47.45	(2.05)
DIRECTV:	27.81	(0.83)	APPLE:	172.55	(4.24)
DISNEY:	31.60	(0.6)	ARRIS GROUP:	9.30	(0.25)
ECHOSTAR:	28.09	(0.83)	AVID TECH:	23.10	(1.71)
GE:	28.32	(0.8)	BIGBAND:	3.55	(0.09)
HEARST-ARGYLE:	19.86	(0.15)	BLNDER TONGUE:	1.30	0.00
ION MEDIA:	1.44	0.00	BROADCOM:	26.17	(1.25)
NEWS CORP:	13.96	(0.21)	C-COR:	11.00	0.00
MSOS					
CABLEVISION:	30.89	(1.51)	CISCO:	24.21	(0.5)
CHARTER:	1.03	(0.02)	COMMSCOPE:	44.98	(0.96)
COMCAST:	20.80	(0.91)	CONCURRENT:	6.86	0.35
COMCAST SPCL:	20.68	(0.92)	CONVERGYS:	14.36	(0.09)
GCI:	9.78	(0.63)	CSG SYSTEMS:	18.82	(0.57)
KNOLOGY:	9.45	(0.25)	ECHOSTAR HOLDING:	31.57	(0.45)
LIBERTY CAPITAL:	15.93	(0.22)	GOOGLE:	483.01	(7.58)
LIBERTY ENTERTAINMENT:	27.30	(0.37)	HARMONIC:	8.60	0.02
LIBERTY GLOBAL:	32.86	(0.64)	JDSU:	10.01	(0.14)
LIBERTY INTERACTIVE:	13.25	(0.15)	LEVEL 3:	2.97	(0.13)
MEDIACOM:	7.63	(0.24)	MICROSOFT:	27.66	(0.18)
SHAW COMM:	20.77	0.15	MOTOROLA:	9.56	(0.43)
TIME WARNER CABLE:	25.84	(0.83)	NDS:	60.75	0.00
VIRGIN MEDIA:	10.85	(0.09)	NORTEL:	5.96	(0.15)
WASH POST:	601.60	(8.41)	OPENTV:	1.77	(0.04)
PROGRAMMING					
CBS:	16.54	(0.25)	PHILIPS:	32.42	(0.75)
CROWN:	4.77	(0.08)	RENTRAK:	14.59	(0.04)
DISCOVERY:	19.40	(0.7)	SEACHANGE:	8.03	(0.18)
EW SCRIPPS:	7.26	0.12	SONY:	38.60	0.22
GRUPO TELEVISA:	23.91	(0.75)	SPRINT NEXTEL:	8.93	(0.31)
LIBERTY:	41.35	(0.73)	THOMAS & BETTS:	45.23	(1.12)
LODGENET:	4.05	(0.39)	TIVO:	7.39	(0.26)
NEW FRONTIER:	3.80	(0.08)	TOLLGRADE:	6.51	(0.17)
OUTDOOR:	7.39	(0.38)	UNIVERSAL ELEC:	25.99	(0.85)
PLAYBOY:	4.37	(0.2)	VONAGE:	1.24	0.01
RHI:	14.40	(0.23)	WEBB SYS:	0.07	0.03
SCRIPPS INTERACTIVE:	41.01	(1.01)	WORLDGATE:	0.30	0.00
TIME WARNER:	15.67	(0.37)	YAHOO:	19.09	(0.44)
VALUEVISION:	2.36	0.10	TELCOS		
VIACOM:	29.08	(0.53)	AT&T:	30.52	(0.65)
WWE:	16.29	(0.52)	QWEST:	3.64	(0.11)
TECHNOLOGY					
3COM:	2.13	(0.07)	VERIZON:	34.46	(0.83)
ADC:	10.42	(0.11)	MARKET INDICES		
ADVANTAGE:	2.76	0.02	DOW:	11386.25	(241.81)
ALCATEL LUCENT:	5.72	(0.13)	NASDAQ:	2365.59	(49.12)
AMDOCS:	29.71	(0.29)			

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