

# CableFAX Daily™

Friday — August 29, 2008

What the Industry Reads First

Volume 19 / No. 168

## Proprietary Playbooks: Big Ten Net, NFL Net Using Different Carriage Plays

**Big Ten Net** on Thurs officially added **Mediacom** to its distribution roster that now includes the top 4 MSOs operating in the conference region, a remarkable turnaround from last season when the net's major cable cupboard was bare. Meanwhile, relations between **NFL Net** and most big cable ops continue with enmity, defined largely by minimal net carriage and/or battles over placement. Why the disparity? Several reasons, many of them intertwined. Prominent is the perfect storm for Big Ten that included cable's ramping competition amid a foundering economy, clamorous Midwestern fans and the channel's shrewd football game lineup featuring key contests in **Time Warner**-dominated OH and Mediacom-blanketed IA. "There certainly was a looming threat that top games wouldn't be seen," said sports consultant *Lee Berke* of LHB Sports, Ent & Media, noting that the net's leverage was enhanced greatly by its Jun deal with **Comcast**. Given the current competitive climate, once the big cable dog took a bite, said Berke, the others had little choice but to follow suit. NFL Net, by contrast, fails to enjoy much leverage because it features just 8 exclusive regular season games, or just 1.5% of the overall number scheduled. Plus, all league games are carried on broadcast in the local markets of participating teams, and most are aired widely via **NBC, Fox, CBS** or **ESPN**. The league and NFL Net have tried to squeeze cable through relationships with industry foes, notably **DirecTV's** Sunday Ticket and live online streaming of the net's 8 games for **Verizon** subs. But big cable hasn't really budged, and since the NFL has large-scale alternative distribution methods, it can afford to be patient. "The NFL has an amazing level of flexibility," said Berke. Not so Big Ten, which must answer to conference schools and requires scale in distribution to woo more ad business. In this light, the net made various concessions to spur carriage, including a sub fee discount ranging from 30-50% compared to prior demands (based on various estimates) and a softening of placement parameters. In the end, Big Ten and cable agreed to meet in the proverbial middle, while both NFL Net and much of cable seem to be content with their current polarity.

**FCC Defections:** Here's an unusual twist. One of **FCC** chmn *Kevin Martin's* top lieutenants has switched sides. *Catherine Bohigian* will join **Cablevision** as vp, federal relations come Sept 8. Bohigian is currently chief of the FCC's Office of Strategic Planning and Policy Analysis, but served as Martin's sr adviser and legal adviser from '01 to '05. Bohigian will report to *Lisa Rosenblum*, Cablevision's svp, govt affairs and education. Meanwhile, **FCC** comish *Robert McDowell's* legal adviser *Cristina Pauze* is joining **Time Warner Cable** as vp, federal regulatory affairs. *Rosemary Harold* will leave her post as deputy chief of the **FCC's** Media Bureau to replace her as McDowell's legal adviser for media issues.

**A la Carte:** If *John McCain* (R-AZ) becomes president, don't look for him to drop his a la carte stance. "In his view, cable companies have had far too much authority and monopoly power in many market places," said McCain sr policy adviser *Douglas Holtz-Eakin* in an interview with **C-SPAN's** "The Communicators." "There was no ability to ameliorate that other than directly demanding that they be responsive to some consumers' desires to get specific channels and not be forced




SUNDAY, SEPTEMBER 7  
STARTING 1PM/12c

CELEBRATING THE BEST GAME SHOWS OF THE DECADE.

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to get others. He pursued that, and he will continue as a general matter to look at these issues in that way. You don't want markets that show unusual concentrations of power on any side of the equation." The interview airs Sat at 6:30pm ET.

**DTV Doings:** Wondering how prepared broadcasters are for the end of analog TV? 56% of the 1798 active TV station have reported to the **FCC** that they have fully constructed their post-transition DTV facilities and are ready for the Feb 17 transition, the FCC's Media Bureau reports. Another 41% of stations haven't completed construction but expect to do so before Feb 18. Approx 3% (56 stations) will serve at least 85% of their service population on Feb 17 with final digital operations beginning sometime thereafter (the FCC granted this flexibility to stations needing additional time due to "unique technical challenges"). 1 station doesn't expect to be ready until a few days after Feb 17 and will be dark for a brief time, while 3 stations haven't submitted their reports to the bureau but have unofficially reported they will be ready. -- The latest **NAB** poll reports that 97% of Wilmington, NC, homes report having seen, read or heard that broadcasters will go all-digital. That's up from 89% in May. Wilmington will make the transition Sept 8, 5 months before the rest of the country.

**The TV Universe:** **Nielsen** puts the total HHs within the US for the '08-'09 TV season at 114.5mln, up 1.5% from last year. It also bumped up the number of persons 2+ by 1.3% to nearly 290mln. Asian and Hispanic HHs continue to grow, 4.4% and 4.3%, respectively. African American homes were up 2.2%. **[More details at [www.cablefaxcontentbusiness.com](http://www.cablefaxcontentbusiness.com)].**

**Competition:** **DirectTV** added local HD content in Johnstown-Altoona, PA, bringing its number of local HD markets to 82.

**In the States:** The blogosphere was buzzing Thurs over a **BroadbandReports** story that **Comcast** will implement a 260GB/month cap for HSD users Oct 1. Quoting an anonymous source, the site says the MSO could make the announcement official any day. Sources confirmed earlier this year that Comcast was considering such a plan. 250GB is a hefty amount of bandwidth—with a typical HSD sub using about 2GB/month. -- **The mtn.**'s launch on **DirectTV** began inauspiciously Wed when numerous subs couldn't access the net because of technical difficulties. As late as Thurs morning the RSN's site displayed a message apologizing for the problem, which a Comcast rep said stemmed from difficulty DirectTV had in updating their set tops. The issue was resolved, in time for the net's football season openers.

**Carriage:** **Time Warner Cable**'s Kansas City system has launched **Hallmark Movie Channel** in both SD and HD.

**From the Street:** Cable surely grinned at **Pali Rich Greenfield's** latest blog post, titled "DSL So Bad, It's Now Free for Six Months." The analyst notes how **Verizon** has launched a new promo offering landline voice customers free DSL (any speed) for 6 months with pricing of \$19.99 or \$29.99 thereafter depending on speed. "We suspect the aggressive promotion is being driven by a weak start to Q3 DSL net adds (which could bode well for cable stocks near-term), with a goal of regaining market share in Q4 and into 2009," Greenfield wrote.

**Advertising:** **MLB**, **TBS** and **Fox** rolled out Thurs ads trumpeting baseball's postseason, with **Jeff Foxworthy**, **Frank Caliendo** of TBS' "Frank TV" and **Bill Engvall** of the net's "The Bill Engvall Show" among those featured prominently. The \$65mln campaign will appear on TBS and Fox as the league's largest ever.

**Programming:** **CSN Northwest** has inked with **OSN-IMG** a deal to televise **University of Oregon** sports, including comprehensive live coverage of Oregon football, basketball, track and field and baseball. -- **GoITV's** set to kick off Sept 4 originals "Soccer Cam" and "Football's Hidden Story," series respectively combining U-G video of highlights and outtakes

## Call for Nominations

**CableFAX**  
THE MAGAZINE

2008 Most Powerful Women in Cable

Who are cable's most powerful women executives? Help us decide by nominating the executives you think should be included in our annual list of the Most Powerful Women in Cable. We will rank the top 50 most powerful women, and run a list of the second 50, in the November issue of CableFAX: The Magazine. Nominations are open to all cable operators, programmers, vendors and trade associations.

Deadline for nominations: Sept. 8, 2008 • Nominate online at [www.CableFaxMag.com](http://www.CableFaxMag.com)

# BUSINESS & FINANCE

and featuring global stories if soccer's impact in doc style. -- **Discovery Health's** 4-part series "Body In Numbers" (Sept 3) explores the body's extraordinary abilities and secrets with the numbers that lie behind everything humans do. The avg heart, for example, pumps more than 2K gallon of blood/day.

**Ratings:** Season 4's premiere of **Oxygen's** "The Janice Dickinson Modeling Agency" was the series' most-watched season debut ever among 18-49s (322K). It notched a 0.5 HH rating.

**On the Circuit:** **Time Warner Cable** signed on as presenting sponsor for the Denver **Cable Positive** chapter's annual musical revue fundraiser. This year's event, "My Big Fat Greek Digital Dreading: Cable Executives in Togas" is slated for Oct 15. The group's still hoping to sign up additional sponsors by Sept 1. Contact *Emily Somerset*: 303-323-1391.

**Public Affairs:** Young Latino net **mun2** will donate 1 hour of commercial-free primetime Sept 5, 8pm to **Stand Up for Cancer**, a program committed to raising money for cancer research. Mun2 will join other nets, including **ABC**, **NBC**, and **CBS**, in airing the fundraising event.

**Oops:** **ESPN's** ratings are 50% higher in HD homes than in SD homes.

**Editor's Note:** Your next issue of **CableFAX** will be dated Tues, Sept 2. We wish you a safe and enjoyable Labor Day weekend.

## CableFAX Daily Stockwatch

Company	08/28 Close	1-Day Ch	Company	08/28 Close	1-Day Ch
<b>BROADCASTERS/DBS/MMDS</b>					
BRITISH SKY:	33.75	0.30	AMPHENOL:	48.65	0.63
DIRECTV:	28.46	0.04	APPLE:	173.74	(0.93)
DISNEY:	32.59	0.83	ARRIS GROUP:	9.47	0.19
ECHOSTAR:	28.67	0.08	AVID TECH:	23.93	1.00
GE:	28.83	0.61	BIGBAND:	3.65	0.06
HEARST-ARGYLE:	19.88	0.24	BLNDER TONGUE:	1.15	0.00
ION MEDIA:	1.44	0.00	BROADCOM:	24.91	0.01
NEWS CORP:	14.50	0.37	C-COR:	11.00	0.00
<b>MSOS</b>					
CABLEVISION:	32.59	0.80	CISCO:	24.66	0.29
CHARTER:	1.10	0.01	COMMSCOPE:	50.02	2.52
COMCAST:	21.66	0.38	CONCURRENT:	7.00	(0.01)
COMCAST SPCL:	21.46	0.33	CONVERGYS:	14.85	0.10
GCI:	10.46	0.29	CSG SYSTEMS:	19.25	0.08
KNOLGY:	10.19	0.15	ECHOSTAR HOLDING:	31.80	0.40
LIBERTY CAPITAL:	16.14	0.22	GOOGLE:	473.78	5.20
LIBERTY ENTERTAINMENT:	27.97	(0.1)	HARMONIC:	8.86	(0.07)
LIBERTY GLOBAL:	35.46	0.94	JDSU:	10.39	0.24
LIBERTY INTERACTIVE:	13.86	0.42	LEVEL 3:	3.49	0.20
MEDIACOM:	8.32	0.26	MICROSOFT:	27.94	0.38
SHAW COMM:	21.90	0.80	MOTOROLA:	9.57	(0.03)
TIME WARNER CABLE:	27.19	0.84	NDS:	60.80	0.00
VIRGIN MEDIA:	11.25	0.33	NORTEL:	5.99	0.12
WASH POST:	603.25	3.40	OPENTV:	1.93	0.08
<b>PROGRAMMING</b>					
CBS:	16.74	0.30	PHILIPS:	33.15	0.46
CROWN:	5.00	0.15	RENTRAK:	15.00	0.26
DISCOVERY:	20.30	0.83	SEACHANGE:	8.90	0.53
EW SCRIPPS:	7.41	0.19	SONY:	38.67	0.35
GRUPO TELEVISA:	23.57	(0.22)	SPRINT NEXTEL:	8.90	(0.06)
LIBERTY:	43.73	0.79	THOMAS & BETTS:	46.67	0.91
LODGENET:	3.89	(0.02)	TIVO:	8.31	0.35
NEW FRONTIER:	4.00	0.02	TOLLGRADE:	6.69	(0.16)
OUTDOOR:	8.01	0.02	UNIVERSAL ELEC:	26.96	0.41
PLAYBOY:	4.34	0.09	VONAGE:	1.35	0.00
RHI:	14.39	(0.13)	WEBB SYS:	0.04	(0.03)
SCRIPPS INTERACTIVE:	41.68	0.27	WORLDGATE:	0.30	0.00
TIME WARNER:	16.25	0.37	YAHOO:	19.65	0.28
VALUEVISION:	2.27	(0.03)	<b>TELCOS</b>		
VIACOM:	29.90	1.09	AT&T:	32.23	1.03
WWE:	15.95	(0.38)	QWEST:	3.79	0.09
<b>TECHNOLOGY</b>					
3COM:	2.17	0.04	VERIZON:	35.47	0.76
ADC:	10.24	0.06	<b>MARKET INDICES</b>		
ADVANTAGE:	2.94	0.19	DOW:	11715.18	212.67
ALCATEL LUCENT:	6.43	0.30	NASDAQ:	2411.64	29.18
AMDOCS:	30.03	0.06			



## ANNOUNCING: CABLEFAX CONTENT BUSINESS

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**PROGRAMMER'S PAGE** with Chad Heiges and Seth Arenstein

**Tough Sport, Softer Interior**

As usual, franchises across the NFL and their fans are loaded with optimism as another season commences Thurs—unless, of course, we're talking about the Patriots, a team requiring few positive thoughts, or Miami, which must wait a few years before optimism will help at all. Last season, the NFL's parity was manifested by the surprise Super Bowl-winning NY Giants, a fierce rival of my beloved 'Skins but nonetheless sporting a compelling championship story as told by **NFL Net's** "America's Game: 2007 New York Giants" (Sept 3). The Emmy-winning series returns cloaked in excellence, principally because of producer **NFL Films** and pres *Steve Sabol*. I know what some readers are thinking: sports shows are highlight reels with little depth. Maybe some are, but NFL Films projects can rarely be construed as such; instead, they often feature a cinematic feel augmented by insightful characters and pathos. "To me, football has always been more than an autumn romance," said Sabol this week. Who better to reflect on and contextualize the Giants' '07-'08 season than the colorful *Michael Strahan*, affable and goofy *Eli Manning* (who inadvertently plugs **DirectTV's** Sunday Ticket) and coach *Tom Coughlin*? The trio's commentary humanizes a brutal game featuring faceless men (at least on TV) and underscores NFL Films' trademark bridging of emotion and fact. Later this season comes 5 themed eps spotlighting teams that never realized their Super Bowl aspirations—losers, if you will—including the '88 Bengals and '90 Bills. There's some "Shakespearean art to them all," said Sabol of the eps. "Not everyone in life is a champion... everyone has felt loss." Importantly, this new focus for the series proffers even more depth to be plumbed. "With a loss, there's more you can do with feelings," said Sabol. Millions of sports fans can attest to that sentiment. There are memories of quite a few 'Skins games that still dampen my eyes. *CH*

**Worth a Look:** "Raising The Bar," Mon, 10pm, **TNT**. The question you have to ask *Steven Bochco* is why literally invent TV's cop/law genre—with the legendary "Hill St Blues" and the excellent "NYPD Blue" and "L.A. Law"—to return now with "Raising The Bar"? Raising isn't bad, but it doesn't approach those earlier works. That's not to say TNT won't get numbers. It centers around quixotic public defender (played by *Mark-Paul Gosselaar*) and a tyrannical judge (a perfectly cast *Jane Kaczmarek*). But where Hill St was subtle, Raising is predictable; you've seen it before. You just know the public defender is bed briefing the sexy D.A. (Zack always got the girl in "Saved by the Bell," too). And our judge also enjoys disrobing. The best romance is one that's denied. *Gloria Reuben*, whose head public defender seems to have little to do, won't easily succumb to the paeans of a rich public defender. -- "Stuff Happens," Tues, 9pm ET, **Planet Green**. Yes, it does, so greenish science guy *Bill Nye* goes potty to tell us we flush 140K times in our life and our toothpaste may endanger orangutans. Now that's interesting, er, stuff. -- "The Cooking Loft," Sat, 9:30am, **Food**. Cooking well can't be as simple as chef *Alexandra Guarnaschelli* seems makes it. Can it? *SA*

Basic Cable Rankings (8/18/08-8/24/08) Mon-Sun Prime			
1	USA	2.2	2145
1	DSNY	2.2	2055
3	TNT	1.8	1689
4	ESPN	1.6	1529
5	FOXN	1.4	1323
6	TBSC	1.3	1265
7	NAN	1.2	1123
8	LIFE	1.1	1078
8	TOON	1.1	1070
8	HALL	1.1	903
11	A&E	1	952
11	SCIF	1	949
13	HGTV	0.9	859
13	FAM	0.9	855
13	CNN	0.9	825
16	SPK	0.8	734
16	HIST	0.8	723
16	TRU	0.8	715
16	LMN	0.8	527
20	CMDY	0.7	668
20	FX	0.7	664
20	DISC	0.7	661
20	MTV	0.7	652
20	TVLD	0.7	630
20	BRAV	0.7	594
26	TLC	0.6	612
26	AMC	0.6	581
26	FOOD	0.6	563
26	MSNB	0.6	539
26	BET	0.6	513
31	VH1	0.5	483
31	OXYG	0.5	383
31	NOGG	0.5	349
31	NFLN	0.5	188
35	HLN	0.4	425
35	APL	0.4	397
35	EN	0.4	391
35	SOAP	0.4	290
39	ESP2	0.3	311
39	TWC	0.3	291
39	TTC	0.3	257
39	WGNA	0.3	235
39	NGC	0.3	224
39	GSN	0.3	216
39	WE	0.3	202
39	DHLL	0.3	199

\*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](http://www.cable360.net/cablefaxmag/2008cablefax100.html) to nominate online today!