

CableFAX Daily™

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What the Industry Reads First

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Return Serve: Cablevision Says It Has Tennis Deal through NCTC

Don't mess with **Cablevision**. That was the message sent Wed with the surprising announcement that Cablevision, after being picked on by indie net **Tennis Channel**, signed a deal through **NCTC** that it says will allow it to carry the net on a sports tier. It appears that Tennis' pricey media campaign last week (\$500K-\$1mln) targeting CVC's lack of carriage of its **US Open** coverage was the straw that broke the camel's back. A Cablevision rep would only say that the MSO "recently" became an NCTC member, with this marking the 1st deal for CVC through the co-op. "We have a valid affiliation agreement with the Tennis Channel through our membership in NCTC and we expect the Tennis Channel to authorize its signal, which is literally a matter of flipping a switch, so our customers can watch its coverage of the US Open," said a CVC spokesman. The MSO wants to make the net available in SD and HD by Fri, in time for the start of the US Open. Tennis, which has steadfastly refused to allow CVC to carry it on a sports tier for years, released a statement late Wed saying it's "flattered to be so desired by Cablevision that the MSO has, it seems, for the first time in its history, joined a buying co-operative of operators much smaller than itself to pursue a single, independent network" but added "we're uncertain of the highly suspect nature of their recent commitment to a co-op for smaller operators. As such, we are reviewing the specifics of this questionable announcement with our legal team before making further comment." Tennis Channel CEO *Ken Solomon* told *Sports Business Daily* that Cablevision's deal is "riddled with problems." The pub said he cited NCTC rules about a 30-day notification period before gaining access to a program network and prohibitions on any of its members putting out a unilateral press release. NCTC 1st served up the Tennis contract to members in '02. Cablevision isn't the only Top 5 MSO to join NCTC's ranks. Last month, **Cox** programming head *Bob Wilson* and **Charter** programming chief *Greg Rigdon* were elected to the co-op's board (*Cfax*, 7/27). CVC's sports tier retails for \$5.99/month. Last week, Tennis purchased ads in the *NY Times*, *NY Post*, *Westchester Journal* and other print and radio outlets warning fans that they'll miss out on the net's 72 hours of US Open coverage (**ESPN2** will air 94 hours; **CBS** also has coverage, including the finals). Tennis' ads began with "Thanks a lot Cablevision" in large letters and promoted **DirectTV**, **Verizon FiOS** and **DISH Network** as alternate providers who carry the net. "You've dropped the ball by preventing your subscribers from seeing Tennis Channel's round-the-clock coverage of the 2009 US Open," read one ad. In its announcement, Cablevision noted that one operator in its market is carrying Tennis through this NCTC agreement. While it didn't say who, NCTC member Verizon would be the most likely candidate. FiOS offers the channel on its sports package outside of metro NYC and in upstate NJ.

At Our Deadline: **TiVo** has taken its patent fight to the telcos, filing complaints in US District Court against **AT&T** and **Verizon** for infringement of 3 patents covering time shifting and automatic playback technologies. The complaints seek damages for past infringement and a permanent injunction. Meanwhile, the **US Patent and Trademark**

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Office has dismissed TiVo's petition to vacate a re-examination of its patents, according to **DISH** and **EchoStar**. "The PTO's decision clears the way for the re-examination to continue, which we believe will result in a Final Office Action invalidating the software claims of Tivo's patent," DISH and EchoStar said. "These software claims are the very same claims that EchoStar was found to have infringed in the contempt ruling now pending on appeal." In June, a federal court found DISH and EchoStar to be in contempt for having failed to comply with an '08 order, with a judge ruling that their modified DVR software continues to infringe on TiVo's patents. Earlier this month, DISH won a rare victory in the ongoing legal battle when the PTO preliminary rejected TiVo's claims surrounding the DVR patent. TiVo downplayed that finding, saying it didn't get to present its case.

Fantasy Football: NFL Media Sales hosts its 4th annual NFL Fantasy Football League Draft in NYC Thurs night, with 16 media agencies (200 people expected) competing. Besides a fun time, it's great face time with the 4Q scatter market looming large. **NFL Net** completes more than 60% of its revenue in the upfront and another 20-30% in scatter, according to *David Pattillo*, NFL vp, media sales. Plus there's the chance to talk up soon-to-launch **Red Zone** channel. While it won't have 30-sec spots, "we have worked up a lot of ideas about how an advertiser could integrate into the Red Zone, like in between each of the plays, doing lower third swipes, all that kind of stuff," Pattillo said. "But that's really a whole separate discussion. We haven't gotten into too many deep conversations about that yet." Last year's fantasy league winner, **Mediaedge: CIA**, won the right to play NFL Media Sales and former NFLers in a flag football game. The match-up, filmed by **NFL Films** with a highlight reel prepped for Thurs' event, went into overtime with Mediaedge emerging victorious. This year's winner will get the same prize.

Carriage: Gospel Music Channel has launched on **Comcast** Charleston (SC), channel 172.

In the Courts: DISH Network, EchoStar and **NagraStar** won a case against **Freetech**, the maker of a device that can pirate DISH's satellite signal, DISH said. The US District Court for the Northern District of CA ordered a \$97mln consent judgment and a permanent injunction against Freetech. The company agreed to forfeit all liquid assets and inventory to DISH and shut down immediately. There also was a \$9mln judgment against Freetech's officers/owners.

Ratings: With the addition of L7 data (viewing within 7 days of original airdate), the Aug 6 airing of "Burn Notice" becomes **USA's** most-watched original series telecast of all-time with 9.1mln viewers. It marks the 1st time a USA original series has broke the 9mln viewer benchmark. The net also set a record in 25-54s, with 4.4mln viewers in the demo tuning in.

Programming: *Don Imus* will leave **RFD** Sept 1, increasing speculation that **Fox Business** will soon simulcast his radio show. -- **Cinelatino** signed a deal for dozens of titles with **Lionsgate** on the heels of 1st-time deals with **Twentieth Century Fox** and **Universal Studios**. Newly acquired titles include "The Motorcycle Diaries" and "Carlito's Way." -- Tributes are planned for *Ted Kennedy* on myriad channels. **MSNBC** was set to debut "The Kennedy Brothers" Wed night at 11pm, while **CNN** was slated to replay **HBO** doc, "Teddy: In His Own Words" at 7pm. On Thurs, **BIO Channel** airs "BIO Remembers: Ted Kennedy," 9pm ET.

People: Former **Yahoo** exec *C.J. Singh* joined **Synacor** as vp, product and engineering. -- If you still can't wrap your brain around the fact that *Teddy "Ballgame" Hearn* is now a flack and not a hack, this should cement it: The ACA vp, comm has joined the **Assoc of Cable Communicators'** board and attended his 1st meeting Wed. -- Former **Bright House** vp, pub-

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BUSINESS & FINANCE

lic and govt affairs *Jennifer Mooney* has joined **Bob Gold & Assoc** as pres, public affairs. She will open a Midwest div of the company in her hometown of Cincinnati, OH.

Honors: **CTAM** announced a total of 220 Mark Awards finalists, with each slated to win a gold, silver, or, for the 1st time this year, bronze award. The Awards dinner is set for Oct 26 during CTAM Summit in Denver. Check out the finalists here: <http://www.ctam.com/html/markawards/finalists.htm>

Earnings: **Concurrent** blamed a reduction in spending by top customers for a decline in revenue, with 4Q rev dropping 9.6% to \$15.9mln from \$17.6mln. The vendor posted net income of \$245K vs a loss last year of about \$1mln. Concurrent pres/CEO *Dan Mondor* said the company expects the reductions in spending to continue in 1Q. "In fiscal year 2009, we lowered our revenue breakeven point, established more efficient operations and improved cash management," he said. "With more efficient operations, we are better positioned to invest in new products to address new markets consistent with our three-screen strategy."

Business/Finance: **JP Morgan** initiated coverage of **Comcast** and **Time Warner Cable** at "overweight," giving cable the upper hand over telecom in the long term acquisition of triple play subs. The firm placed a \$19 price target on Comcast and a \$45 target on Time Warner Cable.

CableFAX Daily Stockwatch

Company	08/26 Close	1-Day Ch	Company	08/26 Close	1-Day Ch
BROADCASTERS/DBS/MMDS					
BROADCASTERS/DBS/			AMPHENOL:	34.59	0.84
BRITISH SKY:	35.51	(0.44)	APPLE:	167.41	(1.99)
DIRECTV:	24.93	(0.02)	ARRIS GROUP:	13.43	(0.19)
DISH:	16.75	(0.02)	AVID TECH:	13.33	0.03
DISNEY:	27.00	0.13	BIGBAND:	4.00	0.00
GE:	14.11	(0.19)	BLNDER TONGUE:	1.25	0.01
NEWS CORP:	12.93	0.06	BROADCOM:	27.81	0.11
MSOS					
CABLEVISION:	21.50	(0.13)	CISCO:	21.93	(0.07)
COMCAST:	15.14	(0.07)	CLEARWIRE:	7.73	0.13
COMCAST SPCL:	14.48	0.01	COMMSCOPE:	27.60	0.15
GCI:	6.99	(0.02)	CONCURRENT:	4.63	(0.99)
KNOLGY:	8.00	0.03	CONVERGYS:	11.22	0.10
LIBERTY CAPITAL:	18.89	0.06	CSG SYSTEMS:	15.85	0.00
LIBERTY ENT:	27.98	(0.06)	ECHOSTAR:	19.58	(0.19)
LIBERTY GLOBAL:	22.08	(0.06)	GOOGLE:	468.00	(3.37)
LIBERTY INT:	9.92	0.02	HARMONIC:	6.77	0.10
MEDIACOM:	5.45	(0.11)	INTEL:	19.43	0.33
RCN:	9.63	0.28	JDSU:	6.57	0.00
SHAW COMM:	16.79	(0.33)	LEVEL 3:	1.22	(0.02)
TIME WARNER CABLE:	35.97	0.18	MICROSOFT:	24.55	(0.09)
VIRGIN MEDIA:	11.44	(0.02)	MOTOROLA:	7.48	(0.05)
WASH POST:	449.71	(1.27)	OPENTV:	1.34	0.00
PROGRAMMING					
CBS:	10.88	(0.27)	PHILIPS:	22.74	(0.74)
CROWN:	1.95	0.04	RENTRAK:	16.51	0.24
DISCOVERY:	26.84	0.14	SEACHANGE:	9.23	0.09
EW SCRIPPS:	7.48	(0.15)	SONY:	27.03	0.19
GRUPO TELEVISA:	17.78	0.11	SPRINT NEXTEL:	3.79	0.14
HSN:	11.44	0.03	THOMAS & BETTS:	28.25	0.00
INTERACTIVE CORP:	19.02	(0.17)	TIVO:	10.50	(0.05)
LIBERTY:	33.93	(0.19)	TOLLGRADE:	5.53	0.02
LODGENET:	7.18	(0.15)	UNIVERSAL ELEC:	19.71	(0.26)
NEW FRONTIER:	2.20	(0.03)	VONAGE:	2.17	0.58
OUTDOOR:	6.86	(0.27)	YAHOO:	14.93	(0.14)
PLAYBOY:	2.87	0.01	TELCOS		
RHI:	2.64	0.10	AT&T:	26.51	0.21
SCRIPPS INT:	33.51	0.07	QWEST:	3.80	0.00
TIME WARNER:	28.75	0.21	VERIZON:	31.48	0.17
VALUEVISION:	3.23	0.21	MARKET INDICES		
VIACOM:	26.45	0.10	DOW:	9543.52	4.23
WWE:	14.54	0.21	NASDAQ:	2024.43	0.20
TECHNOLOGY					
3COM:	4.36	0.09			
ADC:	9.03	(0.03)			
ADVANTAGE:	1.87	(0.05)			
ALCATEL LUCENT:	3.76	0.26			
AMDOCS:	24.46	(0.05)			

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