

CableFAX Daily™

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What the Industry Reads First

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Focal Local: Back to School and Back to Cable

Across many parts of the country, Fri nights will soon be spent sitting in bleachers and cheering for the hometown football team. And for many communities, cable will be there. Localism is one of cable's credos, and through the years it has magnified its efforts to cover schools. That may be best illustrated by **Cablevision**-exclusive net **MSG Varsity's** decision to launch in high-def this week (*Cfax*, 8/20), a little less than a year after its premiere. With the linear net producing 400 full games and creating more than 1200 hours of unique programming last school year, it may seem like Varsity offers more than enough. It has 12K pieces of content if you factor in the digital platform and will launch **MSG Varsity the Magazine** this fall. But gm *Theresa Chillianis* believes it is important to take the next step into HD. "It's how people are accustomed to watching sports, and what we've found is that parents who are involved with high school sports tend to be sports fans in general. So, they're used to seeing it in high-def and we have the ability to offer that to them," she said. While Varsity covers all things related to high school (not just sports), it will ramp up high school football coverage this year with its first live games on Fri nights, complete with live pre-game shows. While the net is exclusive to CVC, Varsity does sometimes share content with other cable ops (primarily **Time Warner Cable NYC/NJ**) when a school's footprint overlaps. Time Warner Cable is no stranger to high school sports, having provided local coverage in markets for years of football and other events. In the Carolinas this year, it will cover 27 football games this season—2 more than last year. Other changes include reaching out to private schools. About 60% of yearly views of Carolina On Demand come from high school sports, said *Melissa Buscher*, dir media relations for TWC Carolinas. "It really positions us as a local company trying to deliver what our customers want and desire," she said. Another high school player is **CBS College Sports**, which bought leading high school sports site **MaxPreps** in '07. It has a deal with **Comcast Houston**, providing 400 short-form pieces for VOD that range from game highlights to athlete features to top recruits. Last school year, more than 10% of the VOD market sampled the assets, which featured about 130 area schools, said *Bob Rose*, evp, distribution for CBS College Sports. Like TWC and Varsity, MaxPreps covers a host of sports—from women's volleyball to cross country and, of course, football. It's talking to other cable systems about deals. With the popularity of the local coverage, is there a way to add local advertising to the mix? TWC Carolina has sponsors for its

the #1 food show on cable!

THE NEXT **food** network STAR

Celebrity Chef **Bobby Flay**
Featuring **Giada De Laurentiis**

scripsnetworks

The Nielsen Co. (12/28/09-08/15/10) Live Data M-Su 6A-6A. Ranked on A/W25-54 Coverage Area Rating among all Food Themed ad-supported cable programs as defined by Food Network.

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game coverage, Buscher said. Rose noted that local ad sales opportunities are available to Comcast Houston, but the inventory hasn't been used at this point. "I think they're going to figure out how to pursue that this year," he said. But operators are getting more than ad dollars out of all their local coverage—it's a differentiator.

Deals: Despite threats of pulling its stations from **DirecTV** this week, **News-Press Gazette** worked out a new deal with the DBS company without a single channel going dark. -- While **Disney's** @IHaveChoices has been busy on Twitter spreading the message that **Time Warner Cable** subs may soon lose **ESPN** and suggesting alternative providers, TWC has stayed pretty quiet. That changed some Fri when the MSO's dir of digital comm *Jeff Simmermon* tweeted a blog post on negotiations. "Disney has already yanked its programming from **Cablevision** and the **DISH Network** this year. If they've done it with those two and they're threatening to do it to us, there's a definite pattern emerging," he wrote. "Switching providers isn't going to get rid of a problem with Disney when Disney is the problem." -- **Hallmark** and **AT&T** still haven't kissed and made up, with Hallmark pres/CEO *Bill Abbott* taking issue with **U-Verse** criticism of the programmer as "unreasonable." "They are a multi-billion dollar organization bullying one of the nation's last surviving independent cable networks by insisting on unreasonable rates that would seriously jeopardize our longevity," said Abbott's statement, which also said his nets represent less than 1% of AT&T's total basic programming fees. Their contract expires Tues.

In the States: **MetroPCS** plans to go live with the country's 1st **LTE** network next month through launches in Las Vegas and Dallas, according to reports. **Verizon** is expected to offer LTE services in 25-30 markets by the end of the year.

Carriage: **Time Warner Cable** agreed to launch authenticated broadband net **Speed2** on Mon as a free national service for its sports tier. The site features SD and HD content, including live races and mag shows such as "Inside Grand Prix." Separately, the MSO's recent HD net expansion in NYC included **Go!TV HD**, which gained initial carriage in May through **DirecTV**. -- **Comcast** added **World Championship Full Contact** events to its VOD slate in the Mountain West region.

By the Numbers: The total number of US TV homes for the '10-'11 broadcast season will hit nearly 116mln, according to **Nielsen**, marking YOY growth of 1mln. The top 10 local markets, led by NY, L.A. and Chicago, remain unchanged from last year, and Austin and Odessa-Midland, TX, tied for the largest increase in TV homes.

In the Courts: *Paul Allen's Interval Licensing* has sued 11 companies in a federal court in Seattle for infringing patents on Web-based tech, including **Google**, **Apple**, **Netflix** and **Ebay**. The suit claims infringement of 4 patents, according to reports, with 1 involving tech that allows Websites to offer consumers suggestions for items akin to what they're currently viewing and another that allows readers of a news story to quickly locate stories related to a particular subject.

Ratings: The top shows of cable's most-watched net, **USA's** "Burn Notice" and "Royal Pains," completed their summer runs Thurs night with season highs in several demos. Burn scored among 18-49s (2.7mln) while Royal set marks among total viewers (6.1mln), 25-54s (2.7mln) and 18-49s (2.4mln). The pair ranked a respective 2nd and 3rd in total viewership on Turner's list of the top 10 returning ad-supported cable originals this summer (through Aug 22), behind only **TNT's** "The Closer" and ahead of **History's** "Pawn Stars," **Discovery Channel's** "Deadliest Catch" and others. The latter pair trailed only **MTV's** "Jersey Shore" among 18-49s, and regarding total viewership of new originals, **TNT's** "Rizzoli & Isles" outpaced **USA's** "Covert Affairs" and **TNT's** "Memphis Beat."

Programming: **Sportsman Channel** snagged 2 shows from **ESPN2**, with HD-produced "Whitetail Country" and "Territories Wild" to move to the net in July '11. Both feature trapper and TV host *Tom Miranda*. -- **Versus'** forthcoming **NHL** coverage features 78 regular-season games and more pre-game shows. The action begins Oct 7 with a triple-header.

Honors: **Time Warner Cable** and **TWC L.A.** each earned 4 first place wins in **NAMIC's** Excellence in Multi-cultural Marketing Awards to lead the Cable Companies div. **Cox** picked up top honors in 2 categories, while **Cablevision** and **Comcast** earned 1 apiece. **Turner** led the Nets/Industry Suppliers div with 3 wins, **IFC** notched 2 and earning 1 each were **BETN**, **MTVN**, **Eclipse Marketing**, **International Media Distribution**, **mun2** and **TuTv**. Presentations will occur during the **NAMIC Conference** (Sept 14-15 in NYC), and our own *Seth Arenstein* will moderate a panel discussion featuring **EMMA** judges.

Business/Finance: Investor *Carl Icahn* picked up 11.5mln shares of **Motorola** this week, upping his stake to approx 10.4%. -- **Cisco** agreed to acquire **ExtendMedia** for an undisclosed amount. Extend provides software that manages video content for pay media and ad-supported Websites.

CableFAX Week in Review

Company	Ticker	8/27 Close	1-Week % Chg	YTD %Chg
BROADCASTERS/DBS/MMDS				
DIRECTV:	DTV	38.17	0.32%	14.45%
DISH:	DISH	17.95	0.39%	(13.58%)
DISNEY:	DIS	32.78	0.82%	1.64%
GE:	GE	14.71	2.13%	(2.78%)
NEWS CORP:	NWS	13.98	1.41%	(12.19%)
MSOS				
CABLEVISION:	CVC	25.36	0.12%	(1.78%)
COMCAST:	CMCSA	17.25	3.14%	2.31%
COMCAST SPCL:	CMCSK	16.24	2.99%	1.44%
GCI:	GNCMA	9.01	10.69%	41.22%
KNOLOGY:	KNOL	12.16	2.72%	11.36%
LIBERTY CAPITAL:	LCAPA	45.44	0.15%	90.28%
LIBERTY GLOBAL:	LBTYA	27.64	2.64%	26.27%
LIBERTY INT:	LINTA	10.77	2.57%	(0.65%)
MEDIACOM:	MCCC	7.20	6.51%	61.07%
SHAW COMM:	SJR	20.61	1.28%	0.19%
TIME WARNER CABLE:	TWC	51.67	3.94%	24.84%
VIRGIN MEDIA:	VMED	20.23	1.32%	20.20%
WASH POST:	WPO	384.82	10.68%	(12.46%)

Company	Ticker	8/27 Close	1-Week % Chg	YTD %Chg
PROGRAMMING				
CBS:	CBS	13.92	2.28%	(0.93%)
CROWN:	CRWN	2.06	1.44%	42.07%
DISCOVERY:	DISCA	37.99	0.45%	23.87%
GRUPO TELEVISIA:	TV	19.01	1.45%	(8.43%)
HSN:	HSNI	27.61	1.43%	36.75%
INTERACTIVE CORP:	IACI	24.72	4.08%	20.70%
LIBERTY:	L	35.96	(0.91%)	(1.07%)
LIBERTY STARZ:	LSTZA	59.98	1.25%	29.97%
LIONSGATE:	LGF	6.67	4.06%	14.80%
LODGENET:	LNET	2.45	2.39%	(55.7%)
NEW FRONTIER:	NOOF	1.75	19.05%	(7.41%)
OUTDOOR:	OUTD	5.17	1.71%	(10.86%)
PLAYBOY:	PLA	5.18	5.50%	61.88%
SCRIPPS INT:	SNL	40.76	1.38%	(1.78%)
TIME WARNER:	TWX	30.32	0.03%	4.05%
VALUEVISION:	VVTV	1.94	10.6%	(59.58%)
VIACOM:	VIA	36.13	0.47%	14.70%
WWE:	WWE	14.20	1.07%	(7.37%)

Company	Ticker	8/27 Close	1-Week % Chg	YTD %Chg
TECHNOLOGY				
ADC:	ADCT	12.72	0.83%	104.91%
ADVANTAGE:	AEY	2.81	(11.36%)	42.64%
ALCATEL LUCENT:	ALU	2.63	0.38%	(20.78%)
AMDOCS:	DOX	26.33	1.09%	(7.71%)
AMPHENOL:	APH	41.93	0.65%	(9.2%)
AOL:	AOL	22.76	0.89%	(2.23%)
APPLE:	AAPL	241.62	3.21%	14.66%
ARRIS GROUP:	ARRS	8.46	1.23%	(25.94%)
AVID TECH:	AVID	11.58	1.03%	(9.25%)
BIGBAND:	BBND	2.70	2.88%	(21.51%)
BLNDER TONGUE:	BDR	1.93	0.00%	69.30%
BROADCOM:	BRCM	33.01	0.12%	4.89%
CISCO:	CSCO	20.81	6.39%	(13.07%)
CLEARWIRE:	CLWR	6.64	1.84%	(1.78%)
COMMSCOPE:	CTV	19.27	2.63%	(27.37%)

Company	Ticker	8/27 Close	1-Week % Chg	YTD %Chg
CONCURRENT:	CCUR	5.00	(3.85%)	26.26%
CONVERGYS:	CVG	10.29	1.58%	(4.28%)
CSG SYSTEMS:	CSGS	17.72	0.06%	(7.18%)
ECHOSTAR:	SATS	19.15	0.16%	(4.92%)
GOOGLE:	GOOG	458.83	0.69%	(25.99%)
HARMONIC:	HLIT	6.03	1.31%	(4.59%)
INTEL:	INTC	18.37	2.86%	(9.95%)
JDSU:	JDSU	9.97	4.32%	20.85%
LEVEL 3:	LVLTL	1.03	2.83%	(32.68%)
MICROSOFT:	MSFT	23.93	1.24%	(21.49%)
MOTOROLA:	MOT	7.68	2.67%	(1.03%)
RENTRAK:	RENT	22.68	0.49%	28.35%
SEACHANGE:	SEAC	8.45	4.45%	28.81%
SONY:	SNE	28.88	2.13%	(0.41%)
SPRINT NEXTEL:	S	4.00	4.52%	9.30%
THOMAS & BETTS:	TNB	37.36	0.19%	4.39%
TIVO:	TIVO	7.98	4.2%	(21.61%)
UNIVERSAL ELEC:	UEIC	18.00	0.22%	(22.48%)
VONAGE:	VG	2.03	0.98%	45.00%
YAHOO:	YHOO	13.43	2.61%	(19.96%)

Company	Ticker	8/27 Close	1-Week % Chg	YTD %Chg
TELCOS				
AT&T:	T	26.94	1.85%	(3.89%)
QWEST:	Q	5.64	0.18%	33.97%
VERIZON:	VZ	29.84	1.60%	(9.93%)

Index	Value	% Chg	YTD %Chg	
MARKET INDICES				
DOW:	DJI	10150.65	0.62%	(2.66%)
NASDAQ:	IXIC	2153.63	1.2%	(5.09%)

WINNERS & LOSERS

THIS WEEK'S STOCK PRICE WINNERS

COMPANY	CLOSE	1-WK CH
1. NEW FRONTIER:	1.75	19.05%
2. GCI:	9.01	10.69%
3. WASH POST:	384.82	10.68%
4. MEDIACOM:	7.20	6.51%
5. PLAYBOY:	5.18	5.50%

THIS WEEK'S STOCK PRICE LOSERS

COMPANY	CLOSE	1-WK CH
1. RCN:	0.00	(100%)
2. ADVANTAGE:	2.81	(11.36%)
3. VALUEVISION:	1.94	(10.6%)
4. CISCO:	20.81	(6.39%)
5. SPRINT NEXTEL:	4.00	(4.52%)

Breakfast Honoring the CableFAX 2010 Most Influential Minorities in Cable

There is no better way to kick off the 24th Annual NAMIC Conference "3D: Diversity, Digital, Demographics."

Tuesday, September 14, 2010 • Hilton New York • 7:00 – 8:30 am

Seating is limited! To purchase tables of 10 (\$850), or individual tickets (\$100), please contact NAMIC at 212-594-5985 or visit namic.com. (Attendance at this breakfast requires a separate ticket and is not included in the NAMIC Conference registration fee) -- **RSVP by September 3rd.**

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